OUR APPROACH TO SUSTAINABILITY

Our sustainability strategy focuses on six pillars of activity.

This year we have delivered more for three sides of the marketplace – consumers, riders and merchants, as well as driving progress on our sustainability goals to support our Company, the wider environment, and the communities we operate in. This review details our progress over the course of 2024, including two case studies showcasing how we have delivered against two of our key pillars, and sets out our priorities for the year ahead. In line with our reporting obligations, we also report on our emissions reductions, which can be read in detail in the SECR section of this report.

Our six sustainability pillars

Marketplace	Company, environment and communities
Riding and thriving	Reaching net zero and reducing waste
Enabling healthier eating	Tackling food insecurity in our communities
Supporting merchants to grow and be more sustainable	Building a diverse and inclusive company and marketplace

YEAR IN REVIEW

Riding and thriving

We want to give riders the flexible work they value alongside the security they deserve, as well as attractive earning and learning opportunities.

Highlights of progress on our 2024 priorities

- Completed the first collective bargaining negotiation on rider pay in the sector with GMB Union in the UK.
- Awarded £40k to the winners of Deliveroo's Big Pitch to support them launch their businesses.
- Delivered rider safety and inclusivity training in Singapore, the UAE and Qatar – supporting riders on how to work with people with disabilities.
- Launched the Rider Respect Charter in Ireland and the UAE, following success in the UK scheme, which launched in 2023.
- Implemented new processes to support riders in France who may be the victims of discrimination.
- Expanded our global rider training offer, providing over 1,500 English-language courses via Lynx Educate. Cantonese and Arabic courses were rolled out to riders in Hong Kong and Kuwait, respectively.
- Renovated a community playground with a cricket pitch and basketball court for riders and the wider community in Dubai.

Priorities for 2025

- Relaunch Italian Rider Scholarship Programme.
- Continue to advocate for the flexible work that riders want.
- Launch virtual GP appointments for riders in the UK.
- Build on our union agreements in the UK, France and Italy, demonstrating the value of working with unions.
- Continue prioritising rider wellbeing initiatives and working closely with partners and government entities to support our efforts.

Metrics we measure

- Rider satisfaction.
- Absolute number of riders participating in training by market (initiatives varying across market).
- Take-up of rider training offers.
- Rider retention.

SDG Sub Indicators*

5 GENDER EQUALITY
10 REDUCED INEQUALITIES

5.1, 5.5. 10.1, 10.4

Enabling healthier eating

We want to give our consumers the best selection, availability and value in healthier choices, as well as the tools to help them make informed choices on what to order.

Highlights of progress on our 2024 priorities

- Scoped product changes to support our compliance with less healthy food advertising restrictions in the UK from October 2025.
- Developed macronutrient functionality for grocery partners, allowing them to show a broader range of nutritional information to consumers.

Priorities for 2025

- Expand macronutrient feature across restaurant partners.
- Trial changes to menu design in the UK with Nesta, the UK's innovation agency for social good.

Metrics we measure

- Number of healthy searches by consumers.
- Number of restaurants in healthy tab.

SDG Sub Indicators*

2 ZERO HUNGER

2.1

* Sustainable Development Goals sub-indicator

Sustainability review continued

YEAR IN REVIEW

Supporting merchants to grow and be more sustainable

We want to provide our merchants with new opportunities to grow revenues, increase brand value and maximise profit potential from online delivery, whilst supporting and enabling more sustainable behaviour.

Highlights of progress on our 2024 priorities

- Established Restaurant Awards in the UAE, UK, Ireland and France to recognise the best performing restaurants.
- Established the Packaging Innovation Award in association with Sheffield Hallam University.
- Continued to subsidise more sustainable packaging for partners across the UK, mainland Europe and Hong Kong.
- Launched a report with 'Be the Business' demonstrating how Deliveroo supports small businesses to digitise and leverage the data insights provided by Deliveroo.
- Hosted c.350 of our top restaurant and grocery partners from our European markets to participate in an industry insights day in London.
- Launched Retail in Hong Kong, Singapore, and Kuwait.

Priorities for 2025

- List the winning design of the Packaging Innovation Award for sale on the Deliveroo packaging webstore.
- Build on the success of 2024's packaging challenge and run the Innovation Award with Sheffield Hallam University for a second year.
- Explore how we can best support restaurants to make maximum use of our technology and data insights offering.
- Advocate for policies that support our merchant partners to grow with governments in our markets.

Metrics we measure

- Sales growth via our platform.
- Number of restaurants enrolled in our sustainability training.
- Volume of oil recycled by Olleco.

SDG Sub Indicators*

8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 10 REDUCED INEQUALITIES; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

8.2, 8.5, 9, 10.2, 10.3, 10.4, 12.2, 12.3, 12.5, 12.8

Reaching net zero and reducing waste

We want to reduce our own emissions and the amount of waste we produce.

Highlights of progress on our 2024 priorities

- Refreshed our Scopes 1 and 2 interim reduction targets as part of our Executive remuneration through the PSP.
- Invested in decarbonising our Editions kitchens in our most energy intensive markets through fan speed modulation, fridge temperature control and voltage optimisation.
- Continued our e-bike partnerships to support rider transitions to green vehicles in France, Italy and the UAE.
- Expanded rider kit recycling bins from the UK into France, and continued partnerships in the UAE to sustainably dispose of used kit.
- Ran an awareness campaign in Italy to help restaurants and consumers to correctly differentiate food packaging and support restaurants in choosing recyclable packaging.

