

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Associated British Foods is a diversified international food, ingredients and retail group with sales of £13.9bn, 133,000 employees and operations in 53 countries across Europe, southern Africa, the Americas, Asia and Australia. Our purpose is to provide safe, nutritious, affordable food and clothing that is great value for money.

The group operates through five strategic business segments: Grocery, Sugar, Agriculture, Ingredients and Retail.

Grocery comprises consumer-facing businesses that manufacture and market a variety of well-known food brands. Some of our best-known household brands include Twinings, Ovaltine, Ryvita, Kingsmill, Silver Spoon, Tip Top and Mazola. George Weston Foods is one of Australia and New Zealand's largest food manufacturers. Tip Top is one of the most recognised brands in Australia with an extensive range of bread and baked goods.

AB Sugar - The heart of our business is making and selling sugar but we do much more than that. As well as 'core products' made from beet sugar and cane, we also make 'co-products', which can include anything one or two 'steps' away from the sugar-making process: animal feed, soil conditioners, electricity, bioethanol and seed enhancements. We have the capacity to generate power sufficient to meet most of our internal needs and, in a number of locations, we export power to the national grid. The group operates in ten countries and has 27 factories with the capacity to produce 4.5 million tonnes of sugar. Our British Sugar factories produce over 1 million tonnes of beet sugar annually. Azucarera in Spain produces beet sugar from its factories in the north and south, and also refines sugar from cane raws at its refinery in the south. Illovo is Africa's largest sugar producer with agricultural and production facilities in six countries. Typical annual sugar production is 1.7 million tonnes. We operate two beet sugar factories in China, with annual sugar production capacity over 180,000 tonnes.

AB Agri operates at the heart of the agricultural industry as the UK's largest agri-food company and a leader in nutrition, science and technological innovation in animal feed. Our unique breadth and experience enable us to add value along the food, drink and biofuel industry supply chains. AB Agri supplies products and services to farmers, feed and food manufacturers, processors and retailers. We also buy grain from farmers and supply crop inputs through our joint venture arable operation, Frontier Agriculture.

Ingredients comprises businesses that supply a range of ingredients to food and non-food manufacturers. AB Mauri operates globally in yeast and bakery ingredients production, supplying industrial and artisanal bakers and the foodservice and wholesale channels. It is a technology leader in bread improvers, dough conditioners and bakery mixes. ABF Ingredients produces value-added products and services for food and non-food applications. It manufactures and markets enzymes, specialty lipids, yeast extracts, extruded ingredients, pharmaceutical excipients and antacids worldwide with manufacturing facilities in Europe, America and India.

Primark is an international retailer that offers high quality fashion, beauty and homeware at the best value on the high street. Primark employs over 74,000 people in 13 countries across Europe and the US. Primark offers customers value for money clothing in more than 389 stores and 15 million square feet of retail selling space.

We have a decentralised approach to doing business. We aim to achieve strong, sustainable leadership positions in markets that offer potential for profitable growth and deliver quality products and services that are central to people's lives. Operational decisions are made locally because they are most successful when made by the people who have the best understanding of their markets. This culture of setting strategy locally gives our businesses an advantage in being able to swiftly respond to local market, environmental and people issues. The corporate centre provides a framework in which our business leaders have the freedom to pursue opportunities.

At the heart of the way we operate is a principle of 'value together'; the benefit the group gains from each business being part of the larger organisation. Our four groupwide values – acting with integrity, respecting everyone's dignity, progressing through collaboration and pursuing with rigour – are a common thread that ties our businesses together. We live and breathe our values through the work we do every day and reflect the way we conduct ourselves. These values have proved to be critical in determining our responses to the challenges posed by COVID-19. The strong culture of the group, which has been established and then embedded in each of our businesses over many years, provided the firm foundation for the ways in which decisions were implemented.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	August 1 2019	July 31 2020	No	<not applicable=""></not>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina

Australia Austria Belgium Brazil Canada Chile China Colombia Czechia Denmark Ecuador Eswatini Finland France Germany India Ireland Italy Malawi Malaysia Mexico Mozambique Netherlands New Zealand Pakistan Peru Philippines Poland Portugal Singapore Slovenia South Africa Spain Sri Lanka Switzerland Thailand Turkey United Arab Emirates United Kingdom of Great Britain and Northern Ireland United Republic of Tanzania United States of America Uruguay Venezuela (Bolivarian Republic of) Viet Nam Zambia

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response. GBP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Other, please specify (Operational entities where we have 40% + ownership)

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Both own land and elsewhere in the value chain [Agriculture/Forestry only]
Processing/Manufacturing	Direct operations only [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	No

(C-AC0.6g/C-FB0.6g/C-PF0.6g) Why are emissions from the consumption of your products not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Analysis in progress

Please explain

We have evaluated the scope 3 categories and determined that emissions from the consumption of our products will be material. We are currently working on a strategy to start to collect source data and estimate, where needed, the data for product consumption. Due to the scale, nature and consumption patterns of our products, this is a large undertaking and will likely be implemented over a two to three-year time frame. For example, our products include ingredients which are processed by others into finished products such as sugar and yeast. Other finished products include tea, other food products, animal feed, clothes and soft furnishings and bioethanol, to name a few. This demonstrates the range of products we sell and therefore the systematic approach we need to take to determine the emissions from consumption of each product or group of products. Our evaluation process will also include a review of existing life cycle assessments conducted by our operating companies for certain products. As these are currently limited, the data provided by these assessments is not likely to provide sufficient source data to extrapolate meaningful data for reporting at group level. We will however use this as base data to start to build a common methodology for our businesses to calculate the emissions associated with consumption and end of life treatment of their products. We will also work with our operating companies to obtain assumptions and factual data, where available, regarding consumer use of products, product lifetimes and end of life treatment methods. Worth noting here are some of the existing life cycle assessments to Courtauld Commitment 2025, our UK Grocery group businesses are working to reduce the environmental impact of food and drink; to make food and drink production and consumption more sustainable by reducing waste and greenhouse gas emissions within their own operations and their supply chain. • George Weston Foods has conducted Lifecycle Analysis of some bakery products for specific customers. • Since 2

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity Sugar

% of revenue dependent on this agricultural commodity

10-20%

Produced or sourced

Both

Please explain

Our sugar businesses represented 11% of the group's revenue in the reporting year. Sugar represents the single largest CO2e emission contributor to the group. GHG emissions (scopes 1, 2 and 3) from our sugar businesses contributed 53% to ABF's group emissions and 83% of the group's overall energy use.

Agricultural commodity

Cotton

10-20%

% of revenue dependent on this agricultural commodity

Produced or sourced

Sourced

Please explain

Cotton is the main natural fibre used to make many of Primark's products – from pyjamas, t-shirts and jeans, to baby grows, bedding and towels – and Primark is committed to bringing more sustainably-sourced cotton to customers at affordable prices. In the reporting year, Primark's revenue represented 42% of the group's revenue.

Agricultural commodity

Wheat

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

Wheat is sourced primarily by our bakeries, mills and other grocery businesses for us in the production of bulk and bagged flour, bread and associated bakery products. Our agriculture business also sources wheat. In the UK, of the wheat Allied Mills purchases directly, it is largely sourced from farms within 30 miles of the location of the mill in order to minimise road transport costs. Allied Mills purchases approximately 12% of the UK milling wheat crop.

Agricultural commodity

Soy

% of revenue dependent on this agricultural commodity Less than 10%

Produced or sourced Sourced

Sourceu

Please explain

Soy is an ingredient used primarily by AB Agri as a key component in animal feed. AB Agri has been instrumental in the publication of the Soy Sourcing Guidelines by European Feed Compounders Association (FEFAC) as an important first step in encouraging the use of responsibly produced soy in mainstream European supply chains. 80% of the soya AB Agri buys in the UK for its ABN feed mills meets the European Feed Manufacturers' Federation sustainability benchmark for responsibly sourced soya. AB Agri is an active member of the UK Roundtable on Sustainable Soya which compliments AB Agri's ambition to source 100% zero deforestation soy and palm oil by 2025. Other business segments sourcing soy include our Ingredients and Grocery segments. For example, within Ingredients, PGP International has responded to an increased market interest in consuming plant-based protein by introducing a soy ingredient that can be used to bake high-protein snacks, cookies and energy bars. Allied Bakeries purchases a small quantity of sustainable soya that is grown on farms in Canada and Europe to Round Table on Responsible Soy (RTRS) and Pro Terra standards; Allied Bakeries also has chain of custody accreditation. AB Mauri UK has maintained its 'BM Trada Responsibly Sourced' accreditation which means there is a direct link between the soy or soy cognate they source and place of origin, which should be an internationally certified farm dedicated to soy production. AB Mauri has announced that it is now working in conjunction with Soya UK. AB Mauri UK sourced 1000 tonnes in the first year and very little in the second year due to crop yield. AB Mauri UK is working with ABF to contract with Soya UK to increase availability. The AB Mauri UK & Ireland head of supply chain and procurement says: "We believe sustainability makes good sense for our business, our people and our planet. UK Soya's overall approach to sustainability and yields is impressive. They are certified as producing sustainable soya under the BM Trada Soya Certification scheme, an internationally recognised standard. Unguestionably, the UK soya bean has excellent environmental credentials". The AB Mauri UK & Ireland marketing business partner adds: "This is a timely announcement in light of the current and ongoing drive by the UK Grocery Sector towards sustainably sourced products. In the case of soya, every ton of UK product we could use is another ton that does not need to be imported from half a world away. Only very recently a key retailer announced their intention to achieve 100% sustainable soy within the next few years. We are very happy that AB Mauri are ideally placed to help our customers comply with the demands of bakeries and grocery retailers for sustainability, both now and in the future."

