

A green tractor is positioned in the left foreground of a lush green field. The sun is low on the horizon to the right, creating a warm, golden glow and long shadows across the crops. The sky is filled with soft, wispy clouds.

Carbon: Our story so far

2024 – 25

Doing it Right
Iceland



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Our targets

We are working hard to cut down the carbon emissions in our own operations, reduce our energy demand, and maximise the use of environmentally-friendly gases.

Iceland is a signatory to the Courtauld Commitment 2030, which brings together organisations across the food industry to reduce the environmental impact of food and drink, with the shared target of reducing absolute greenhouse gas emissions by 50% by 2030. This is aligned to a 1.5°C pathway, and a milestone towards achieving net zero by 2040.

The Climate Pledge, to which Iceland is a signatory, calls for businesses to be net zero by 2040, alongside committing to producing regular reporting, implementing decarbonisation strategies, and using credible offsets for remaining emissions.

We are proud signatories to the BRC climate action roadmap, which brings together the retail industry on a roadmap to 2040 net zero.



In 2011, we set targets to reduce absolute carbon emissions in our own operations.

2020	2030	2042
30% absolute reduction	60% absolute reduction	100% absolute reduction

In 2020, we set targets to achieve net zero within our own operations and our supply chain.

2030	2035	2040
Net zero for UK electricity use	Net zero for UK fuel, gas and refrigerant use	Net zero for all products sold in the UK
50% reduction in absolute GHG emissions		

Reporting and Transparency



Scope 1 and 2

Our scope 1 and 2 carbon footprint is calculated and verified by Inspired Energy PLC who follow the UK Government Greenhouse Gas Conversion factors for their calculations.



Refrigeration

From 2020 onwards, we have included the use of refrigerant gases within our footprint. As industry leaders in frozen food, Iceland uses refrigerant gases throughout its operations; we follow best practice to minimise the losses of these gases and therefore the impact on our environment.