Priorities for 2025

- Continue to invest in emissions reduction programmes.
- Procure renewable energy in the UAE and Hong Kong.
- Continue partnership with Food Bank, in the UAE, to continue utilising surplus food from our sites.

Metrics we measure

- Greenhouse Gas reduction.
- Volume of kit recycled in trials.
- Food waste from Hop sites.

SDG Sub Indicators*

12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION

12.3, 12.6, 13.2

* Sustainable Development Goals sub-indicator

YEAR IN REVIEW

Tackling food insecurity in our communities

We want to reduce food insecurity in our communities by establishing the right partnerships and taking direct action where we can.

Highlights of progress on our 2024 priorities

Donated over 3.5 million meals through partnerships in all of our markets. This involved:

- Consumer donations to our charity partners via the in-app roundup feature.
- Distribution of surplus food from Hop stores to charity partners in the UK, UAE and Hong Kong.
- Distribution of essential food boxes in collaboration with our restaurant charity partners 'Food Box', Kuwait Red Crescent, and International Islamic Charity Org, to families and workers in need during Ramadan, and as part of International Charity Day.
- Distribution of lamb boxes to families in need in collaboration with the Social Work Society in Kuwait during Ramadan.

Exceeded employee volunteering target, supporting charity partners through employee volunteering across markets. As well as volunteers going to food banks, we hosted a skilled volunteering event in London where specialist tech and strategy teams helped solve real-world problems for three charity partners.

Priorities for 2025

- Launch our first Community Kitchen, using spare capacity in one of our Editions kitchens.
- Continue to drive donations of millions of meals globally to people facing food insecurity.
- Deepen relationships with our food security charity partners in all our markets.
- Offer all employees the chance to support efforts to tackle food insecurity by giving everyone a paid day annually to volunteer with a charity.
- Scope out running skilled volunteering opportunities for employees in our global markets.

Metrics we measure

- Total consumer donations.
- Percentage of consumers making a donation.
- Total staff volunteering days.

SDG Sub Indicators*

2 ZERO HUNGER

2.1

Building a diverse and inclusive company and marketplace

We want to have a gender balanced and more diverse workforce that reflects our customers, and improves equity and inclusion across our Company and marketplace.

Highlights of progress on our 2024 priorities

- Launched Open Kitchen – an opportunity for aspiring LGBTQIA+ chefs to be mentored by leading talent from the community.
- Established a Parents & Carers Employee Resource Group, and launched a "Returning After Parental Leave" workshop series to support and coach employees taking or returning from parental leave.
- Launched Wo[Mentors], a programme for women who are interested in mentoring support as part of their career journey.
- Provided women employees in the UK with technology leadership apprenticeships in partnership with Corndel College and Imperial College London.
- Recognised in the Women in Work's 'Gender Equity Measure' for our efforts in building a great place for women to work and grow, and our Gender Equity ERG won the Engage Awards for 'Best Use of Employee Voice'.

Priorities for 2025

- Continue to diversify our recruiting pipelines with a focus on gender representation, through talent brand marketing and partnerships.
- Introduce workforce real-time, self-serve diversity data tools for managers to support decision-making.
- Expand apprenticeship opportunities, focusing on under-represented groups to build diverse future talent pipelines.

Metrics we measure

- Mid to senior female representation.

SDG Sub Indicators*

5 GENDER EQUALITY 10 REDUCED INEQUALITIES

5.1, 5.5, 10

Sustainability review continued

CASE STUDY

Sheffield Hallam

As part of our commitment to helping merchants grow and be more sustainable, we recognise the need for food packaging that performs effectively whilst also being sustainable. To meet this need we run a packaging webstore for our partners with environmentally sustainable packaging options produced by packaging manufacturer BioPak. We have also subsidised partners on their first purchase of sustainable packaging.

But all too often high-quality packaging that is more environmentally sustainable costs more than less-sustainable alternatives. To go further and explore how we could drive sustainable innovation to help the market drive the right outcome in the longer-term, in 2024 we worked with Sheffield Hallam University, challenging students on their Professional Packaging BSc to design an innovative piece of sustainable packaging for food delivery that prevented spillages, maintained food temperature and that was cost-effective.

The winning design, produced by William Shaw, aged 23, and Josephine Cooper, aged 21, made small but powerful tweaks to the iconic takeaway box, making it stronger, more leak-proof, and with an innovative new closing system minimising the amount of material needed to keep everything inside. The design is now being produced in collaboration with BioPak and will be available for all our partners to buy through our sustainable packaging webstore in 2025.

More than just developing new packaging, this partnership has demonstrated the value of how businesses can best work with universities to bring new, and more sustainable, ideas to market. In the UK, it is a well-recognised policy challenge that, despite having numerous world-leading universities conducting exceptional research, these institutions often struggle to commercialise their innovations and turn research into commercial success. We hope examples such as this, with large businesses supporting the commercial development of cutting-edge research, can form part of the policy solution to this problem. Next year, we hope to build on the successful partnership with Sheffield Hallam University with a new packaging challenge for students.

CASE STUDY

Skilled volunteering

At Deliveroo, we're committed to helping to reduce food insecurity in the communities that we operate in.