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization? Yes

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The board as a whole is responsible for ABF's overall risk management and agreeing the group's principal risks. During the reporting year the board agreed that 'Our use of natural resources and managing our environmental impact' as a principal risk for ABF (as reported in the 2020 Annual Report and Accounts). This principal risk includes energy use and resultant greenhouse gases. The risks are mitigated by implementing efficiencies, use of technologies and adapting our operations to climate change. As climate change is integrated into group wide risk assessments, the board has utimate responsibility for all risk related to climate change. The directors of the board have a duty to act in a way which promotes the success of ABF with regards to, amongst other matters, the impact of the Group's operations on the environment.
Chief Executive Officer (CEO)	The Group CEO receives and reviews a summary of risks, including environmental and climate risk, from each business segment at least annually. ABF's five business segments are Grocery, Agriculture, Sugar, Ingredients and Retail. Where environmental and climate risks are considered material and likely, it is the responsibility of the CEO to keep the other board of directors fully informed of how the risks are being managed. In addition, environmental risks that have a high and immediate likelihood are reported to the Group CEO via the Group Chief People and Performance Officer, and the Group Company Secretary. Otherwise, environmental and climate risks are incorporated into the group's standard risk processes.
Chief Financial Officer (CFO)	ABF has implemented an enterprise-wide risk management system for which the Group Finance Director is accountable to the board of directors. The Group Finance Director (equivalent title to Chief Risk Officer and Chief Financial Officer) is a member of the board. The CEO and Group Finance Director are accountable to the board for matters relating to risk. This includes keeping the board informed of climate-related risks through the group's risk management procedures. Climate-related issues and potential financial implications are reviewed, monitored and escalated to the board through this risk management system for which the Group Finance Director has responsibility.
Other C- Suite Officer	The Group Company Secretary is accountable at board level for matters relating to corporate responsibility including climate change management. The Company Secretary position reports into the Chief Executive Officer and therefore has the ability to review, influence and monitor changes at a group level. Any environmental risks that have a high and immediate likelihood are reported to the Group CEO via the Group Chief People and Performance Officer and the Group Company Secretary. The Company Secretary acts as a focal point for communications to the board and with shareholders on responsibility matters. During the year, the Company Secretary responded to requests for meetings, telephone meetings or written information from both existing and potential shareholders and research bodies on a broad range of environmental, social and governance risk matters including matters related to climate change, greenhouse gas emissions, water, supply chain management and sustainable agriculture.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

with which climate- related	mechanisms into which	Scope of board- level oversight	Please explain
Scheduled – some meetings	guiding risk	<not Applicabl e></not 	ABF's Board of directors is responsible to shareholders for the direction and oversight of the group to ensure its long-term success. The Board met eleven times throughout 2020 to approve the group's strategic objectives, to lead the group within a framework of effective controls which enable risk to be assessed and managed, and to ensure that sufficient resources were available to meet the objectives set. The Board is accountable for effective risk management; for agreeing the principal risks facing the group and ensuring they are successfully managed. As climate change is integrated into group wide risk assessments, the Board has ultimate responsibility for all risk related to climate change. The Board had specific focus on ESG matters within their June 2020 strategy sessions as part of the Board meeting as well as an update on Health, Safety and Environmental matters in the February 2020 Board meeting, delivered by the Group Director of Health, Safety and Environment. The Group Director of Finance (equivalent title to Chief Risk Officer and Chief Financial Officer) receives from the five business segments their consolidated risk assessments twice a year and, with the Director of Chief Zecutive annually and shared with the Board twice a year as part of the formal risk assessment process. The Board undertakes an annual assessment of the principal risks which are believed to likely have the group's principal and other material environmental impacts. The use of natural resources and managing our environmental impact have been identified as one of the group's principal risks and other material environmental impacts. The use of natural resources and managing our environmental impact have been identified as one of the group's principal risks and uncertainties, as reported in the 2020 Annual Report. These risks and their impact on business performance are also considered as part of the board reviews the effectiveness of the group's approach to risk management. The Audit Committee on behalf of the board reviews the e

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate- related issues
Other C-Suite Officer, please specify (Director of Legal Services and Company Secretary)	<not Applicable></not 	Both assessing and managing climate-related risks and opportunities	<not applicable=""></not>	Half-yearly
Other C-Suite Officer, please specify (Director of Financial Control)	<not Applicable></not 	Both assessing and managing climate-related risks and opportunities	<not applicable=""></not>	Half-yearly
Environmental, Health, and Safety manager	<not Applicable></not 	Managing climate-related risks and opportunities	<not applicable=""></not>	Annually
Business unit manager	<not Applicable></not 	Both assessing and managing climate-related risks and opportunities	<not applicable=""></not>	Less frequently than annually
Corporate responsibility committee	<not Applicable></not 	Both assessing and managing climate-related risks and opportunities	<not applicable=""></not>	Half-yearly
Other, please specify (Director of Group Secretariat)	<not Applicable></not 	Assessing climate-related risks and opportunities	<not applicable=""></not>	As important matters arise

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climaterelated issues are monitored (do not include the names of individuals).

Our decentralised business model empowers the management of our businesses to identify, evaluate and manage the risks they face, on a timely basis, to ensure compliance with relevant legislation, our business principles and group policies. The risk assessments consider materiality, risk controls and the likely impact against a range of criteria such as business objectives, financial performance, the environment and climate change, regulation and reputation. Climate and weather issues are integrated into the group's risk management and performance processes; risks are initially identified at site level, channelled to the business level, collated into the five business segments and then collated at group level. These risks are shared with the board at least once a year; the board is kept informed of risks, how these are being managed and the performance to minimise the risk. As climate is integrated into group wide risk assessments, the board has ultimate responsibility for all risk related to climate change.

The Group Company Secretary has overall accountability for all responsibility issues including climate change. Responsibility lies here because the Company Secretary reports to the board and into the CEO and therefore has the ability to review, influence and monitor climate activities at a group level. Any environmental risks that have a high and immediate likelihood are reported to the CEO via the Group Chief People and Performance Officer and the Group Company Secretary. The role is supported by the Director of Group Secretariat.

The Director of Group Secretariat, who reports to the Group Company Secretary, is responsible for internal communication and external reporting of ABF's sustainability performance. The role facilitates positive change and supports the businesses with their sustainability matters; sharing good practice, providing tools, resources and being a central point for sustainability which includes climate risks and opportunities.

The Group's Director of Financial Control (equivalent title to Chief Risk Officer) receives risk assessments twice a year and, with the Group Finance Director, reviews and challenges them with the business segment CEOs. These risks and their impact on business performance are considered as part of the segment performance updates to the board presented at each board meeting. Responsibility for monitoring climate-related risk lies here as climate is integrated into the group's risk management procedures.

In addition, an aggregated summary of risks, including environment and climate, is reviewed by the Director of Financial Control, Group Finance Director, CEO and ABF's board at least annually.

The Group Safety and Environment Manager supports the businesses with their environmental performance and reporting; working with the Director of Group Secretariat and environment managers in the businesses. This role reports annually to the board on the group's environmental performance including GHG emissions and carbon management. Responsibility lies here as the role has direct engagement with the sites and business level environment managers to support the tracking of emissions and related activities as well as responsibility for the annual disclosure of environmental performance data. This role reports to the Group Chief People and Performance Officer who reports to the CEO. This role chairs the Health, Safety and Environment (HSE) Leaders Group which addresses environmental issues including sharing best practice when tracking the performance of climate adaptation and mitigation programmes.

The CR and HSE Leaders Groups have representatives from the businesses and group-level finance, procurement, risk and communications. These leadership groups meet throughout the year to discuss group wide and business- or geographic-specific issues such as climate change, water stewardship and deforestation.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate- related issues	Comment
Row 1		The group takes a long-term approach to investment and is committed to increasing shareholder value to deliver steady growth in earnings and dividends. As reported in the 2019 Annual Report and Accounts, the personal performance element of the Short-Term Incentive Plan for executive remuneration was to be modified to focus on in-year execution of multi-year priorities related to environmental, social and governance (ESG) measures and business health as well as to business performance. This change was welcomed by our shareholders in consultation and was implemented in the reporting year. As reported in the 2020 Annual Report and Accounts, personal performance is aligned to key business health and business performance goals, including ESG measures.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	1	Activity inventivized	Comment
Chief Executive Officer (CEO)	reward	Other (please specify) (ESG matters)	As reported in the 2020 Annual Report and Accounts, the personal performance element of the short-term incentive plan has been modified to focus on in-year execution of multi-year priorities related to environmental, social and governance (ESG) measures and business health as well as to business performance. In 2019, this change was welcomed by our shareholders in consultation.
Business unit manager	reward	Other (please specify) (ESG matters)	Business unit managers are the equivalent role of the chief executives of each ABF business. As reported in the 2020 Annual Report and Accounts, the personal performance element of the short-term incentive plan has been modified to focus on in-year execution of multi-year priorities related to environmental, social and governance (ESG) measures and business health as well as to business performance. In 2019, this change was welcomed by our shareholders in consultation.
Management group	monetary reward	Emissions reduction project Emissions reduction target Energy reduction target Energy reduction target Efficiency project Efficiency target	Due to the importance of sugar to the group, we include here the example from Illovo Sugar Africa (Pty) Ltd: Climate change mitigation related indicators are directed at initiatives and advancements in clean technology, energy efficiency, waste avoidance and overall greenhouse gas (GHG) emission reduction within their operations. Climate change adaptation related indicators are directed at ensuring a sustainable cane supply; both within own agricultural operations and from third party cane providers and include water and crop resilience indicators.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities? Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)		Comment
	(years)	(years)	
Short- term	1		Our businesses can make swift changes to their operations, with limited impact on operating costs, to adapt to changes in weather patterns or other climate-related issues. These are short-term horizons which can be incorporated into the annual budget and business planning processes.
Medium- term	3	10	A medium-term horizon will take into account wider value chain implications of any change to the business or operating model.
Long- term	10		We are a company which thinks long term, invests consistently in its assets and finances itself conservatively. Long-term horizons are harder to predict and therefore manage but nonetheless, our businesses consider the long-term future sustainability of their business model for example, availability of raw ingredients, availability of natural resources and changes in consumer behaviour so they are prepared to adapt and react to these changes if necessary.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The delivery of our strategic business objectives and long-term shareholder value are of paramount importance to ABF and are dependent on effective risk management.

