

Independent assurance statement to the Directors of Associated British Foods plc

We have performed a limited assurance engagement on selected performance data and statements presented in Associated British Foods plc (“the Group”) 2020 Responsibility Update Report, ESG Appendix Report and Annual Report and Accounts 2020 (collectively referred to as “the Report”).

Respective responsibilities

The Group’s management is responsible for the collection and presentation of the information within the Report. Management are also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error. Our responsibility, in accordance with our engagement terms with Associated British Foods’ management, is to carry out a ‘limited level’ assurance engagement on selected performance data and performance

claims in the Report (the ‘Subject Matter Information’) set out below. The ‘Subject Matter Information’ has been indicated with a Δ symbol in the Report. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

What we did to form our conclusions

Our assurance engagement has been planned and performed in accordance with the International Standard for Assurance Engagements (ISAE 3000 Revised¹), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. Associated British Foods’ *Notes, definitions and methodology* as defined in the Environmental, Social and Governance Appendix 2020 has been used as the Criteria against which to evaluate the ‘Subject Matter Information’ defined below.

The ‘Subject Matter Information’ comprises the following data sets in the Report regarding the Health, Safety and Environmental (HSE) performance of the Group.

HSE data sets

- Number of work-related deaths to employees
- Number of work-related deaths to independent contractors as a result of Associated British Foods’ work activities
- Number of Lost Time Injuries (LTIs) to employees

- Number of Lost Time Injuries (LTIs) to contractors as a result of Associated British Foods’ work activities
- Number of health and safety fines against sites
- Cost of health and safety fines received
- Number of environmental fines against sites
- Cost of environmental fines received
- Energy consumption (GWh) consisting of: electricity imported, natural gas used, coal and anthracite used, heavy fuel oil used, renewable fuel (biogas, bagasse, residue, trash and wood), imported steam used, gas oil used, diesel used, kerosene used, petrol used, coke used, and LPG used
- Electricity exported (GWh)
- Greenhouse gas emissions (Scope 1, 2 and 3) (tCO₂e) consisting of: energy consumption inputs, process emissions, transport emissions and agricultural emissions
- Total volume of water used (m³)
- Quantity of non-hazardous waste sent for disposal (tonnes)
- Quantity of hazardous waste sent for disposal (tonnes)
- Quantity of waste sent for recycling or recovery or other beneficial use (tonnes)
- Quantity of packaging used for the containment, protection, handling, delivery and presentation of goods (tonnes)
- Tonnes of product

The procedures we performed were based on our professional judgement and included the steps outlined below:

1. **Interviewed a selection of the Group’s management** to understand the progress made in the area of HSE performance during the reporting year and to test the coverage of topics within the Report.
2. **Conducted remote business and site-level reviews** for 8 Associated British Foods businesses to review local level HSE performance and data collection processes and to test back to underlying source evidence.
3. **Reviewed the coverage of key issues within the Report** against the topics discussed in our management interviews and remote business and site-level reviews.
4. **Performed detailed testing on Group and Business Segment HSE data** and carried out the following activities to review the ‘Subject Matter Information’:
 - I. Reviewed the disaggregated HSE data for a sample of businesses within each of the five strategic business segments (Retail, Sugar, Grocery, Ingredients and Agriculture) back to source evidence.
 - I. Assessed whether the HSE data has been collected, consolidated and reported appropriately at a Group and Business Segment level in line with the Group’s reporting guidance.
5. **Reviewed information or explanation about selected statements and assertions** regarding the HSE performance of the Group.

¹ International Federation of the Accountants’ International Standard for Assurance Engagements (ISAE3000) Revised, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*.

Limitations of our review

Our evidence gathering procedures were designed to obtain a 'limited level' of assurance (as set out in ISAE 3000 Revised) on which to base our conclusions. The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement (such as a financial audit) and, therefore, a lower level of assurance is provided.

Completion of our testing activities has involved placing reliance on Associated British Foods' controls for managing and reporting HSE information, with the degree of reliance informed by the results of our review of the effectiveness of these controls. We have not sought to review systems and controls at Associated British Foods beyond those used for the 'Subject Matter Information' (as presented above). The responsibility for the prevention and detection of fraud, error and non-compliance with laws or regulations rests with Associated British Foods' management. Our work should not be relied upon to disclose all such material misstatements, frauds, errors or instances of non-compliance that may exist.

We have only sought evidence to support the 2019/20 performance data. We do not provide conclusions on any other data from prior years. We have not sought any supporting evidence for data that has been sourced from Associated British Foods' Annual Report and Accounts, and we have not provided assurance over claims made by Associated British Foods that are statements of belief or forward looking in nature.

Our conclusions

Based on the scope of our review our conclusions are outlined below:

Completeness and accuracy of performance information

How complete and accurate is the 'Subject Matter Information' presented in the Report?

- With the exception of the limitations identified in the report, we are not aware of any material reporting units that have been omitted from the 'Subject Matter Information' relating to the topics above.
- Nothing has come to our attention that causes us to believe that the 'Subject Matter Information' was not prepared, in all material respects, in accordance with the Criteria, which were applied by management.

How plausible are the statements and claims within the Report?

- We have reviewed information or explanation on selected statements regarding the Group's HSE activities presented in the Report and we are not aware of any misstatements in the assertions made.

Observations and areas for improvement

Our observations and areas for improvement will be raised in a report to the Group's management. Selected observations are provided below. These observations do not affect our conclusions on the Report set out above.

- We have identified instances where safety and environment data review processes were not always effective at the site and business level in identifying errors prior to year-end submission to the Group, particularly for transport emissions, environmental and safety fines, waste and water KPIs. In some cases, the site-level errors were material at both the Group and division level. Whilst these errors were ultimately corrected before publication, data accuracy and supporting review processes should continue to be areas of focus for the Group. Associated British Foods should consider further refinement to the group-wide reporting guidance and target engagement (including potential training) with the sites, businesses, and geographical regions where material errors have been repeatedly identified.
- Associated British Foods has continued to make improvements to its disclosure of climate-related risks in the Report. For example, the Group disclosed information on a study that was commissioned to better understand the likely climate change impacts on Associated British Foods' supply chain, operations and key commodities. The Group has also introduced Scope 2 market-based emissions (from purchased electricity and steam), requiring businesses to provide supplier-specific emission factors, where available. These improvements have helped Associated British Foods to report more complete data, along with increasing alignment with the Task Force for Climate Related Financial Disclosures (TCFD) and the GHG Protocol.

Our independence and competence

We have implemented measures to comply with the applicable independence and professional competence rules as articulated by the IFAC Code of Ethics for Professional Accountants and ISQC1². EY's independence policies apply to the firm, partners and professional staff. These policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

We confirm annually to the Group whether there have been any events including the provision of prohibited services that could impair our independence or objectivity. There were no such events or services in 2019/2020. Our assurance team has been drawn from our global Climate Change and Sustainability Services Practice, which undertakes engagements similar to this with a number of significant UK and international businesses.

Ernst & Young LLP, London

3 November 2020

² Parts A and B of the IESBA Code; and the International Standard on Quality Control 1 (ISQC1).