Deliveroo employees are each annually given a paid charity volunteering day to use to support a charity of their choice. In 2024, more than 700 staff globally gave their time to help charitable causes. This represents a 53% increase year-on-year in employee volunteering, significantly exceeding our target of 30%.

This year, we hosted our first skilled volunteering event at our London head office, collaborating with an organisation called Pilotlight to support three food insecurity charities: The Trussell Trust, The Felix Project and Feed London. Through cross-functional teams of different seniority, staff addressed diverse challenges such as structuring a data management system and attracting corporate partners. Drawing on expertise from across the Company, the teams developed actionable solutions within a single day to help the charities successfully tackle these key issues.

In 2025, we'll continue to build on our volunteering efforts, empowering staff to give their time to charitable causes and with plans to repeat our skilled volunteering initiative.

Sustainability review continued

SECR disclosure

In line with UK Government's Streamlined Energy and Carbon Reporting ('SECR') legislation, we have calculated total operational energy and associated greenhouse gas ('GHG') emissions across the Deliveroo plc global portfolio for the year ended 31 December 2024. Our reporting scope includes energy associated with activities undertaken by the Group only. Energy and associated emissions reported include electricity and natural gas utilised at operational sites (Scopes 1 and 2) and relevant business travel (that falls in Scope 3). This includes our Editions kitchens, Hop sites and office estate. No other emission sources were identified as applicable for the Group's operations.

In 2024, 54% of our total SECR-relevant energy consumption (from all scopes) was UK based. We consume significant amounts of energy in the UK because, as a UK-headquartered company, we have more staff and therefore larger offices in the UK, as well as having a large share of our Editions kitchens based in the UK.

Our total global SECR-relevant emissions were calculated at 10,421 tCO_2e. This compares to 2023 emissions of 12,746 tCO_2e. Our overall emissions in FY2024 have therefore fallen by 18.2% compared to FY2023 and 20.5% compared to 2022 (on a location basis). The reduction between FY2023 and FY2024 has been driven by our capital investment programme, greening of energy grids and site closures.

Data collected by the Group was analysed by our external consultants, SLR, based on 95% verifiable data and 5% estimated data. Data was collected from statements and invoices provided by utilities companies and landlords; for some locations meter readings were taken and verified by external providers. Amounts have had to be estimated for some locations where a service charge is paid rather than metered invoices, where co-working spaces are used, or where it was not possible to collect metered data.

Consistent with last year, estimated data was based on CIBSE Guide F (2012) benchmarks against the total occupied floorspace for each site, or estimated using pro rata data collection methods. The Group will continue to engage with suppliers and landlords to obtain increased data for future SECR reporting.

The table on page 56 sets out data for the year ended 31 December 2024 in line with the SECR framework, including our total global and UK operational energy and carbon emissions required under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Methodology

- Our emissions have been calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emissions factors have been taken from International Energy Agency and DEFRA databases (consistent with FY2023).
- The boundaries of our GHG inventory were defined using the operational control approach, which covered all emissions for which we were responsible during the period.
- Reporting scope includes energy associated with activities undertaken by global entities directly owned by Deliveroo plc only.
- Energy and associated emissions reported include electricity and natural gas utilised at operational sites and relevant business travel (e.g. use of hire cars or employee-owned vehicles for business mileage).
- Where data was partially collected, pro rata calculation methods were used. Where these were cost only, average country electricity cost/kWh to back calculate kWh was used.
- 5% of our dataset is based on estimated data. Estimates are calculated from previous consumption and published CIBSE Guide F (2012) benchmarks (as this was used to inform previous consumption estimates).

Sustainability review continued

Streamlined Energy and Carbon Reporting ('SECR')

	As at 31 December 2024		As at 31 December 2023	
	Global	**UK and offshore area**	Global	UK and offshore area
Scope 1 – tCO_2e emissions	**4,231**	**2,634**	5,079	3,094
Scope 2 – tCO_2e emissions (location)	**6,190**	**1,775**	7,649	2,057
Scope 2 – tCO_2e emissions (market)	**5,539**	**626**	6,220	628
Total Scope 1 and 2 (location)	**10,421**	**4,409**	12,746	5,162
Total Scope 1 and 2 (market)	**9,770**	**3,260**	11,317	3,733
Scope 1 – KWh consumption	**23,133**	**14,401**	27,764	16,916
Scope 2 – KWh consumption	**19,340**	**8,572**	23,393	10,288
Total KWh consumption	**42,473**	**22,973**	51,230	27,250
Intensity ratio (location basis) – tCO_2e/100,000 orders	**3.52**	**2.83**	4.39	3.30
Intensity ratio (location basis) – tCO_2e/£m revenue	**5.03**	**3.66**	6.28	4.28

Location-based: Considers the average emissions of the power grid that supplies electricity to a company.
Market-based: Considers the emissions of the electricity that a company purchases.

Energy efficiency measures in 2024

During the year, we have completed installation of fan speed modulation systems, rolled out fridge temperature control systems and started work to roll out voltage optimisation (this activity had been scoped in FY2023, where our priority had been to identify the most cost effective energy efficiency measures for implementation in FY2024). Together we estimate that (assuming a flat year-on-year usage), this will save the business 440 tCO_2e.