An event, or series of events, resulting in the inability to deliver the strategic objectives of the business and long-term shareholder value would be considered an event that would have a substantive financial or strategic impact on our business.

As with any business, risks and uncertainties are inherent in our business activities. ABF regularly faces business uncertainties, and it is through a structured approach to risk management that it is able to mitigate and manage these risks and embrace opportunities when they arise. The diversified nature of our operations, geographical reach, assets and currencies are important factors in mitigating the risk of a material threat to the group's sustainable growth and long-term shareholder value.

The Board has identified £30 million as a material financial impact threshold for the group. An event or series of events that exceed this financial threshold could be considered to have a substantive financial or strategic impact as it would most likely impact the delivery of the group's strategic objectives or have a detrimental effect on the group's sustainable growth and long-term shareholder value.

The Board undertakes a robust annual assessment of the principal risks, including emerging risks, that would threaten the business model, future performance, solvency or liquidity. These are the principal risks of the group as a whole and the risks which could prevent ABF from delivering its strategic objectives. These are the principal risks which ABF believes are likely to have the greatest current or near-term impact on our strategic and operational plans and reputation.

In 2020, the Board identified "Our use of natural resources and managing our environmental impact" as one of the principal risks. In our assessment of climate-related business risks, we recognise that the cumulative impacts of changes in weather and water availability could affect our operations at a group level. Our businesses rely on a secure supply of natural resources, some of which are vulnerable to external factors such as natural disasters and climate change. If climate risk is not managed effectively, operating and production costs relating to the impact of carbon and of crop risk could be substantive especially in our carbon-intensive operations such as sugar. As such there is a strong focus on managing energy, driving energy efficiency and reducing our carbon emissions. We recognise the importance of integrating climate-related risks and opportunities into our business decisions to help with the transition to a low carbon economy.

While the principal risks considered all have the potential to affect future performance, none of them are considered individually or collectively to be capable of exceeding this financial threshold resulting in a substantive financial or strategic impact on our business within a reporting year. The diversity of our businesses, in different sectors with different customers, products and markets removes the possibility of any single adverse event, or series of climate-related events, having a material impact.

However, at business or segment level, substantive risk from climate-related events is a possibility and we, therefore, report within CDP potential risks and responses at the segment level within subsequent questions.

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered Direct operations Upstream Downstream

Risk management process Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment More than once a year

Time horizon(s) covered

Short-term Medium-term Long-term

Description of process

Our process for identifying, assessing and responding to climate-related risks and opportunities is integrated in our group-wide approach to risk management. The delivery of our strategic objectives and the sustainable growth of ABF is dependent on effective risk management. We regularly face business uncertainties and it is through a structured approach to risk management that we are able to mitigate and manage these risks and embrace opportunities when they arise. The diversified nature of our operations, geographical reach, assets and currencies are important factors in mitigating the risk of a material threat to the group's sustainable growth and long-term shareholder value. The Board is accountable for effective risk management, for agreeing the principal risks facing the group and ensuring they are successfully managed. The Board undertakes an annual assessment of the principal risks, including those that would threaten the business model, future performance, solvency or liquidity. The Board also monitors the group's exposure to risks as part of the business-level performance reviews conducted at each Board meeting. Each year, the Audit Committee on behalf of the Board reviews the effectiveness of the group's approach to risk management including the internal control procedures and resources devoted to them. Our decentralised business model empowers the management of our businesses to identify, evaluate and manage the risks they face to ensure compliance with relevant legislation, our business principles and group policies. Our businesses perform risk assessments which consider materiality, risk controls and specific local risks relevant to the markets in which they operate. Risks assessments start at the asset level with each site taking responsibility for assessing their immediate environmental sensitivities and risks, often related to water extraction, energy use, all emissions and odours. These site level risks are mapped on to a risk and opportunities matrix, in a format prescribed by the Board, which considers stakeholder concern, potential financial impact and assesses likely level of impact. They are classified into 'business', 'operational', 'financial' and 'project' risks. It is the responsibility of the business level CEO to embed assessments into their business and implement necessary response strategies. The business CEOs are supported by senior roles which are accountable for the short and long-term environmental performance of their business. This includes creating the business case for investing in opportunities to mitigate or adapt to climate changes and maximising opportunities such as product development. The risk registers themselves have been developed by each business so that they are relevant to the nature of their operations; either integrating up and downstream risks into one risk register or in some cases maintaining separate registers for each stage in their value chain. ABF requires all businesses to implement appropriate levels of risk and opportunity management to ensure compliance with legislation, group policies and business principles considering business needs and local circumstances. Criteria which contributes to determining priorities include: a. Risk of legal non-compliance/physical environmental damage/reputation; b. Pollution or nuisance to neighbours; c. Opportunity for enhanced financial return/client acquisition/revenue streams; d. Ease of achievement. As an example, one of the businesses has an environmental impacts register, aligned with ISO14001, which assesses the significance of upstream and direct operational environmental risks associated with the supply and transportation of materials, against four categories of activity. Weightings are applied based on the volume of materials. Global external data sources provide information to support the decision-making, which includes physical and transitional risks associated with climate change and GHG emissions from specific activities. The magnitude, likelihood, time frame and controls in place are used to assess the magnitude of the risk; of the environmental or climate risk on the activity as well as the impact of the business activity on the environment including emissions. The Director of Financial Control receives the business level risk assessments twice a year and, with the Group Finance Director, reviews and challenges them with the segment chief executives, on an individual basis. These discussions are wide ranging and consider operational, environmental and other external risks. These risks and their impact on business performance are reported during the year and are considered as part of the monthly management review process. Group functional heads including Legal, Treasury, Tax, IT, Pensions, HR, Procurement and Insurance also provide input to this process, sharing with the Director of Financial Control their view of key risks and what activities are in place or planned to mitigate them. A combination of these perspectives with the business risk assessments creates a consolidated view of the group's risk profile. A summary of these risk assessments is shared and discussed with the Group Finance Director and Chief Executive twice a year. The Director of Financial Control holds meetings with each ABF non-executive director seeking their feedback on the reviews performed and discussing the key risks and mitigating activities. Once all non-executive directors have been consulted, a Board report is prepared summarising the full process and providing an assessment of the status of risk management across the group. The key risks, mitigating controls and relevant policies are summarised and the Board confirms the group's principal risks. These are the risks which could prevent Associated British Foods from delivering its strategic objectives. This report also details when formal updates relating to the key risks will be provided to the Board throughout the year. The Internal Audit function, which reports to the Board, maintains regular liaison with each business. It identifies and evaluates the risks and opportunities arising from business activities and, working with the relevant risk and environmental specialists within the businesses, confirms the detailed measures intended to deal with major risks by averting, minimising, transferring or retaining them or by maximising the potential opportunities. Major risks are those which could impair the business to continue operating in the short, medium or long-term. These include risks associated with secure supply of materials and access to markets as a result, for example, of changes to national average temperatures; risks associated with secure supply of natural resources, such as energy and water, to maintain production operations because of the impact of drought; and risk to reputation if we were not to respectfully manage and reduce our GHG emissions.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