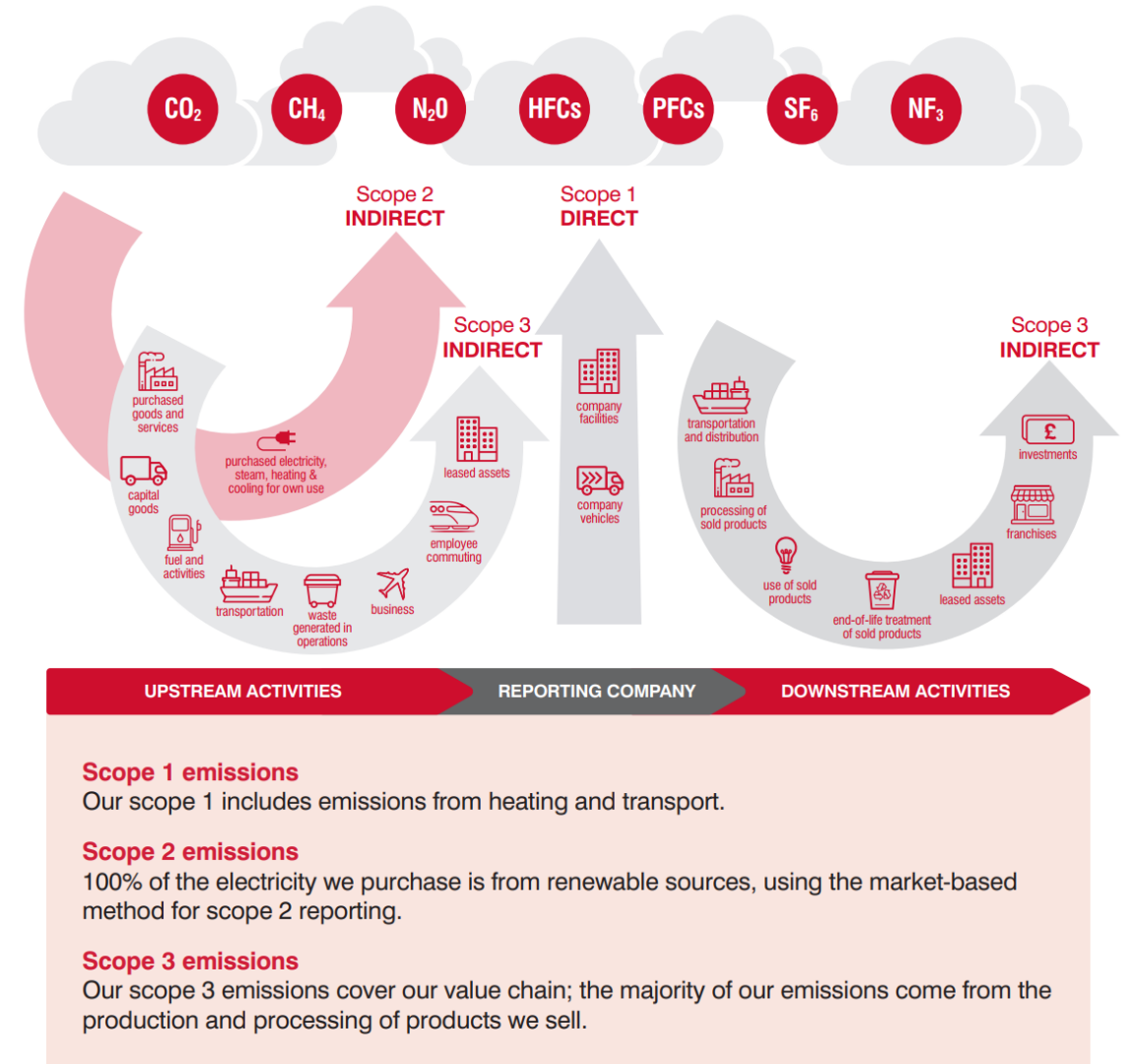


Scope 3

Working with the Carbon Trust we calculated our scope 3 emissions in 2020/21. This data will be updated on a multi-year basis as opposed to annually with the context that Scope 3 data has a high level of averaging and assumption within its calculation.



Our full carbon footprint and methodology can be seen on pages 11-13.



Scope 1 emissions

Our scope 1 includes emissions from heating and transport.

Scope 2 emissions

100% of the electricity we purchase is from renewable sources, using the market-based method for scope 2 reporting.

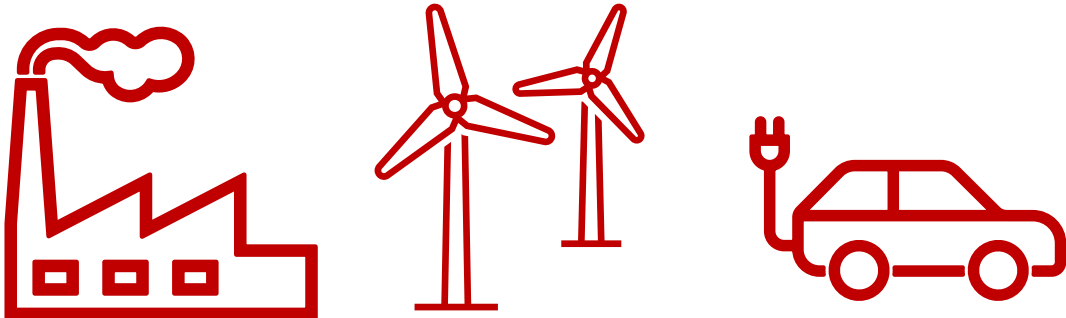
Scope 3 emissions

Our scope 3 emissions cover our value chain; the majority of our emissions come from the production and processing of products we sell.