In 2025, we plan to procure renewable energy in the UAE. We also have the following executive PSP targets in place (on a market basis):

- Against a 2022 baseline, we set a target of a 15%-25% reduction in our market-based Scope 1 and 2 emissions (2025 target date).
- Against a 2022 baseline, we set a target of a 20%-30% reduction in our market-based Scope 1 and 2 emissions (2026 target date).

Task Force on Climate-related Financial Disclosures statement

We recognise the challenges and opportunities that climate change presents to Deliveroo, and our marketplace more broadly. We are actively working to mitigate our impact on the climate and adapt to any physical effects or regulatory changes through capital investment across our estate and working through our supply.

The following disclosure is aligned with all the TCFD Recommendations and Recommended Disclosures ('TCFD'). This is the third year the Company is reporting on TCFD and the risks and opportunities identified in our FY2024 scenario analyses remain in place. In line with guidance, since there have been no material changes in how or where the business operates, our scenario analysis remains consistent this year.

Compliance statement

Deliveroo has completed its TCFD disclosure in line with the UK Listing Rules (LR 6.6.6R). Our statement (and the information available at the locations within the statement) complies with all 11 recommended disclosures. We are also compliant with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 which amends sections 414C, 414CA and 414CB of the Companies Act 2006.

TCFD Compliance Index Table

TCFD recommended disclosure	Reporting and compliance
Governance a. Describe the Board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	→ Page 58
Strategy a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	→ Page 59
Risk Management a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	→ Page 64
Metrics and Targets a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	→ Page 64

Task Force on Climate-related Financial Disclosures statement continued

Governance

Deliveroo operates as a marketplace connecting consumers with merchant partners and those partners with riders (the business model is set out on see page 16), meaning that climate-related risks and opportunities impact the three-sided marketplace differently to our core operations.

Governance actions during 2024

During the year, the Board received two updates on the company's ESG strategy which covered climate-related priorities, proposed actions for 2024 and progress against these. The Board also considered the requirements of the EU's Corporate Sustainability Reporting Directive ('CSRD') (implementation of which is now expected to be delayed) and agreed our implementation approach should part of our Group be in scope of the Directive.

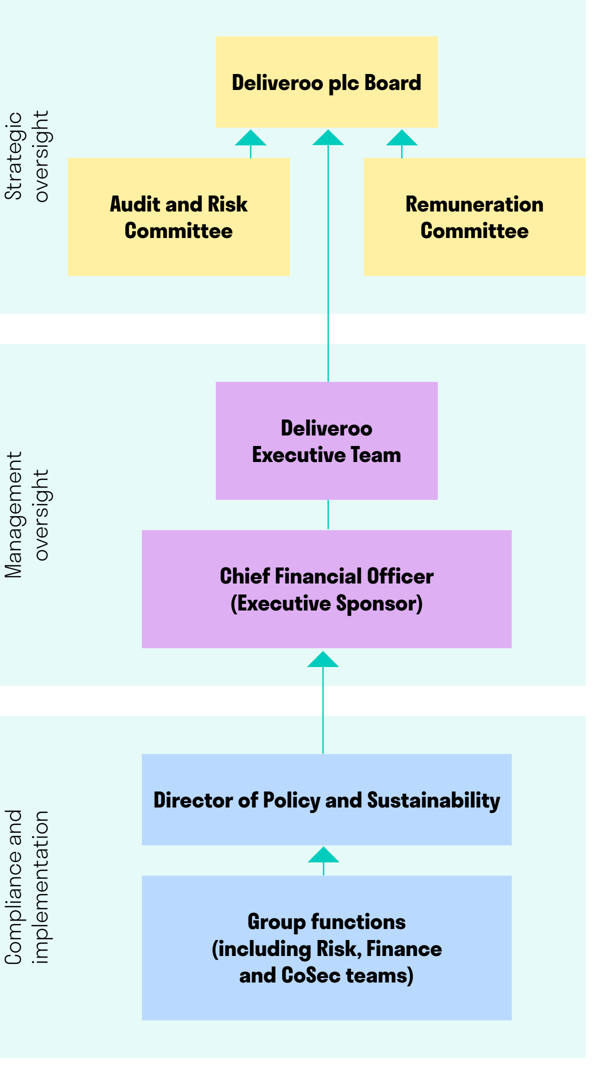
The Audit and Risk Committee reviews the effectiveness of the Group's internal control framework and risk management arrangements. While climate is not a principal risk for the Group, during the year, the Committee monitored management's progress in considering its climate-related strategy and goals, including the methodology and data collection for non-GHG reporting. The Committee also considered compliance against CFD requirements.

The Remuneration Committee establishes and reviews the remuneration framework for our Directors and the Executive Team and determines pay outcomes against performance metrics. The Remuneration Committee has set a market-based Scope 1 and 2 emissions reduction target for the PSP, awarded to the Executive Team (for more information on the PSP targets, refer to page 111). This PSP metric has been continued in 2025. The Committee received updates on progress against that target, and the strategy to meet it (the three phases of Scope 1 and 2 emissions reduction are detailed on page 59).

Ongoing management oversight is led by the CFO, who has responsibility for carrying out the overall ESG strategy within the Company, including coordinating climate-related activities across the Group, and ensuring that climate-related risks and opportunities form part of the risk management framework. This includes establishing the priority areas of focus for investment and programmes. These programmes are reviewed in quarterly sessions with the CFO. Budgets are allocated on the basis of the relative emissions intensity of our markets and our specific operations. For example, this means we focused on emissions reduction in Editions kitchens over FY2024. Next year we will focus on gas usage reduction (further detail on our plans can be found in the climate transition plan section on page 59). The CFO also monitors progress against our overall net zero targets and the effectiveness of programme delivery during quarterly sustainability business reviews.