Please explain

CDP

	Relevance &	Please explain
	a inclusion	
Current regulation	Relevant, always included	ABF operates across numerous jurisdictions and is subject to multiple climate-related regulations. We comply with the regulations of the countries in which we operate and where possible exceed standards. Climate regulation is included in our business's risk assessments as the risk of non-compliance could result in unnecessary financial and reputational implications. Cap & Trade Schemes:Due to the lack of a comprehensive international agreement and inconsistent climate policies, we anticipate market distortions and a financial risk to ABF with impacts at the business level. Carbon taxes:There are potentially increased costs associated with carbon taxes as more countries adopt carbon price schemes. The 2019 South African Carbon Tax Act has a financial impact on Illovo. Bagasse and biomass created from the sugar cane crushing process is used to generate Illovo's own-use energy and export surplus energy to the grid. However, the non-anthropogenic component of bagasse and biomass is still taxed, and by virtue of the raw material used, Illovo is exposed to the carbon tax even if it phases out fossil fuel consumption. Nonetheless, Illova has Performance Optimisation Plans to improve energy efficiencies to reduce consumption of purchased grid electricity and coal. Through discussions led by the South Africa Sugar Association (SASA), Illovo participated in the June 2020 consultations on the Carbon Tax Act. SASA proposed to increase the trade exposure allowance for the sugar sector from 7.59% to 10% and these submissions were accepted. The EU Best Available Techniques reference documents (BREF) cover the industrial activities in the pollution of water, air and soil. British Sugar identified compliance risks for its animal feed drying, pelleting and wastewater treatment process indirectly relating to GHG emissions. British Sugar's assessment is focused on particulate emissions from mainal feed drying, pelleting and wastewater treatment process indirectly relating to GHG emissions. British Sugar's assessestion from Airs Su
Emerging regulation	Relevant, always included	Emerging regulation related to climate risk is always included in our risk assessment process as it may impact budgeted operating costs, financial performance or cause reputational harm in the event of non-compliance. As we operate in 53 countries, and with the introduction of national climate regulation increasing as countries implement their National Adaptation Plans, this is an area of potentially increasing financial and reputation risk if not suitably managed. In addition, there is emerging regulation relating to the disclosure of climate activities and performance which if not effectively managed through risk procedures could lead to a negative reputational impact. Emerging legislation may also bring opportunities where our businesses can help to shape programmes and legislative responses which help industry to reduce emissions. For country-specific regulation, our local teams are tasked with identifying and assessing the risks related to the emerging regulation and ensuring that we are aware of, and in a position to comply with the new laws. Where changes to schemes take place or there are key legislative changes which are classified as a risk, the business reports this to the group level via the senior risk manager to the business CEO and to the Group's Director of Financial Control, as per the company procedures. We also engage with governments, local regulators and community organisations to contribute to, and anticipate, important changes in public policy.
Technology	Relevant, sometimes included	ABF acknowledges that consumers are becoming more aware of the environmental impact of the products they purchase; this awareness is across the value chain including sourcing, packaging, use and end of life. To remain financially competitive, innovative and sustainable, products are required which consider energy efficiencies and the use of renewables, reductions in emissions either during production or to help consumers reduce emissions and products are required which consider energy efficiencies and the use of renewables, reducing production or to help consumers reduce emissions and products or services which help customers adapt to climate change such as agricultural technology. Technology is key to creating all of these innovative products which will meet the needs of our customers and changing demands on agricultural, production and retail processes. The risk here is that as technology develops, which helps organisations transition to a low-carbon economy, and our operations do not invest or adopt the opportunities, that we lag behind competitors. As such, our businesses constantly investigate technological and infrastructural alternatives when considering climate-related risks. AB Sugar has a strong corporate engineering team to support the individual businesses and sites, especially around energy efficiency, and to horizon-scan technological developments and check operational feasibility. These cross-discipline teams operate at various levels with the intention to identify a short, medium and long-term roadmap. The short-term plans are predominantly compiled at site and business level within the operating entity, while the long-term plans are considered at the business and group level. In parallel, we are looking to take advantage of new national infrastructure and upcoming technologies that could help us reduce our carbon emission significantly. The risk is that the national infrastructure is slow to keep pace with business ambition and new technologies are not supported to scale up for businesses such
Legal	Relevant, always included	ABF's financial control framework and board-adopted tax and treasury policies require all businesses to comply fully with relevant local laws. We adopt a similar approach to legal risks and potential litigation as we do to emerging and current regulation risk, as together they provide the structure within which our businesses operate in order to remain profitable while ensuring that we minimise our negative impact on the natural environment. ABF is committed to complying with the legislation and regulations of the countries in which we operate and as such, the climate-related legal environment is always included in our risk assessments. The businesses manage the processes and costs incurred to comply with climate-related legislation. Climate legislation is also included in our risk assessments as the risk of non-compliance and litigation could result in unnecessary additional financial and reputational implications. Each business is responsible for complying with all relevant legislation in the geographies in which they operate. Some businesses use legislation trackers to monitor any new regulation that may impact their operating environment, product stewardship and wider industry. In addition, the group runs an external audit programme which monitors the main environmental risks and environmental legal compliance at manufacturing and store level; this rolling programme of audits and actions, which is monitored by the Group Director of Health, Safety and Environment, ensures potential non-compliance with national climate-related legislation is identified and managed. Where risk associated with climate legal standards is identified, each business CEO and to the Group's Director of Financial Control, as per the company procedures. At the group level, it is a requirement of our listing on the London Stock Exchange to disclose our approach to material environmental issues, of which adapting to and mitigating climate change is one. As such, ensuring the group meets these reporting requirements is included in our app
Market	Relevant, always included	As ABF operates in 53 countries with sales and supply chains in many more, we are exposed to global market forces. Failure to respond could directly impact the profitability of our operations. Entering new markets is also a key risk and we conduct rigorous due diligence when entering or commencing business activities in new markets, which includes consideration of the impacts of climate change on the region's weather, temperature and rainfall patterns which may, in turn, affect yields, production and customer demand for products. For example, clothing requirements throughout the year or seasonal food choices. Our approach to risk management always includes potential short-term market volatility and evaluates longer-term on the volatility and evaluates longer-term be impacted by weather changes for example, can lead to a change in price for materials such as sugar, cotton or wheat and can also include tariffs, quotas and other levies. As a principal risk to the group, fluctuations in commodity and energy prices can have a material impact on the group's operating results, asset values and cash flows. These fluctuations can occur because of climate influences ranging from national energy policies to weather impacting crop yields. The commercial implications of commodity price movements are continuously assessed and, where appropriate, are reflected in the pricing of our products. EU sugar prices increased this year with a reduction in stocks following lower EU sugar production on yields. The group such as a wide range of commodities and therefore constantly monitors the markets in which we operate, including short and long-term climate implications; managing these exposures with strategies such as exchange traded contracts and hedging instruments. Each business is responsible for monitoring shifts in local and international markets. Where market risks are identified, the business reports this to ABF via their senior risk manager to the business CEO and to the Group's Director of Financial Control, as per the compa
Reputation	Relevant, always included	As a global enterprise, ABF comes under increasing scrutiny from all its stakeholders including investors, shareholders, employees, customers and other parties in the supply chain in relation to climate change action and sustainability performance. In order to remain profitable and a partner of choice, ABF recognises the need for its brand, product offering and reputation to be highly regarded by these stakeholders. In addition to living our values, ABF's policies, internal controls and risk assessment processes ensure our operations meet the expectations of our stakeholders and therefore climate is considered in risk assessments. For example, investors such as Legal & General Investment Management review the group's consolidated climate impact using the information we communicate publicly but also engagement. We recognise that there may be a risk that our performance is not communicate our approach to climate risk management. We recognise that there may be a risk that our performance is not communicated effectively, that we do not meet our business level climate-related commitments or that our emissions performance is not valued sufficiently thereby potentially reducing demand for our goods and services and damage to our corporate reputation. As such, we consider reputational risk and how we can mitigate this risk through effective disclosures of activity related to climate-risk and opportunity through our annual reporting, CDP and other engagement with key stakeholders. Each business reports this to ABF via the senior risk manager or director to the business CEO and to the Group CEO via the Group's Director of Financial Control, as per the company procedures.
Acute physical	Relevant, always included	Acute risks that are unanticipated and event-driven, including increased severity of extreme weather events such as cyclones, hurricanes or floods may impact the availability of key agricultural raw materials and disrupt our operations. These risks have the potential to disrupt the value chain, increase operational costs and impact our ability to do business. For ABF, these raw materials could be sugar on our own land, cotton in our supply chain or other commodities such as wheat, rice, tea and edible oils. As experienced over recent years, acute physical events have led to crops in our supply chain being damaged by floods, extreme frosts and winds. Given our diversified structure, our businesses and divisions are empowered to consider and implement their own mitigation and adaptation strategies. Each business is responsible for understanding the risks pertinent to each location in which they operate. Each business reports this to ABF via the senior risk manager or director to the business ECO and to the Group CEO via the Group's Director of Financial Control, as per the company procedures. Some of the locations in which we operate are prone to flooding, drought and extreme weather events such as cyclones and heatwaves, which can affect harvests and impact supplies of raw materials, energy and water. To address such issues, this year our businesses have invested in a range of adaptation measures such as infrastructure upgrades to reduce flood damage, and improved water efficiencies and reused more water where possible. They also collaborated with suppliers to build resilience in the supply chain where flooding and drought are prevalent. During the year, we responded to extreme weather events around the world. For example, 77 hectares of sugarcane were damaged due to flooding at Illovo Dwangwa in Malawi resulting in 6,000 tonnes of lost cane. Fields were covered in sand and irrigation structure damaged, including the supply canal and feeders. In Zambita the irrigation of Illovo's sugar crop was impacted by reduc

	Relevance	Please explain
	inclusion	
Chronic physical	Relevant, always included	ABF has a substantial international agricultural footprint through our supply chain and operations on our own land. Therefore it is imperative that we respect the natural environment by managing our impacts as well as responding to changes resulting from climate change such as variability in seasons, changing weather and precipitation patterns, changing mean temperatures and the impact of these on natural resources. These physical risks could impact the availability, quality and price of key agricultural raw materials and commodities. In addition, chronic physical risks could start to impact the secure supply of materials, geographical growing regions or harvest seasons. Each business is responsible for understanding the risks pertinent to each location in which they operate. Where potential risks are identified, each business reports this to ABF via their senior risk manager or director to the business CEO and to the Group's Director of Financial Control, as per the company procedures. The inability to source raw materials as a result of change in climate change. They also continuously improve their irrigation methods including converting to more efficient irrigation systems such as drip irrigation to mitigate against long-term climate change impacts and to use water, and associated energy, more efficiently. This year, llovo faced challenging climate conditions that had a direct impact on production yields. Specifically, colder temperatures in production regions in South Africa have caused frost damage to sugar cane resulting in a decrease in cane yields in Noodsberg and Sezela, and unseasonal rainfall in Dwangwa, Malawi caused a reduction in sugar cane production. Through their risks assessments, Westmill identified a risk to their supply of rice from Pakistan due chronic water shortage within five years because of climate change. In response the business joined the UN Sustainable Rice Platform (UNSRP), a multi-stakeholder partnership in Pakistan that works to proactively improve the sustainability of the bas

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business? Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier Risk 1

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical Changes in precipitation patterns and extreme variability in weather patterns

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

As ABF consists of five business segments a substantive risk to the group as a whole is very rare because if something impacts one segment, the other four will continue to operate and it is unlikely to move the group's share price. There is sufficient diversity in the group, and across our supply chains, that the risk of climate-related chronic physical changes is likely to be low. As we operate across 53 countries with supply chains reaching more, there are varying degrees of impact from climate change on upstream activities. We recognise that all our business segments could be affected by varying degrees, whether they are sourcing specific ingredients to include in products or core raw materials such as sugar cane and cotton. These shifts in climate patterns are likely to occur over the long-term albeit with some impacts starting to manifest in some regions now; prolonged periods of flooding and droughts have been experienced by regions where we source materials such as India for cotton, Zambia for sugar cane and USA for rice. Ultimately chronic physical changes could impact our ability to deliver products to customers at expected times, increase the costs of purchase, increase commodity prices, and result in increased need to continuously work and invest with our suppliers to adapt to climate change. The costs could meet our threshold for financial substantive impact of £30million but this would be over a long period of time and due to our risk processes, will be addressed by the businesses as part of their strategic planning. Therefore we believe that upstream chronic physical climate-related risks are likely to occur in the long-term but that the impact will be low. At group level we have started to consider scenarios as a result of potential 2°C and 4°C global warming and what this could mean for specific upstream activities; initial high-level analysis indicates that some of our key commodities may have to be sourced from different regions in the medium-term as current locations may not be able to sustai

Time horizon Long-term

Likelihood

Likely

Magnitude of impact Low

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

Due to ABF's decentralised structure we do not have a consolidated impact figure as each business manages this risk and related costs as part of their business as usual

costs. However, as we continue to develop our approach to projecting the impact of climate change on our businesses, we will consider the inclusion of quantifying financial risks and responses into our scenario analyses and adaptation plans.