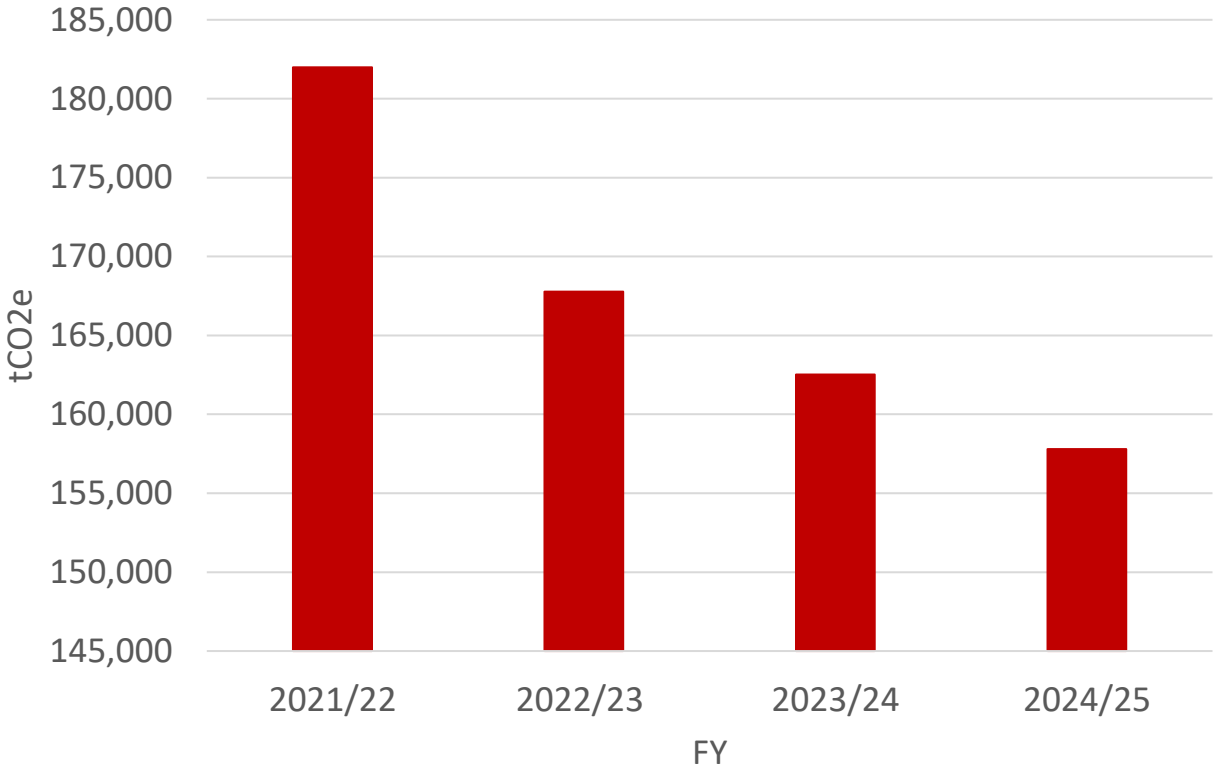
Our progress

2024/25 we have reduced emissions in our own operations by **40.1%** From our 2011 / 2012 baseline

In our baseline year of 2011/12, the business generated 263,461 tCO2e through its direct operations (scope 1 and 2 emissions). The majority of our remaining scope 1 and 2 emissions are directly attributed to transporting product across our business and to our customers. **For 2024/25 we generated 157,807 tCO2e, which is a 40.1% reduction on our baseline year.**



Iceland's scope 1 & 2 emissions tCO2e



157,807 tCO2e is a 2.9% reduction from the previous year and we will continue towards reducing our overall energy consumption and associated emissions.

How we're taking action

Renewable energy

Iceland now receives 14% (14,300 tCO₂e) of our annual electricity through a large off-site solar farm through a Power Purchase Agreement. In addition, we continue our ongoing programme to install on-site solar across our Food Warehouse and distribution centre estate, with many more sites due to come online during the financial year

Refrigerant gases

Over the last year we have made further progress to improve the accuracy of our data relating to refrigerant gases, whilst we also continue to switch to more environmentally friendly gases including natural refrigerants.

More efficient equipment

We have an ongoing asset upgrade programme, replacing our older freezers with new, more efficient versions. Not only do the new freezers use natural refrigerants wherever possible, they are also more energy efficient. On average, stores refitted with new freezers consume 30% less energy than stores using older equipment.

We have worked hard to introduce various measures in our stores to reduce our energy consumption, through reducing lighting times and signage as well as adjusting trim heaters on freezers. These measures alone have saved 5mWh of electricity.



Energy in stores

Energy Efficiency Improvements 2025

We are committed to year-on-year improvements in our operational energy efficiency. Measures ongoing and undertaken throughout financial year 2024/2025:

Chiller door installation:

Last year, we installed sealing doors on chilled cabinets in The Food Warehouse stores to reduce power consumption. This year we extended this across the entire estate to reduce energy wastage and improve efficiencies, creating e 2,920,000 kWh energy savings.