The CFO is supported by both the VP Finance and the Director of Policy and Sustainability who are responsible for the delivery of our sustainability programmes. The Director of Policy and Sustainability leads internal engagement with key business stakeholders who are delivering programmes such as the launch of e-bike trials, supported by the operations teams and agrees the metrics for success of those programmes. The Director of Policy and Sustainability also leads internal climate-related communications. Finally, the Director of Policy and Sustainability leads external engagement on climate-related risk, for example attending external roundtables with businesses in different sectors, to understand emerging best practice in this area and approaches to regulatory compliance.

Management's role in assessing climate-related risks and opportunities is described in the risk management section on page 69. Climate-related risk management is currently a top-down group process with risks identified centrally.



Task Force on Climate-related Financial Disclosures statement continued

Strategy

Our Sustainability review on page 50 details our commitment to achieving net zero across our Scope 1 and 2 emissions by 2035 and across our Scope 3 emissions by 2050, which includes all three sides of the marketplace, as well as other broader stakeholders.

As there has been no material change in the business that would require a refresh of our scenario analysis, and in line with TCFD guidance, we have not refreshed it for 2024 having conducted assessments in each of the previous two years. The methodology used for the analysis included identifying relevant climate-related risks and opportunities, assessing the resilience of the Company's strategy under three possible future climate scenarios, and analysing the impact of three potential warming scenarios (>2°C, 2°C, <2°C) on each side of the marketplace and our core operations.

The scenarios that we have considered include changes in the physical, policy, and technology environments and were informed by data from the following scenarios: RCP2.6 (<2°C), RCP 4.5 (2°C) and the "Network of Central Banks and Supervisors for Greening the Financial System" ('NFGS') current policies scenario (broadly equivalent to RCP6.0) (>2°C). These scenarios were chosen because they cover all required warming scenarios and we have data available for our global markets. The NFGS current policies scenario provides data based on current government policies, so provides a useful starting point for comparison to the lower warming scenarios. The scenarios also consider global risks across all of our markets although, where relevant, we have highlighted specific market risks. To develop the scenario analysis, the sustainability team held a climate horizon scanning workshop with internal stakeholders across the Group to identify other relevant climate-related risks and opportunities which have the greatest potential to impact Deliveroo. In line with the TCFD strategy recommendation, we considered the cross-sectoral risks that the TCFD implementation guidance lists in Table A.1.1 and A.1.2 and identified three transition risks and one physical risk as the most relevant to our operations. Financial ranges of the potential impacts are disclosed. At this stage we do not deem any climate risks to be material to our core operations (i.e. they do not meet the threshold for financial materiality set out on page 60). Over time, climate risk may become more significant for different sides of the marketplace or to our core operations.

In the scenario analysis, we define short term as <5 years, medium term as 5-15 years and longer term as >15 years. These timelines were chosen on the basis of achievement of our climate targets, our short-term targets are within the horizon for our PSP Scope 1 and 2 interim reduction targets; our Scope 1 and 2 net zero target is within the medium term horizon (10 years away); and our Scope 3 net zero target is longer term. Where relevant we have provided ranges for the potential financial implication of certain climate-related risks and opportunities (this was based on areas where we either have internal data or can make sensible calculations). Against each risk, we have also described the resilience of our business model and strategy, we are content that overall the business is resilient to the currently-identified risks. This year, as detailed in the section on electrification, revisiting the scenarios and the opportunity presented by an increasingly electrified fleet has helped us identify which actions can best support riders to transition.

Climate transition plan

We detailed our transition plan for a low carbon economy in last year's sustainability review. We see three phases of activity for reaching our Scope 1 and 2 net zero targets and have set out initial steps for Scope 3 reduction. These actions are our priority mitigation activities. The scenario analysis below presents some of the key adaptation steps we are taking.

Scope 1 and 2 Reduction

- **Reduction in absolute emissions:** To support our emissions reduction work in Editions kitchens, we have completed two audits of our estate and identified several measures that are most impactful for reducing our emissions. In FY2024 we invested to improve the efficiency of our extractor fans, reduced the refrigeration power needed to keep food at the correct temperature and optimised the voltage flowing into our Editions kitchens. As detailed on page 55 our actual reduction year-on-year is 18.2% on a location basis although this may also be due to site closures, greening of grids and behaviour change as well as these capital investments. Priority actions in FY2025 will focus on: gas reduction, better insulation, conversion of kitchen equipment to electric and scoping the utility of heat pumps.
- **Procurement of renewable energy:** We already procure renewable electricity in the UK for our Editions and Hop sites. In 2025, we will procure renewable energy across remaining markets (where available).
- **Consideration of carbon removals and/or credits:** If any residual emissions remain, we will consider active carbon removals before considering offsetting and/or credits. We anticipate these actions will only be needed after 2030 when we approach our net zero 2035 target.

Scope 3 reduction

As detailed in last year's annual report one of our biggest challenges on scope 3 emissions is rider emissions, which account for 42% of our total emissions. While category 1 emissions are larger, the bulk of them relate to services procured by the Group, with energy use likely the biggest contributor to these emissions. Since energy grid decarbonisation, which will drive the bulk of decarbonisation in our category 1 emissions, are outside of our direct control, the Group places greater emphasis on action to reduce rider emissions, over which we have more levers to effect change.