Cost of response to risk

Description of response and explanation of cost calculation

Our Supplier Code of Conduct is designed to ensure suppliers, representatives and all with whom we deal, adhere to our values and standards. ABF encourages operating practices, farming practices and agricultural production systems that are sustainable. Our expectations are for supplier and representatives to continually strive towards improving the efficiency and sustainability of their operations. Where supply chains are at risk of climate change, our businesses work directly with them to implement programmes and procedures to adapt to shifts in weather patterns. For example, Primark, Silver Spoon, Westmill, Azucarera, British Sugar and Illovo are involved in initiatives to increase the yields and incomes of smallholder farmers and improve their resilience to the impacts of climate change. A further example of a response to addressing chronic physical risks is the work of AB Sugar, which published commitments for 2030 including building vibrant, diverse value chains and reducing the water and carbon dioxide footprints in their end-to-end supply chain by 30%. During the reporting year, AB Sugar selected a winner for their Innovate Irrigation Challenge which was launched in 2019 alongside WaterAid and the University of Cambridge's Centre for Industrial Sustainability. The aim of the challenge was to attract bold new ideas to help deliver its 2030 commitment to reduce water use by 30%; to identify new solutions for water efficiency and contribute towards the fight against climate change. An expert panel of judges unanimously agreed that a smart irrigation system designed by two graduate engineers from Uganda was the winning submission. The winning idea is now being piloted; focusing on a smart irrigation system to successfully tackle the three main areas of irrigation losses. The idea accounts for water used in irrigation, detects water loss, plans irrigation schedules, monitors crop growth and determines the water required by the crop at different growth stages. It can be connected into existing processes, manag

Comment

Identifie

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

Although it is very unlikely that one extreme weather event will result in a substantive impact to ABF, through share price movements, affecting the group's ability generate profit or crossing our financial threshold for substantive impact, we recognise that the cumulative impacts of acute weather events could affect a number of our businesses and, at a consolidated level start to generate a group risk over the long-term. The frequency of extreme weather events is likely to increase but will be spread over a prolonged period of time or across regions so that they do not pose a significant risk at the group level. From experience of recent years, ABF's businesses have managed the impact of acute physical events such as cyclones and resultant flooding, heatwaves and extreme frosts. The effects have ranged from impacts on crop yields grown on our own land, damage to infrastructure and disruption to manufacturing and distribution to our customers. As these have been experienced at an individual site or businesses level, the risks have not been considered substantive at the group level. During the year, we responded to extreme weather events which include: - In Zambia, the irrigation of fllovo's sugar crop at Nakambala was impacted by reduced power supply from the Kariba Dam hydro-electric plant on the Zambezi River, due to the low level of Lake Kariba (14% of capacity) between September and December 2019. Extensive periods of electricity load-shedding hindered the smooth operation of the production facilities and adversely affected the ability to fully irrigate the crop as required. From April-August 2019, 93% of crop water demand was met and only 56% of the crop water demand was met between September 2019 and March 2020. The crop forecast was revised downward from 3.4 million tonnes to 3.2 million tonnes of cane. The whole cane supply area was affected to some degree by load shedding. - Illovo's Dwangwa estate in Malawi experienced flooding during the 2019/2020 season. The floods scaused damage to 3ha of crop, dam

Time horizon

Long-term

Likelihood Likely

. . .

Magnitude of impact Low

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

Due to ABF's decentralised structure we do not have a consolidated impact figure as each business manages this risk and related costs as part of their business as usual costs. However, as we continue to develop our approach to projecting the impact of climate change on our businesses, we will consider the inclusion of quantifying financial risks and responses into our scenario analyses and adaptation plans. Our businesses, and in this example, Illovo calculate the impact of such events on their production capacity using the forecast outputs against the actual outputs. We do not have financial data to report this year for the potential impact of these acute physical, climate-related events.

Cost of response to risk 1109000

Description of response and explanation of cost calculation

Managing costs associated with acute physical risks are devolved to our businesses as they best understand the local environment. Given the materiality of the risk, management is ongoing with costs usually embedded into business-as-usual activities. Additional costs may arise when corporate centre conducts strategic and tactical analysis to support our businesses or when remedial repairs are required following an extreme weather event. In response to the events in Malawi, Illovo implemented various measures to mitigate the risk of extreme weather. These also address chronic risks so that operations are building resilience to increased extreme events as well as adapting to shifts in weather patterns. These are applied across all Illovo operations with some regions investing more depending on existing infrastructure. The actions included: 1. The outcomes of the floods were shared with risk assessments and implementation of risk profiling models applied across Illovo. 2. Investments made in new low carbon-technologies and fuel from renewable sources, e.g. the energy mix in the South African operations is dominated by renewable fuels with 90% of energy used derived from wood or bagasse; reducing emissions and dependence on national supply and impact of disruptions. 3. Investments made in water infrastructure, pumps and pump stations including delineating flood risk zones and improving flood protection mechanisms. • At Dwangwa, approximately £100,000 was spent on flood mitigation. • At Nchalo, the cost of dealing with floods April-August 2019 was £53,000 and additional £149,000 was spent to repair damage in Sep 2019-Feb 2020. • At Nakambala, Zambia, £680,000 was spent on Phase 3 of the Irrigation Pump Replacement Project to upgrade the bulk water pumps on site. • At Kilombero, Tanzania, an estimated cost of £127,000 is anticipated to repair the flood damages. This includes costs to repair damaged infrastructure at the bridge, reinforcement of the main river pump station as well as the repair and rehabilitation of th

Comment

Identifier Risk 3

Where in the value chain does the risk driver occur? Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

Changes in energy regulation, carbon and energy taxes are likely to lead to increasing costs for our businesses over the next few years, with some businesses already adjusting to new taxes. The risk is that emerging regulation will lead to an increase in direct manufacturing costs however when consolidated at the group level, these are not likely to be substantial. While not currently or in the near-future considered a substantive financial risk at the group level, ABF recognises that the pace of emerging carbon-related regulation could be a potential financial risk to certain segments in the group, for example UK legislation increasing the Climate Change Levy, primarily impacting our UK-based sugar, agriculture and grocery businesses. Our businesses have completed all practical preparations should the UK exit the Brexit transition period with or without a trade deal. For our operations regulated by the EU ETS which includes British Sugar, there has been a significant increase in the cost per tonne of allowances associated with EU ETS emissions (circa £5 per tonne in 18/19 compared with circa £20 per tonne in 19/20), reflecting a significant increased environmental spend in the reporting year. Germany's Renewable Energy Sources Act and the 2019 South African Carbon Tax Act have contributed to significant business decisions. The South African Carbon Tax is levied at a rate of R120/tCO2e increasing in real terms by 2% per year during the first implementation period (up to 2022). A basic tax-free threshold of 60% is proposed for the first period with further allowances for trade exposure, participation in the national GHG inventory accounting framework and good performance allowances. While the non-anthropogenic component of bagasse and biomass is being taxed, the emissions from bagasse amount to approximately 10kg CO2e/tonne versus coal which is around 2.3t CO2e per tonne of coal. Wood is similar to bagasse. The first tax payment was made outside of the reporting year in October 2020 and the details will be repor

Time horizon Short-term

Likelihood

Virtually certain

Magnitude of impact

Are you able to provide a potential financial impact figure? Yes, a single figure estimate

Potential financial impact figure (currency) 165000

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We are exploring the opportunity to consolidate the direct costs of carbon pricing mechanisms at group level with the aim of reporting in future years. This would consider spend on energy and projections for this, the time frames of new tax schemes and price per emissions and amount of emissions for those geographies. The potential financial impact figure reported here is the calculated tax amount due in terms of the Carbon Tax Act in South Africa. The first tax payment for the year 2019 was made outside of the reporting year in October 2020.

Cost of response to risk

Description of response and explanation of cost calculation

Costs to respond to emerging regulation are borne by our businesses and have not been consolidated at a group level. However, as an example, Illovo has Performance Optimisation Plans to improve energy efficiencies within its South African sugar mills with the aim to reduce consumption of purchased grid electricity and coal. The cost of

management has been estimated based on engagement with regulators during the development phases, the management of the reporting and verification requirements as well as developing the energy efficiency opportunities.