Solar PV Installation:

In May 2023, solar panels were installed at our Deeside distribution centre. Solar panels have now been installed at 20 sites within Iceland's portfolio which has contributed to Iceland's improved electricity emissions. In FY25, direct generation from roof top solar totalled 3 GWh (621 tCO₂e).

Energy Efficiency Improvements Planned 2026

Further Solar PV Installation Roll Out

Plans are in place to install Solar panels at a further 96 sites by March 2026. These installations will further improve carbon savings by reducing consumption of grid-supplied electricity.

Trial site for Integral Chilled Cabinets

Iceland's Chester store underwent a trial for the installation of doors on integral chilled cabinets during March 2025. This trial aimed at establishing any potential savings which, if successful, will lead to a rollout across the entire estate.

Circuit Level Monitoring

Iceland plans to install CLM (circuit-level monitoring) across its sites. A CLM will capture real-time energy data for each meter. This is a cost-effective solution for monitoring consumption and, therefore, planning to reduce energy waste and improve operational efficiency.

Energy in homes

AFFOODABLE

Save Energy With Iceland



Money-saving Tips

Cooking with your Kettle

As the cost of living increases, many of us have...

🕒 3 min read



Money-saving Tips

Shop Smart, Cook Savvy with Utilita

Last year, we partnered up with Utilita to...

🕒 6 min read



Money-saving Tips

How to prepare for the winter cost of living increase

As the cost-of-living increases, many of us have been forced...

🕒 5 min read

Affordable

Our “Affordable” blog is set up to help customers during the cost-of-living crisis. Here we provide energy saving tips, highlighting how customers can save money and reduce energy consumption in the home [Affordable Recipe Blog](#) | [Affordable money saving tips \(iceland.co.uk\)](#)

This page also offers many recipes, having a dedicated space for meat free ideas, helping customers reduce the carbon impact of their diet. [Meat Free Meals](#) | [Money Saving Tips](#) | [Iceland Blog](#)

Air Fryer

Air fryers are one of the most energy efficient cooking appliances to use, especially when cooking frozen products, costing an average of just 26p per day to run – compared to 91p for an electric cooker.

We encourage customers to utilise this cooking method by increasingly making air frying instructions available on packaging, 800 products now display this method. We also have a page on Affordable containing recipes where all you need is an airfryer [Air Fryer Recipes](#) | [Iceland Food Blog](#)



Air Fryer Recipes

Air Fryer Beef with Mash and Greens

Did you know you can cook a luxurious roast beef...

🕒 1 min read



Air Fryer Recipes

Air Fryer Chocolate Bread and Butter Pudding

Did you know you can cook a delicious Chocolate Bread...

Green Mile Project

Over 95% of our emissions are scope 3, with 10% attributed to transport and distribution. To tackle our overall carbon emissions, in 2024 we introduced 'Green Mile', which is a dedicated project to reduce our scope 3 emissions by optimising load efficiency. This project works to reduce pallets and increase container fill which removes trucks off the road and containers off the seas. This is a data driven project, in collaboration with our suppliers and a cross functional team within Iceland.

Predicted progress vs baseline of April 2023:

125+ container reduction per annum

15,000 pallet reduction per annum

900 journeys off the roads per annum

Progress to date vs baseline of April 2023:

200 container reduction per annum

30,000 pallet reduction per annum

1,600 journeys off the roads per annum

So far, this has led to a carbon reduction of c2,100 tonnes CO₂e



Case fill



Pallet reduction



Container optimisation

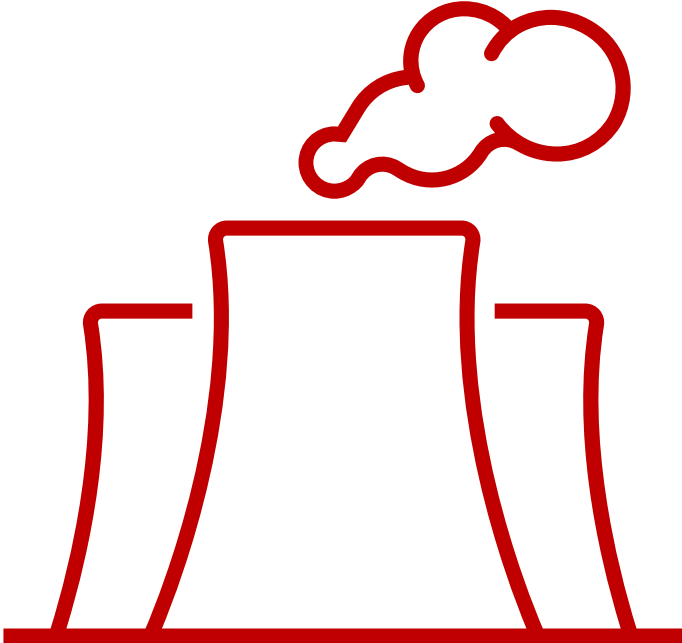
Food surplus reduction carbon saving

In 2024/25 we redistributed 2,932 tonnes of food surplus. 2,789 tonnes of this food was redistributed for human consumption (to colleagues and local communities). This food redistribution equates to a carbon reduction of 12,645 tCO₂e, assuming all redistributed food is eaten and replaces the need for equivalent food purchases and food production.

We continue to work with our partners to increase food redistribution through colleague giveaway, Olio, charity partnerships and to animal feed.

	Tonnes of food surplus redistributed	Carbon reduction achieved through redistribution
Total	2,932	12,645 tCO ₂ e

The tCO₂e saved is calculated by looking at the total amount of tCO₂e that would have been released into the atmosphere by storing, transporting the food, and the methane that is not released (as the food has not been thrown away). We have used wrap guidance to calculate this (4.3128kg of CO₂e is save per 1kg [Estimates of Food Surplus and Waste Arisings in the UK \(2017\) | WRAP](#))



Carbon footprint 2024/25

Scope 1

Natural gas

3,401.99

Fuel for transport

66,285.77

Scope 2

Electricity

88,119.83

Total scope 1&2

157,807.59

Location-based emissions (tCO₂e)

Location-based emissions (tCO₂e)



2020/21 Scope 3 Category

**Total Emissions
(tCO₂ e)**

% of Scope 3

2020/21 Scope 3 Category	Total Emissions (tCO ₂ e)	% of Scope 3
1a: Purchased goods and services (product)	3,197,630	74%
1b: Purchased goods and services (non-product)	61,774	1%
2: Capital goods	20,501	0%
3: Fuel and energy related services	45,416	1%
4: Upstream transportation and distribution	400,196	9%
5: Waste generated in operations	1,478	0%
6: Business travel	47	0%
7: Employee commuting	14,147	0%
8: Upstream leased assets	-	-
9: Downstream transportation and distribution	371	0%
10: Processing of sold products	-	-
11a: Use of sold products (direct)	6,016	0%
11b: Use of sold products (indirect)	545,608	13%
12: End-of-life treatment of sold products	44,377	1%
13: Downstream leased assets	-	-
14: Franchises	150	0%
15: Investments	10,829	0%
Total scope 3 emissions (tCO₂e)	4,348,541	



Methodology

The data in this report is for the financial year **2024/25 (30th March 24 to 28th March 25)** and covers Iceland UK operations. Emissions have been calculated for the total tonnes of CO2 emissions. We measure and report on carbon emissions using the Greenhouse Gas Protocol.

Scope 1 & 2

Includes emissions from Iceland and The Food Warehouse stores

Scope 3

Includes emissions from Iceland, The Food Warehouse and depots

Use of data

Iceland is principally a high street retailer of frozen food.

The data we publish is not designed to be and should not be used for comparison with other retailers operating different business models. It would be inconsistent, inaccurate and would not be a fair comparison of any retailer to do so.



Iceland UK

Refers to all Iceland, and The Food Warehouse stores (nearly 1,000) and depots (5 depots) in the UK



Scope 1 and 2

Includes all emission from scope 1 and 2, this data is checked and verified by Inspired Energy PLC who use the UK Government Greenhouse Gas Conversion factors. Scope 1 includes all direct emissions from our own or controlled sources using the market-based method. Scope 2 relates to indirect emissions from the generation of purchased electricity



Scope 3

Calculated in 2020/21, data was provided by Iceland to The Carbon Trust, which calculated the scope 3 emissions according to methods compliant with the GHG scope 3 protocol



Refrigerant gases

Data is recorded in our maintenance system. Outlining the nature of the work, type of gas and volume of gas



Location-based emissions

Reflects the average emissions intensity of the electricity grid

Carbon: Our story so far

www.sustainability.Iceland.co.uk

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Iceland