Our focus on rider emissions to date has been on supporting riders to transition to e-bikes through incentives and subsidies to ease the up-front financial cost of transition. In FY2025, we are exploring how we can support the safe infrastructure required for e-bike transition and are assessing the feasibility of safe battery converter partnerships for riders or safe battery leasing (this specifically relates to reducing the risk that damaged or sub-standard e-bike batteries cause hazards for our riders by offering swaps/leases with 'safe' batteries). We continue to develop plans to decarbonise other parts of our supply chain including through engagement with key grocery partners who supply Hop products (for example, discussing sustainable farming practices and sustainable packaging choices).

Task Force on Climate-related Financial Disclosures statement continued

CLIMATE-RELATED RISK ANALYSIS

Extreme weather

Future warming impact

Higher frequency of days with intense rainfall or extreme temperature.

Extreme weather also causes increased incidence of crop failure and UK food price increases in the range of 0-60% depending on climate scenario.

TIMEFRAME
Short, medium and long term.

SCENARIOS
All – impacts are greater in 2°C and above.

Marketplace impacts (risks)

RIDERS
Possible increased frequency of periods where orders are less likely to be accepted due to potentially difficult or unsafe riding conditions.

It may become harder to match rider supply with order demand as the nature of outdoor work becomes less predictable.

Some rider assets may not be suitable for extremely hot weather (e.g. rider kit) requiring new items or kit changes (particularly a risk in Middle East markets).

CONSUMER
Potential increase in bad order experiences due to increased frequency of extreme weather events. Extreme weather could make it harder for riders to arrive in good time or to maintain food temperatures, affecting future demand for the service.

MERCHANTS
Extreme weather will increase rates of crop failure. This will drive up prices and restrict availability of certain crops.

CORE OPERATIONS
Increased extreme heat events may necessitate installation of air conditioning units in European Editions sites to ensure sites stay cool.

Marketplace impacts (opportunities)

ACROSS ALL SIDES OF THE MARKETPLACE
Bad weather could drive increased order volume from consumers (who go out less). In turn this may mean more earning opportunities for riders and restaurants and more consumers using the app.

Materiality

IMMATERIAL
For the wider marketplace the impacts would largely be confined to individual markets and a small number of days in the year. Overall financial impact therefore determined by which day of the year and in which market an outage might occur.

The impacts of specific day outages may be mitigated by more consumers using the app in general.

For our core operations, we estimate the cost of installing air conditioning units in our European Editions and Hop sites to be between £3-14 million. It may not be possible to install air conditioning in each site pending the site set-up and landlord permissions.

Management and strategic resilience

Where it is safe to operate, we are able to match an increase in demand with rider supply:

1. We are able to encourage more riders onto the road by highlighting areas of high demand.
2. We can change delivery radii to a lower distance to cope with temporary increased network strain.
3. We can rely on higher rates of order stacking when fewer riders are available to increase our remaining fleet's efficiency.

Local operations teams are able to assess conditions in local zones and ensure that it continues to be safe to operate.

We launched new rider kit that helps riders keep cool in hot weather.

In the UAE and Qatar, existing government regulation requires that in extreme heat only cars are able to complete deliveries. We are able to surge specific vehicle types onto the roads during these periods.

We have rolled out restaurant training which includes support on how restaurants can establish sustainable supply chains.

The financial impact and business mitigation of food price impacts are explored on page 61 under the emissions taxation scenario.

We believe the business to be resilient to risks in this scenario given our ability to respond to extreme weather events.

CLIMATE-RELATED RISK ANALYSIS

Emissions taxation

Future warming impact

Government intervention in the form of meat taxes. We have assumed a focus on beef as the highest-emitting food product per kg and as beef is already subject to potential taxation (e.g. New Zealand).

TIMEFRAME

Medium and long term

SCENARIOS

We assume such a tax is more likely in a 2°C or below scenario where the government takes significant, proactive action to mitigate climate-related risks.

Marketplace impacts (risks)

RESTAURANT AND CONSUMER

Restaurants would face higher costs for sourcing beef as farmers increase their prices in response to a beef tax. In turn, these costs may be passed on to consumers affecting demand.

Marketplace impacts (opportunities)

CONSUMERS:

There could be an opportunity to cater to changing consumer needs by expanding sustainable food selection.

RESTAURANTS:

Beef taxes would likely move production and demand towards more plant-based dishes, other meats or new food items (e.g. meat alternatives). Restaurants and grocers can attract new consumers with new products/dishes.

Materiality

IMMATERIAL

Based on external estimates of the potential social cost of beef production and therefore an assumed tax rate, given the total global volume of beef sales through the platform we estimate an additional £15-25 million per year cost applied to beef that is sold on our platform. This may negatively impact demand. However we expect any demand impact to be offset by a change in consumer habits so the financial impact on the core business would be negligible.

Given the scale of the price rise per item, we would expect these effects to be negligible.

Given these price increases will be broad-based it is unlikely Deliveroo is more or less exposed than any competitors. Taxes will also have less impact over time as lower-carbon alternatives start to reach price parity.