Comment

Identifier Risk 4 Where in the value chain does the risk driver occur? Direct operations Risk type & Primary climate-related risk driver Reputation Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification <Not Applicable>

Company-specific description

Protecting the reputation of ABF, our businesses and products helps us to operate with goodwill; building a market base of customers, maintaining and attracting investors and enabling us to operate amongst local communities. A good reputation can support revenue, investment, share price and market share and therefore it is essential for us to manage. With increased scrutiny of our climate activities, particularly from investors and customers, we recognise there is a risk that if our performance or approach to climate change is not communicated effectively or valued sufficiently, there may be an impact on our reputation and a resultant financial impact. We communicate our climate activities through our CDP disclosure, Annual Report and Responsibility Report, shareholder meetings including our AGM, written information provided to shareholders and research bodies and through the group and business level websites. Investors: Given that we operate across 53 countries with businesses highly dependent on agricultural and energy inputs, investor scrutiny is placed at both the group and individual business levels. For example, investors are increasingly seeking information on climate governance, policies, procedures and investment as ABF transitions to a low-carbon economy and for emission reduction activities in our direct operations. Customers: There are increasing and varying commitments, certifications, standards, such as ISO, or frameworks such as the Sustainable Development Goals, which are required or favoured by different markets for different product lines. It is necessary to respond to these requirements while balancing operational demands. For example, all of our UK Grocery businesses are members of Courtauld 2025 through which they have committed to support a 20% reduction in the GHG intensity of food and drink consumed in the UK by 2025 (2015 baseline). As a member of the UK's Sustainable Clothing Action Plan (SCAP), Primark is committed to reducing its emissions. Communities: Our operations generate a rang

Time horizon Short-term

Likelihood Unlikely

Low

Magnitude of impact

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

We do not currently quantify the potential consolidated impact of climate-related reputational damage to the group. However, this could be evaluated through a potential fall in share price or access to lending. At a business level, this could be evaluated by a potential reduction in revenue. There is a potential for reduced revenue due to reduced demand in products and services if ABF and our businesses do not address climate-related risks and opportunities. Consolidated at the group level, the magnitude of impact is likely to be low however, we recognise this is a growing risk that our businesses are actively managing to ensure that ABF can respond to external stakeholder disclosure expectations. Also at a business level, our businesses can determine whether climate-related reputation is a priority for their customers or local communities and, as such, quantify any impact on their revenue.

Cost of response to risk

Description of response and explanation of cost calculation

Costs associated with managing this risk are ever-increasing as we continually improve our footprints and focus resources on monitoring and reporting our progress. Responding to the increasing requests to disclose details has contributed to additional costs; the development of an internal reporting framework, investment in our annual disclosures such as our Responsibility Report and FTE costs for stakeholder engagement on climate topics. These have not been consolidated at a group level. Climate-related reputational risk is managed in a variety of ways: 1. Compliance with ABF's Environment Policy (reducing GHG emissions; implementing mitigation plans for significant plant and process changes; efficient use of natural resources, especially energy; efficiently transporting products to minimise fuel usage and monitoring, auditing and reporting our GHG performance). 2. Investment in measuring and reporting the group's GHG emissions to meet stakeholder expectations. 3. Substantial investment to improve environmental risk management with a focus on reducing emissions. 4. Engagement to ensure the views of stakeholders are represented. E.g. Illovo developed and participates in SUSFARMS (Sustainable Sugarcane Farm Management Systems) in collaboration with WWF-SA, the Mondi Wetlands Project and the Noodsberg Canegrowers Association; one area in this initiative is climate change. 5. Specific roles within the businesses with responsibility for keeping the boards informed of developments in climate action. These roles also represent ABF and its businesses when contributing to the development of national and international policy and thought leadership of organisational bodies. For example, AB Sugar contributed to the OECD-FAO Guidance for Responsible Agricultural Supply Chains and participated in roundtables that included discussions about how to continue the uptake of the due diligence requirements of the OECD-FAO Guidance and how the sector can further the SDGs. Our businesses manage climate-related reputational risks to e

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur? Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Our businesses have expanded into climate-change driven products which maximise commercial opportunities as well as replace GHG emissions from fossil fuel use through the generation of renewables. The UK Government set itself a target of 10% of transport fuel to come from renewable sources by 2020. This was to comply with a legally binding EU target to source 15% of energy from renewables. British Sugar has been working to achieve the mandated E10 fuel requirements and the Wissington factory is currently producing biofuels to help meet market demand and realise this opportunity. Bioethanol is a co-product of our sugar beet processing operations and provides an additional income stream for our sugar businesses. As one of the UK's leading agri-processors with an interest in innovative new technology, British Sugar began production of bioethanol in September 2007. At British Sugar's Wissington site, the first plant to manufacture bioethanol in the UK, the sugar biorefinery produces 55,000 tonnes of bioethanol annually from the residual sugar syrup products from sugar beet processing. The Wissington factory is managed under the AB Sugar operating company with its separate Profit and Loss and organisational governance processes. The legislated E10 fuel requirements have resulted in an increased demand for biofuel in the UK market and accordingly, British Sugar investigates all possible opportunities to supply that demand. As an example, our Vivergo Fuels bioethanol plant in Hull will be re-opened and will start manufacturing bioethanol in early 2022.

Time horizon Medium-term

Likelihood Virtually certain

Magnitude of impact Medium-low

Are you able to provide a potential financial impact figure? Yes, a single figure estimate

Potential financial impact figure (currency) 3500000

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

This opportunity is managed commercially and generates revenues from the sale of bioethanol subject to the prevailing market conditions. British Sugar earned approximately £3.5m during the reporting year. This figure is calculated on the revenue earned from sales.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

We are currently producing biofuels at the Wissington factory to meet market demand and realise this opportunity. Market trends for biofuels are monitored by analysts within AB Sugar who look for potential opportunities, for example, where operations currently exist and where operations could exist and where required production capacity will be increased. Strategic and commercial decisions are taken at the highest level so that AB Sugar is in a position to deliver commercial and market benefits. There are no additional costs incurred to deliver the current biofuels to the market from the Wissington factory; however, there would be additional costs to produce bioethanol at another facility. This would be costed as part of AB Sugar's capital projects approval process. As an example of continually monitoring and investigating future opportunities, the Vivergo Fuels plant at Hull is set to re-open. The plant was established in 2012 and was the UK's largest and Europe's second largest producer of bioethanol. In September 2018 the decision was taken to close the plant based on three factors: the ethanol price, the input (wheat) price, and certainty of future demand, determined by the mandating of E10 petrol. We continued to maintain this world-class plant and retained the core team in place during the closure, in the anticipation that it could re-start if the conditions were right to do so. With the Government's announcement to introduce E10 to UK vehicles and improved market conditions, we are re-open in early 2022. The bioethanol plant can produce up to 420 million litres of bioethanol made for 1.1 million tonnes of feed wheat. The plant will help cut transport CO2 emissions by up to 750,000 tonnes per year. It will also unleash the potential of the £1 billion world-class lucrative bioethanol industry.

Identifier Opp2

Ohhz

Where in the value chain does the opportunity occur? Direct operations

Opportunity type Resource efficiency

Primary climate-related opportunity driver Reduced water usage and consumption

Primary potential financial impact Reduced indirect (operating) costs

reduced marcer (operating) costs

Company-specific description

In line with AB Sugar's 2030 Commitments and as part of Illovo's aim to be more energy efficient and produce more cane, sugar and downstream products per drop of water, Illovo has approved long-term irrigation upgrade projects at its Nanga, Zambia, Ubombo, eSwatini and Nchalo, Malawi sites. At Nanga, Phase 1 of a five phased project to replace drag line and floppy sprinkler irrigation systems with sub surface drip (SSD) irrigation has been completed and successfully running since 2016. At Ubombo, the project expected to show profit growth from additional sucrose, electricity generation from additional bagasse and improved water use efficiency. Although not all the expected project outcomes were achieved during the reporting year, management is optimistic that cane yields and sugar volumes are expected to increase and normalise throughout the investment period, and this will subsequently contribute to an increase in financial returns for the project. At Nchalo, the project will result in a more efficient use of the current quota of water and reduced electricity costs increasing average cane yield approximately from 90 to 121 t/ha. It is estimated that the proposed drip irrigation system will use 40% less electricity over the same area (300kPa vs 680kPa) due to the lower pressure required to operate the drip system (300kPa vs 680kPa), resulting in a smaller required maximum demand. At Nchalo, the current drag line irrigation system has an application efficiency of only 70% as opposed to drip irrigation efficiency of 95%. The increase in efficiency will yield an increase of 31.7 Tc/ha/an off a baseline yield of 89.3 Tc/ha/an (over the previous yield cycle) as demonstrated by the yields obtained from the Phase 1 and Phase 2 harvested fields.

Time horizon Short-term

Likelihood

Very likely

Magnitude of impact Medium-low

Are you able to provide a potential financial impact figure? No, we do not have this figure

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) <Not Applicable>

Potential financial impact figure – maximum (currency) <Not Applicable>

Explanation of financial impact figure

At Illovo's Ubombo and Nchalo operations, it is estimated that the proposed drip irrigation system will use 40% less electricity over the same area (90kW vs 160kW) due to the lower pressure required to operate the drip system (300kPa vs 680kPa), resulting in a smaller required maximum demand. The cost of electricity during the eight peak hours of the day (07h00 – 12h00 and 17h00 – 20h00) is 3.6 times more expensive than off-peak electricity. With automation included in the drip irrigation design, it is possible to only irrigate during the off-peak times for eight months of the year resulting in large savings on electricity costs. At Ubombo, as part of the energy saving initiatives, variable speed drives (VSDs) were installed on all pump units. The VSDs will limit start up current and save energy based on water demand fluctuations during dry off periods, scheduling requirements due to climatic conditions, and crop age. The energy saving potential presents an opportunity to reduce energy costs and increase the return on investment of the project. Although the resultant energy savings are still being assessed through gathering information for at least two full seasons, experience elsewhere has shown that VSD installations have the potential to save about 10 -15% energy in a pumping system depending on network characteristics.

