GREGGS WATER STRESS & DROUGHT ANALYSIS

MapHorizon

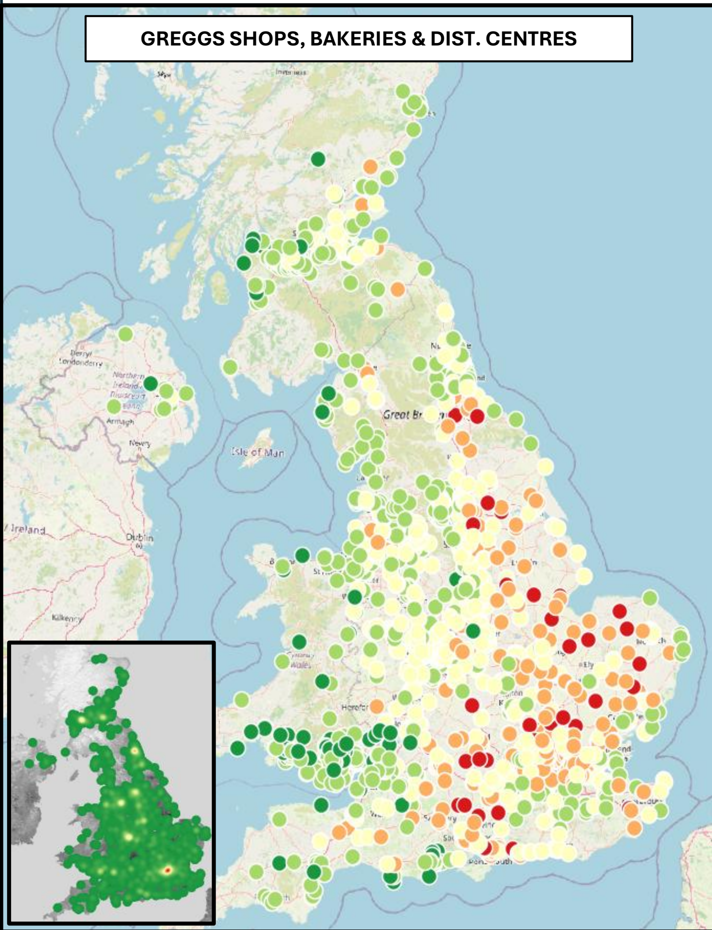
Greggs shops and key suppliers have been mapped to see how much water-related pressure each location is under.

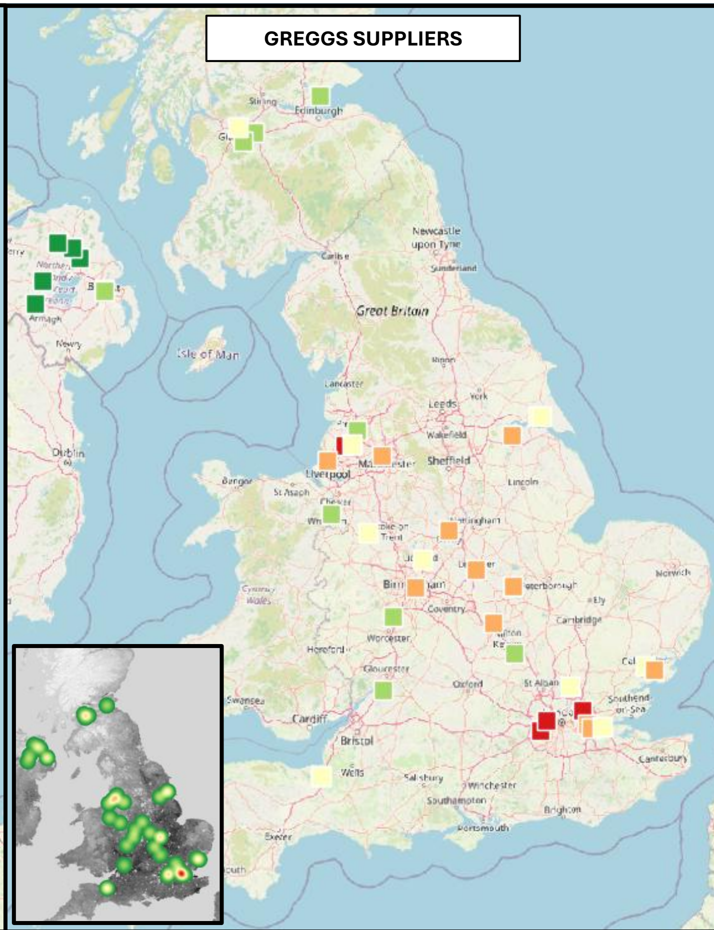
Several factors were considered, including:

- how likely the area is to experience drought
- how strained or stressed the local water supply is
- whether surrounding land increases flooding or pollution risk
- whether the site sits in a protected catchment with extra environmental rules

All these factors are combined into one simple score for every location: **Red** sites are **most at risk**, **orange** are **moderate**, and **green** are **low risk**.