Management and strategic resilience

Mitigations for Deliveroo will include ensuring we can develop a wide plant-based selection and drive customers towards those choices. We already have a good selection of vegetarian and vegan restaurants and have rolled out dietary tags in all markets to support consumers to find these categories. For restaurants, mitigation would include being able to respond to demand for new plant-based dishes or other meat choices.

Sustainable food sourcing may also represent a commercial opportunity as evidence suggests consumers may pay a premium for sustainable products (e.g. YouGov Food and Drink Survey).

We believe the business to be resilient to risks in this scenario given we already have good selection and our restaurant partners can pivot to meet new demand.

CLIMATE-RELATED RISK ANALYSIS

Focus on food and packaging waste

Future warming impact

Around a third of food is wasted and we expect that there will be increased awareness and potentially legislation around waste targets or waste information provisions (e.g. eco-labelling).

TIMEFRAME

In the short term restaurants will gain greater awareness of food waste whereas legislation to provide more information about food waste is likely in the medium to long term. Regulation on packaging waste is likely in the short term.

SCENARIOS

More likely in a 2°C or below scenario where the government takes significant, proactive action to mitigate climate risks.

Marketplace impacts (risks)

RESTAURANTS AND CONSUMERS

Mandatory targets on reducing waste or mandatory provision of information about waste may require restaurants to change their operations to reduce waste (for example by measuring food waste as part of their operations).

Restaurants may start to adopt sustainable and reusable packaging which can increase cost.

CORE BUSINESS

Potential cost increases as internal tech teams are used to develop solutions to facilitate single-use plastic charges (e.g. deposit return schemes which require consumers to pay a small, refundable deposit on single-use containers). Currently we are engaging with the Scottish government around potential charges on single-use cups. These costs may be passed on to businesses and consumers.

Marketplace impacts (opportunities)

RESTAURANTS

An increased focus on food waste allows for cost savings as restaurants take action to reduce their food waste.

Innovative packaging options may support brands to communicate their sustainability mission to value-driven consumers.

CONSUMER

Certain types of reusable packaging may be effective at keeping food warmer for longer, improving service outcomes.

Consumer preferences may change to only shop with those merchants that use sustainable packaging.

CORE BUSINESS

Our sustainable packaging store can benefit from increased sales as restaurants seek sustainable suppliers.

Materiality

IMMATERIAL

Estimates from WRAP suggest there is £10k worth of food waste from each restaurant in the UK per year, a lot of which could be relatively easily addressed. Applying this to our global restaurant population and assuming a reduction of between 1 and 10% in total cost there is opportunity for restaurants to save between £1-15 million per year on costs from reducing food waste. Assuming some of these costs are then passed through to consumers (likely in part given competition in the sector), we would expect a positive increase in demand.

Management and strategic resilience

ON FOOD WASTE

We have launched a partner training academy that includes top tips for how restaurants can reduce waste. At Editions sites we recycle used cooking oil with Olleco and distribute additional food at Hop sites.

ON PACKAGING WASTE

We have continued our packaging subsidy to support our partners to transition to sustainable packaging.

Our packaging webstore supports sustainable packaging sales in our European and Middle Eastern markets with its range of sustainable packaging.

We believe the business to be resilient to risks in this scenario as the core business risks mostly relate to increased tech costs. These risks will reduce over time as our tech teams build multiple responses to single-use plastic charges.

CLIMATE-RELATED RISK ANALYSIS

Increased electrification

Future warming impact

We anticipate that governments will regulate to ensure usage of electric vehicles ('EV's) over time and the wider vehicle market will develop to predominately offer EVs over time. We expect this will happen quickest in our European markets.

TIMEFRAME
Medium and long term.

SCENARIOS
All

Marketplace impacts (risks)

RIDER
EV charging infrastructure may not keep pace with the widespread availability of e-cars and e-bikes, limiting the efficiency of riders if they have to stop to charge their vehicle.

Government regulation may force adoption of certain green technologies before they are cost-efficient thereby potentially increasing costs to riders and/or requiring higher subsidy from Deliveroo (potential subsidy hard to quantify, but expected to be low given ability to flex onboarding of EVs when planning for new riders).

Marketplace impacts (opportunities)

RIDERS
Lower expected EV running costs per hour may support lower rider costs. Transition costs will come down over time.

Materiality

IMMATERIAL
Not accounting for any transition costs (which we assume here to be borne by wider market and not riders, e.g. the installation of charge points and therefore not relevant to this analysis) a rider fleet switch from combustion engines to EVs could save costs related to fees for car users £12 to £22 million on hourly run costs per year. These cost savings could be invested back into other aspects of rider pay.

Management and strategic resilience

Riders will be able to adopt EVs as the wider market for EV manufacture develops and charging infrastructure matures.

We have run trials in the UK, Italy, and Hong Kong to understand how best to support riders to transition to EVs. This has given us an understanding of the riders who are most likely to transition to e-bikes and some of the key barriers relating to cost.

Last year we referenced in this report that we would explore the installation of charge points at relevant operational sites to increase the efficiency of those riders who are using EVs. We now believe that a more effective route to supporting riders is safe battery conversion or leasing/swapping stations.

We believe that electrification represents a positive opportunity to improve operational efficiency (and therefore consumer outcomes) as well as reduce emissions. We believe we are therefore resilient in this scenario.