Cost to realize opportunity

1000000

Strategy to realize opportunity and explanation of cost calculation

Illovo has approved long-term irrigation upgrade projects at its Nanga, Zambia, Ubombo, eSwatini and Nchalo, Malawi sites. At Nanga, Phase 1 of a five phased project to replace drag line and floppy sprinkler irrigation systems with sub surface drip (SSD) irrigation has been completed and successfully running since 2016. Phase 2 of the Nanga project involves the replacement of the 157 hectares of sprinkler irrigation systems which are old and inefficient. This project was approved after the end of the reporting period so we will report specific details in future CDP disclosures. The six-year upgrade plan for Ubombo was proposed and approved in March 2017 and Phase 1 and Phase 2 have been successfully implemented. The project has now been put on hold until the business can support the funding required. At Nchalo, Phase 3 of a five phased irrigation system conversion project continued to be implemented during the reporting year. During the execution stage of the project, all envisaged benefits were realised and 526ha of the 480ha identified sprinkler irrigation was converted to drip irrigation and planted to cane. The difference between the actual and identified area was caused by the availability of fallow fields that were incorporated. Phase 4 of the irrigation system conversion program has now been approved. This project will convert 330ha of an existing drag line irrigation system with a drip irrigation system. We will report specific details in future CDP disclosures. A post-implementation review of completed projects has been positive showing a solid payback with increases in water productivity (more crop per drop) and reductions in input costs (electricity, and manower for both irrigation operations and for other operational inputs). The drip systems have accelerated precision irrigation in llovo through scheduling tools and software that assist the Farm Manager to supply water and agronomic inputs on time, in full, and at the right quality. This cost to realise the opportunity includes the consolidated cap

Comment

Identifier Opp3

Where in the value chain does the opportunity occur? Direct operations

Primary climate-related opportunity driver Use of more efficient production and distribution processes

ose of more emolent production and distribution p

Primary potential financial impact Reduced indirect (operating) costs

Company-specific description

In line with AB Sugar's 2030 Commitments, during the reporting year AB Sugar China upgraded the pulp press facilities at both its Qianqi and Zhangbei factories to improve the animal feed production process, and to reduce the amount of coal consumed and resultant emissions as part of the pulp drying process. These capital investments into more efficient facilities have exceeded the anticipated reductions of coal required and have also resulted in financial savings. At the Qianqi factory, although the upgrade anticipated a reduction in the amount of coal required in the animal feed dryers by 2,887 tonnes per year, it actually realised a saving of 3,097 tonnes of coal. At the Zhangbei factory the improved press installation reduced the amount of coal required in the animal feed dryers by 4,867 tonnes of coal against an anticipated amount of 3,015 tonnes per year.

Time horizon Short-term

Likelihood Virtually certain

Magnitude of impact Medium-low

Are you able to provide a potential financial impact figure? Yes, an estimated range

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure – minimum (currency) 1000000

Potential financial impact figure – maximum (currency) 1250000

Explanation of financial impact figure

The potential financial impact figure is calculated on the amount of anticipated savings plus the anticipated additional revenue from increased production.

Cost to realize opportunity 2010000

Strategy to realize opportunity and explanation of cost calculation

At the AB Sugar China Qianqi factory, the investment of £1.44m reduced the amount of coal required in the animal feed dryers by 3,097 tonnes per year. In addition, the animal feed revenue significantly improved (estimate of £576,500 per year) and the anticipated increase of £150,000 in sugar revenue remained consistent. At the Zhangbei factory, the investment of £570,000 was implemented to replace and upgrade the pulp press infrastructure to reduce the amount of water that needs to be evaporated in the animal feed dryers. The improved press installation reduced the amount of coal required in the animal feed dryers by 4,867 tonnes per year. In addition, there is an anticipated increase of 135 tonnes of sugar and £79,000 in sugar revenue.

Comment

Identifier Opp4

Where in the value chain does the opportunity occur? Downstream

Opportunity type Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Primark is preparing to launch a new campaign, Time for Change: A Better Future in September 2020. The campaign is aimed at making sustainable fashion more affordable and will feature a new, sustainable everyday essentials range across Primark's children's, men's, womenswear and home departments. Products include a jacket made using at least 35% recycled polyester and denim jeans made from sustainable cotton. Time for Change includes a significant increase in the number of products made from both sustainable cotton and materials recycled from plastic bottles, nylon and cotton.

Time horizon Short-term

Likelihood

Likely

Magnitude of impact Medium-high

Are you able to provide a potential financial impact figure? Please select

Potential financial impact figure (currency) <Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

The range more than doubles the number of Primark products made from recycled materials to 40 million by Autumn 2020 and increases the number containing sustainable cotton to more than 60 million. The campaign will feature in windows and in-store across all 384 of Primark's stores across 13 countries and will reveal some of the progress the brand has made in three areas of sustainability: single-use plastics, recycled materials, and sustainable cotton.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning? Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	publish a low- carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
1	No, we do not intend to publish a low-carbon transition plan in the next two years		While we do not intend to a publish a low-carbon transition plan for the group, our individual businesses are developing, or have developed and committed to their own carbon reduction plans. For example; - AB Sugar's 2030 commitments to reduce its end-to-end supply chain water and carbon footprints by 30%; - AB Agri's plans to achieve net zero in its business operations by 2030 (scopes 1 and 2). The ambition is to be formally launched in the 2020/2021 reporting year; and, - Primark's plans to join the United Nation's Fashion Charter, supporting the Charter's net-zero ambition and committing to a 30% reduction in greenhouse gas (GHG) emissions by 2030.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy? No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.2b

(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?

The use of climate-related scenario analysis has been explored over recent years by ABF's corporate centre and continues to be work in progress for us to determine the best approach for our decentralised business model. In 2018 we explored a number of the publicly available climate-related scenario analyses to build an understanding as to which approach may be suitable for our business model. We also conducted a high-level assessment of our businesses against a 2°C and 4°C temperature increase and the potential impact on sourcing, manufacturing, packaging, distribution, customers and communities, considering physical and transition risks. This was shared with the Chief Risk Officer and other senior executives to help inform their thinking and build knowledge. In the reporting year, we commissioned a piece of work with The Met Office to help inform leadership on the potential implications of global temperature changes and likely scenarios for our operations and major supply chains. We continue to explore this approach in parallel with our response to the TCFD and the work being conducted by individual businesses. Therefore, the use of climate-related analysis to inform business strategy is work in progress and it is recognised that given the nature of our business model, could take some time to fully develop and benefit our group.

Examples of current business-level scenario analyses include:

- Westmill has conducted scenario analyses on rice in Pakistan, where there is a potential for chronic water shortage within 5 years. Westmill embarked upon a Water and Productivity Project, which promotes the standards of the UN Sustainable Rice Platform. Westmill has invested \$150,000 in the programme, which has already led to a 25% reduction in water use, a 20% increase in yield, a 48% reduction in GHG emissions and a 36% increase in net income per acre after the third year.

- In 2018, AB Sugar launched its 2030 commitments which required the segment to consider global warming scenarios over the next decade and potential impacts on their sugar businesses. With operations in multiple geographies, a number of physical risks, such as chronic water stress impacting agricultural productivity, and transition risks such as carbon pricing, were factored into the development of the 2030 commitments. As part AB Sugar's business planning, medium to long-term scenarios are already incorporated with specific consideration for climate-related issues such as using fewer resources, future water availability, potential GHG emissions and availability of renewable energy sources. These scenarios are integrated into business strategy development through AB Sugar's management approach of seeking continuous improvement and implementing performance improvement plans.

For example, in the UK, the possible impacts of climate change and the potential for climate-related risk have been investigated by British Sugar together with the expertise of Weatherquest and the BBRO. The current conclusion is that warmer wetter winters, hotter drier summers and more volatility are expected across the UK. With these climate scenarios, there are potentially positive impacts for the UK crop such as the potential for a longer season and therefore higher yield but equally, there will be negative impacts. These range from the potential of new and increased pest and diseases in the crop, previously controlled by colder climates, to yield and supply volatility because of unstable weather patterns. While these are related to scenario analysis for future planning, in the reporting year, the UK sugar business already experienced drought and wet harvesting in combination and therefore is already adapting to climate change. As a specific example of how climate-related scenario analysis is incorporated into business strategy, British Sugar works collaborates with the BBRO, a non-profit making company set up jointly by British Sugar and the National Farmers Union. The BBRO has conducted a review of scientific literature to establish what predicted changes to the climate will mean to sugar beet crop growth in the UK. Higher spring temperatures will mean earlier drilling and faster, earlier canopy establishment. Warmer growing season temperatures and elevated carbon dioxide levels means that there is likely to be increased biomass production and water use efficiency, with later growth extending the growing season. Equally, there is likely to be more periods of drought and an increase in some pests and diseases, with a rise in ozone levels also having a negative effect on crop growth. On balance, the BBRO believe the yield-increasing effects will be in the region of 5-25%, with the yield-decreasing effects negating about 10% of this – giving an overall net gain of 5-15% in yield. The BBRO recognise that it i