This enables Greggs to spot where future problems might occur and where extra support, planning, or changes may be needed due to Water Stress and / or Drought.





Top 3 Water-Stress Mitigations

1. Implement targeted risk-mitigation measures for high-exposure suppliers
Prioritise suppliers operating in high water-stress or drought-affected basins and request disclosure of water use, extraction dependencies, and adaptation measures in line with ESRS E2-1 and E2-4.

2. Enhance operational water efficiency and regulatory compliance
Strengthen water-efficiency performance at Greggs facilities with elevated risk and ensure full compliance with catchment-based regulatory frameworks (e.g., Nutrient Neutrality) in accordance with ESRS E2-5 and E2-DR targets.

3. Diversify and monitor sourcing regions to reduce exposure to water-related risks
Integrate water-stress indicators into procurement processes, diversify sourcing away from vulnerable basins, and establish ongoing monitoring of hydrological and climate-related pressures, consistent with ESRS E1 and E2 risk-management disclosures.

0 (0%)	Greggs suppliers in Nutrient Neutrality zones	**137 (7%)**	Greggs facilities in Nutrient Neutrality zones
55 (2.6%)	Greggs suppliers / facilities in high water-stress class	**16 (0.8%)**	Greggs suppliers / facilities with High WSI **AND** in NN zone
351 (16%)	Greggs suppliers / facilities in high stress basins		Suppliers in **top 25%** of drought exposure: **4** Mills (40%) **6** Dairy Depots (20%)

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LEAP ASSESSMENT

Locate – The assessment identifies where Greggs stores and suppliers interact with water-dependent ecosystems by mapping their positions within river basins, groundwater bodies, drought-prone regions, and nutrient-sensitive catchments.

Evaluate – Scientific indicators, including baseline water stress, drought anomalies, soil infiltration characteristics, and land-cover–driven runoff potential, are analysed to determine each location's exposure to water scarcity, climate variability, and catchment-level pollution pressures, in alignment with ESRS E3 and TNFD expectations.

Assess – These environmental factors are integrated into a weighted Water Stress Index that reflects both physical risk (such as drought severity and hydrological imbalance) and environmental impact risk (such as nutrient runoff or local ecological pressure), supporting the double-materiality lens required in ESG disclosures.

Prepare – Based on these findings, Greggs is provided with targeted mitigation actions, including engaging suppliers in high-stress basins, improving water efficiency at sensitive sites, addressing nutrient-zone compliance, and diversifying sourcing to strengthen long-term resilience and meet ESRS E1/E3 and TNFD-aligned reporting obligations.

WHAT DO THE COLOURS MEAN?

Red locations = highest Composite Water Stress Index (WSI) values. These locations face **multiple overlapping pressures**, typically:

- High Aqueduct scores (BWS, drought risk, variability)
- High climate drought anomaly values
- High local runoff potential
- Located within Nutrient Neutrality catchments (20% uplift)

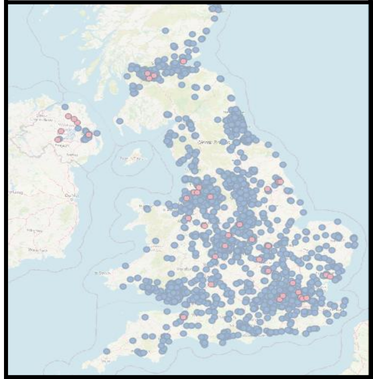
Red sites are **top-priority hotspots**.

Yellow / Orange = moderate water-stress exposure
These areas are still exposed, but with fewer compounding risks. They form a **secondary cluster** for future monitoring and supplier engagement.

Green = low water-stress exposure
Green sites are the **resilient, low-risk locations**. These generally represent **stable sourcing basins or stores** from a water-materiality perspective.

SOURCE DATA

Greggs Shop / Bakery / Distribution Centres & Key Suppliers



ESA WorldCover:
- Land-Use Runoff Potential

World Resources Institute (Aqueduct 4.0):
- Baseline Water Stress (BWS)
- Drought Risk (DRR)
- Seasonal Variability (SEV)

DEFRA Nutrient Neutrality Zones

International Soil Reference and Information Centre (Organic Carbon Density):
- Climate Drought Exposure

UK Centre for Ecology & Hydrology (Mean Precipitation):
- Climate Drought Exposure