

VALUE CHAIN SUPPLIER GUIDE



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INTRODUCTION TO VALUE CHAIN

At Co-op, we believe success is built on strong partnerships. In 2026, we want to continue working collaboratively with our suppliers to ensure our value chains deliver **growth**, **resilience**, and **shared success**. By working together, we can unlock opportunities that benefit our businesses, our customers, and the communities we serve.

Value Chain is a key part of this collaboration. It focuses on understanding the end-to-end journey of a product and working together to remove unnecessary cost and waste from how products are made and delivered. By being open to new ideas, challenging existing ways of working, and sharing insight and expertise, we can identify efficiencies that do not impact product quality or customer experience.

Value Chain is not the same as value engineering. Rather than changing the product in ways customers might notice, it focuses on costs that customers do not see or value. This approach helps ensure we deliver the right product at the right price, while strengthening long-term, mutually beneficial partnerships across our supply base.



VALUE CHAIN VISION

Our Vision

- Collaborative Growth: Building stronger relationships that drive innovation and efficiency.
- Unlocking Value: Creating solutions that deliver cost benefits across the entire chain.
- Sustainable Future: Embedding responsible practices that enable long-term growth & resilience.

Why Value Chain Matters

The value chain is more than a process, it's a mindset. By working together, we can:

- Reduce waste and inefficiencies
- Improve cost competitiveness
- Future proof our ways of working to drive growth
- Enhance product quality and availability



WORKING TOGETHER TO BUILD A STRONGER, MORE COMPETITIVE CO-OP

Value chain - Partnering for Success: What we need from our suppliers

Your collaboration is key to unlocking value and delivering our 2026 priorities. Our buying teams own their Value Chain plans, here's how we can work together to drive shared success:

Collaboration & Transparency

Working openly to focus on the right opportunities and at pace

- Joint value chain reviews
- Open data and insight to support fact-based decisions
- Clear ownership and timelines to deliver at pace

Efficiency & Cost Opportunities

Removing cost and waste that customers don't value

- Customer focused value - Fit for purpose products
- Challenge over-specification
- Optimised routes to market

Innovation & Continuous Improvement

Keeping our value chains competitive, resilient, and fit for the future

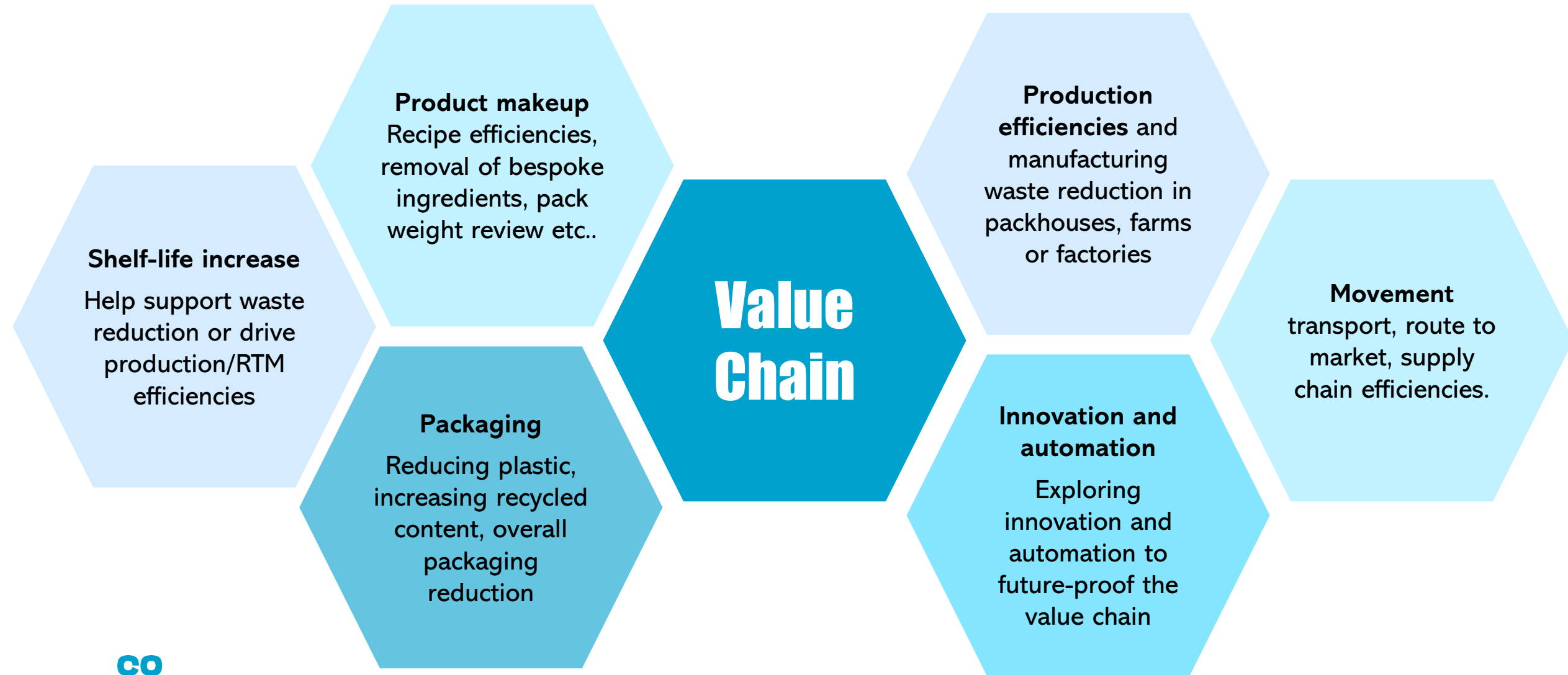
- Continuous improvement and innovation
- Explore new products, technologies, and ways of working
- Sustainable, shared growth

Simplicity & Scalability

Simpler value chains that reduce cost, improve speed, and growth

- Reduced unnecessary complexity
- Scalable, efficient solutions that work for both parties
- Drive consistency to enable easier growth and execution

VALUE CHAIN - EXAMPLE AREAS TO EXPLORE



OWNERSHIP, PACE & MANAGING RISK

Value Chain activity doesn't need to wait for a formal visit; suppliers can progress opportunities at any time in partnership with their buyer.

Ownership

- Each initiative has a named owner on both sides
- Shared accountability for delivery and outcomes
- Clear escalation route if barriers arise

Pace

- Benefits assessed and initiatives jointly agreed
- Focus on priority initiatives with clear value
- Regular check-ins to maintain momentum and remove barriers

Managing Risk

- Data & customer led decision making
- Risk assessed upfront to support successful implementation
- Pilots and trials used where appropriate



VALUE CHAIN VISITS – END TO END IDEATION SESSIONS

Value Chain visits are an opportunity to challenge, innovate, and unlock savings together. By approaching the day with openness and collaboration, we can identify improvements that benefit the entire value chain.



1. **Come Prepared** - Arrive ready to engage, involve the right subject matter experts (SMEs) and complete the pre-visit information in advance.
2. **Be Open & Constructive** - Create a safe, respectful environment to challenge ideas, think differently, and question the status quo.
3. **Focus on Priorities** - Be clear on where change could unlock the most value, across short, medium, and long-term opportunities.
4. **Explore Proactively** - Leave no stone unturned, explore new ideas, even if they feel difficult or unconventional.
5. **Act Quickly** - Agree priorities, ownership, and next steps, and work together at pace to deliver outcomes.



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The Value Chain team is always here to help whenever you need support or advice. You can reach us via supplierengagement@coop.co.uk



OWNED BY YOU.
RIGHT BY YOU.