Task Force on Climate-related Financial Disclosures statement continued

Risk management

The Board is responsible for determining the nature and extent of the significant risks and the relevant risk responses in achieving the business' long-term strategic objectives. The Board determines principal risks on the basis of the risk management framework set out in the Risk management and our principal risks section (see page 67). The Audit and Risk Committee has approved the principal risk identification and was content that climate-related risk remained not a principal risk. Climate-related risk is nevertheless included in the wider Company risk register and assessed at working level as part of risk reviews. Climate-related risks are identified through risk workshops (informed by the scenario analysis work above), as well as peer benchmarking (e.g. review of wider industry disclosures) and external engagement (e.g. trade association engagement where best practice is shared). Climate-related risk is assessed for impact and likelihood and is scored on the basis of the risk management framework set out on page 69. Impacts are considered in both financial terms but also wider business impacts (e.g. reputational) and the time horizon on which they will materialise is also considered. On the basis of the overall risk score, the climate risks are then prioritised. This assessment is kept under review as part of the Board's annual principal risk review. Should a climate-related risk be deemed material, it would then be managed in line with the wider business risk management process. We will continue to update our assessment of climate-related risk and change our response and categorisation accordingly.

Further actions to help us monitor and respond to climate-related risks and opportunities (in addition to the general risk management approach)in FY2024 include:

- Regulatory horizon scanning to understand key areas of climate disclosure and potential risks and opportunities.
- Developing a draft nature strategy that we aim to implement internally in FY2025.

Metrics and targets

The metrics to assess climate-related risks are detailed above and in the general risk management framework – that is, assigning inherent risk scores on the basis of likelihood multiplied by impact and then changing the inherent risk score on the basis of what management actions can be taken to mitigate risk.

In measuring our emissions across Scopes 1, 2 and 3 we have identified parts of our operations that have relatively higher levels of GHG emissions, which include the emissions from rider vehicles and rider kit under Scope 3. More information on our actions to reduce the impact of these emissions are detailed on page 52).

Our Scope 1 and 2 emissions are disclosed on page 56. We have set out our 2035 Scope 1 and 2 net zero target (baseline against 2022) on page 56. To deliver on this overall target we have also set an interim target of 15-25% absolute reduction in market-based Scope 1 and 2 emissions by the end of 2026 against a baseline year of 2022 as part of our PSP. This range represents our threshold and stretch goals for emissions reduction.

As disclosed in our SECR report on page 55, this year our overall location-based emissions have fallen by 2,325 tCO_2e, or 18.2% year-on-year. Our carbon intensity (i.e. emissions against revenue or order volume) has also fallen. Against the 2022 market-based PSP baseline, the reduction is 1,855 tCO_2e, or 15.9%. We are confident that we are on track to meet our net zero target with this positive progress. We disclosed our Scope 3 baselines last year and set a net zero target of 2050 for overall emissions, with an earlier 2040 target for our category 9 downstream transport emissions. Our Scope 3 emissions have increased year on year, from 132,064 tCO_2e in FY2023 to 141,332 tCO_2e. This increase is driven by the increase in order volume seen between FY2023 and FY2024, with more orders to deliver, more orders (in absolute terms) were delivered using a petrol vehicle than the year before. As detailed in Table A2.1 of the TCFD implementation guidance, these metrics and targets are based on the categories of 'GHG emissions' and 'remuneration' and are actively used by the business to assess and manage climate-related risks and opportunities through an understanding of the emissions intensity of our operations. We will continue to measure emissions reductions each year and performance against PSP targets. We also track capital deployment. That is the amount of investment to decarbonise Editions, Hop and corporate estate. We have internal targets around the amount of carbon saved by the investments alongside the return on investment from reduced energy costs.

We will continue to measure emissions reductions each year and our performance against the PSP targets set by the Board. We also track capital deployment, which is the amount we invest to decarbonise Editions and Hop sites, as well as our broader corporate estate. We have internal targets around the amount of carbon saved by these investments alongside the return on investment from reduced energy costs.

Away from the metrics identified in Table A2.1 of the TCFD implementation guidance, the business also tracks the following non greenhouse gas-related climate metrics as part of its usual operation:

- **Waste from our Hop sites (where we measure the sale of zero waste bags that contains food that would otherwise be wasted):** Good performance on this metric looks like reducing the overall amount of waste while also making sure a greater proportion of that waste is directed to zero waste bags.
- **Water usage in our Hop stores:** Good performance on this metric is reducing the overall amount of water used on an intensity basis (0.25cubic metres of water per square foot in FY2023). This is based on partial and estimated data and we will improve accuracy as we collect more data. In FY25 we are exploring tap aeration and sensor taps to reduce usage.

As above, given we have not defined climate-related risk as material for the business, these metrics do not yet have specific targets associated with them, nor are the metrics used in the context of assessing climate-related risk and opportunity. Instead they are business metrics which have climate relevance and where we will consider setting climate-related targets in future in case they become material to our operations.

These climate metrics are chosen because they represent areas of activity that are more within Deliveroo's direct control rather than those of our marketplace (e.g. a target on food waste in restaurants would depend heavily on restaurant behaviour).

Next steps

Our Sustainability review on page 50 sets out the actions we are taking across all six pillars of our strategy, including mitigating and adapting to the effects of climate change. Over the next year, we will continue to more closely integrate sustainability decisions into our financial planning and strategy, for example via investment decisions about prioritising sustainable equipment in Hop and Editions sites.