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate- related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Where climate risks and opportunities are prevalent in our businesses they form part of regular decision-making processes, are integrated into strategy development and are part of the group's risk management process. Climate change is creating commercial opportunities, supporting the growth of some businesses which are developing products or co-products such as bioethanol, and sustainability services to help customers respond to climate change such as through AB Sustain's supply chain carbon emissions services. As an example, AB Enzymes manufactures enzymes which, beside their technical performance, address specific environmental challenges. These challenges include cuting food waste by extending the shelf life of bread, reducing the need for chemicals for bleaching in textiles and lowering the energy consumption required for the production of paper. AB Enzymes has created products which improve the effectiveness of laundry detergent, allowing consumers to save energy by washing clothes at lower temperatures while achieving even better cleaning performance compared with detergents without enzymes. British Sugar has focused on creating value up and down its supply chain over the last decade, wasting as little as possible at its four manufacturing sites in the UK. It has a rigorous set of targets relating to energy, waste, water and carbon dioxide which also provide revenue streams. It has found new uses and markets for its co-products that come out of the sugar making process. These include electricity, renewable fuels, animal feeds and fertilisers. All of British Sugar's factories are able to generate their own heat and power through combined heat and power (CHP) plants: decarbonising electricity supply in communities through the export of power from the CHP plants. In 2016, British Sugar completed the construction of a brand new £15m Anaerobic Digestion (AD) plant as part of a new renewable energy business project at Bury St Edmunds. Now fully operational, the plant produces energy in the form of electricity.
Supply chain and/or value chain	Yes	As each business operates across different geographies, sources different raw materials such as cotton, wheat and sugar, and also has different product lines, they are best placed to decide when they will implement an approach towards climate change. Where climate risks and opportunities are prevalent in our businesses, particularly in agricultural activities in direct operations and supply chain, they form part of regular decision-making processes, are integrated into strategy development and are part of the group's risk management process. All businesses are also responsible for annually reporting to group their environmental performance and GHG emissions using a set of KPIs determined by ABF. This data contributes to our businesses setting their objectives. Throughout ABF our supply and value chain depend on our ability to purchase and then produce goods for sale. These relationships can be, and in some places are already being, impacted by climate change such as through the supply of sugar beet and cane. For example, over recent years, llovo's sugar cane suppliers experienced a reduction in cane production due to climate variability and drought, with Malawi and eSwatini experiencing the largest impacts. As part of their strategy planning, ABF's businesses consider various responses including sourcing raw materials from new regions and increasing focus and investment with suppliers to build their resilience to physical climate-related risks over the short to medium term. Our businesses are continuously adapting climate-related physical risks in their sourcing strategies and engage with key suppliers to address climate change, Pakistan is predicted to be chronically short of water by 2025 and the area of cultivated rice land has reduced in recent years due to water shortages. The project aims to build supply chain resilience by improving water efficiency.
Investment in R&D	Yes	As part of their business planning cycle, our businesses consider material impacts from climate change. At the local level, each business considers which R&D programmes they should focus investment in to ensure they are reducing the impact of climate change on their operating model. Technical centres exist at ACH Food Companies in the US, AB Mauri in Australia and the Netherlands, and AB Enzymes in Germany. These centres support the technical resources of the divisions in the search for new technology and in monitoring and maintaining high standards. For example, AB Enzymes constantly seeks to improve its products, to find new applications where use of enzymes adds value and to discover novel molecules for the benefit of its customers' products; these include cutting food waste by extending the shelf life of bread, lowering the energy consumption required for the production of paper and for washing detergents, lowering the temperature required resulting in lower energy use by customers. Our scientists and technicians in the R&D group develop new and improved enzymes and proprietary technologies in order to maintain our competitive edge in innovative and high-quality products. The R&D comprises specialists in molecular biology, biochemistry, microbiology, food chemistry and biotechnology. We currently invest about 10% of our annual revenue in R&D and our patent portfolio consists of more than 550 active patents or patent applications.
Operations	Yes	Besides reducing operational energy demands, our businesses continuously explore how they can integrate renewable sources of power into their energy mix to minimise reliance on fossil fuels and reduce their carbon emissions. Our use of renewable energy (92%) comes from bagase – the residual fibre left after sugar is extracted from sugar cane – from our operations in southern Africa. We use on-site anaerobic digesters to generate biogas from waste streams. These anaerobic digester (AD) plants are located across 10% of our manufacturing sites over 12 countries, such as British Sugar and AB Agri sites in the UK and AB Mauri sites in Mexico, the UK and Argentina. At British Sugar's Bury St Edmunds' site, the AD plant enables the site to produce renewable energy from sugar beet pressed pulp, the waste after sugars are extracted. The plant was designed to take approximately 100,000 tonnes of pressed sugar beet pulp per year, some fed directly during the beet harvesting campaign and some stored as bales for future use. This provides a sustainable feed stock not taking up food producing arable land. The biogas generated feeds a CHP generating up to 5MW of electricity for export with additional heat recovery from the exhaust. Electrical generation via two gas engines is approximately 38,260 MW per year exported to grid, enough to power approximately 8000 average homes for a year. This year, biogas accounted for 2% of the total renewable fuels generated on our sites. While this is a relatively small quantity compared with our overall energy needs, we have increased the amount of biogas generated and used by our sites by 5% compared with 2019. These sites are demonstraing a commitment to a circular economy by efficiently using their waste materials to generate on our sites and, as it is surplus energy a 3% increase compared with 2019. This is a mixture of biogas and electricity generated on our sites and, as it is surplus to the needs of our operations, these sites are deemonstraing a commitment to a circular economy by e

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital	Revenues: Our businesses consider all material risks and opportunities in their financial planning and risk management processes. From physical to reputation, the associated risks and opportunities could have an impact on revenues which is tracked at the business level. If climate change impacts our ability to produce or source the raw materials we use, there will be a direct influence on our ability to generate revenue. However, as our group consists of five segments, a substantive risk to ABF as a whole is very rare because if something impacts one business or segment, the other four will continue and it is unlikely to lead to a move in the share price of the group. Direct Costs: When existing approaches to production and supply costs increase due to the impact of climate change, this becomes a core issue to the short to medium term sustainability of our business model. There can also be reductions in operating costs as we invest in renewable energy projects that take our sites off-grid and even supply the grid with surplus energy generated on our sites. This leads directly into cost savings for the sites as they reduce their energy requirements from the national grid and being subjected to energy price fluctuations and availability. Within Primark, the Circular economy is shaping financial planning because it has facilitated a step change in the requirements of the various Extended Producer Responsibility regimes across Europe. One such example is witnessed within the EPR structures for packaging where we are moving towards an Eco-modulated pricing mechanism that will incentivise companies to produce packaging that is fully recyclable and which includes recycled content. The financial implications for not meeting these criteria are pronounced and have therefore necessitated a radical change in approach within our operations. In response to this issue, we are in the process of creating a Packaging Centre of Excellence that will help to improve the footprint of our packaging and subsequently reduce costs in th

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year? Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number Abs 1

Year target was set 2018

Target coverage Business division

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream & downstream)

Base year 2018

Covered emissions in base year (metric tons CO2e)

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

Target year 2030

Targeted reduction from base year (%) 30

Covered emissions in target year (metric tons CO2e) [auto-calculated] <Calculated field>

Covered emissions in reporting year (metric tons CO2e)

% of target achieved [auto-calculated] <Calculated field>

Target status in reporting year Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain (including target coverage)

In April 2018, AB Sugar launched its 2030 commitments, as part of its Global Mind, Local Champions sustainability framework. Global Mind, Local Champions sets out AB Sugar's global principles and priorities for how to address the emerging challenges faced across our sugar value chain. The delivery of the framework is implemented on the ground by each of the AB Sugar manufacturing businesses; AB Sugar China, Azucarera, British Sugar and Illovo Sugar Africa. AB Sugar has committed to reducing its end-to-end supply chain absolute CO2 footprints by 30% (baseline 2018) from energy fuels mix. In this reporting year, AB Sugar completed a comprehensive baseline of each of the 2030 commitments based on current data and methodologies. For CO2e AB Sugar developed a baseline for the end-to-end supply chain from farm to factory. The baselines have been completed by country, business, site and supply chain. The baselines have comprehensive data for scopes 1, 2 and 3 and have considerable details about AB Sugar's supply chain partners such as the growers, agricultural inputs and logistics partners. The baselines are now supporting the work to articulate the levers and projects that can help AB Sugar reach its 2030 commitments. The baselines enable the group to create a strategy that will deliver investments and efficiency programmes that materially reduce CO2 from its energy fuels mix and drive investment in renewable energy sources. Internally, AB Sugar has calculated the full end to end supply chain emissions and the data methodologies are aligned to specific industry and agricultural activities. As a result of the baseline work in 2019 to 2020, the data is being rigorously interrogated and the programme is being monitored at an executive management level.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number Int 1

Year target was set 2011

Target coverage Business division

Scope(s) (or Scope 3 category) Scope 1+2 (location-based)

Intensity metric Metric tons CO2e per metric ton of product

Base year 2011

Intensity figure in base year (metric tons CO2e per unit of activity) 0.184

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

3

Target year 2020

Targeted reduction from base year (%)

20

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated] 0.1472

% change anticipated in absolute Scope 1+2 emissions 20

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity) 0.146

% of target achieved [auto-calculated] 103.260869565217

Target status in reporting year Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify (20% reduction by 2020, against a 2010 baseline as set by the Australian Food % Grocery Council)

Please explain (including target coverage)

George Weston Foods emission target is derived from the Australian Food & Grocery Council's Sustainability Commitment and is to reduce (scope 1 & 2) carbon emissions per tonne of production by 20% by 2020, relative to a 2010 – 2011 baseline. George Weston Foods reduced its GHG emissions, which it also reports under the National Greenhouse and Energy Reporting Act 2007, by 21% between 2020 and 2011, exceeding the reduction target, through energy efficiency, consolidation of some facilities, a move to lower-carbon fuels and the integration of renewables into its long-term energy mix. This reduction activity covered all five different business units within George Weston Foods. Due to limited detailed data at the group level from 2011, the 3% of total base year emissions covered by this intensity figure is an estimate. We have made assumptions based on actual data from 2018, 2019 and 2020.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year? Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set 2011

Target coverage Business division

Target type: absolute or intensity Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

Target denominator (intensity targets only) metric ton of product

Base year

2011

Figure or percentage in base year 1.75

Target year 2020

Figure or percentage in target year 1.55

Figure or percentage in reporting year 1.55

% of target achieved [auto-calculated] 100

Target status in reporting year Achieved

Is this target part of an emissions target?

As a responsible business, George Weston Foods is always looking to improve what they do for the benefit of customers, their people, local communities and the environment for the long term George Weston Foods' environmental performance includes alignment with the Australian Food & Grocery Council's (AFGC) Sustainability Commitment of which greenhouse gas emissions and energy reduction targets are included. This energy target is aligned with George Weston Foods' emission target to reduce (scope 1 & 2) carbon emissions per tonne of production by 20% by 2020, relative to a 2010 – 2011 baseline (as reported in C4.1b).

Is this target part of an overarching initiative?

Other, please specify (Australian Food & Grocery Council's Sustainability Commitment.)

Please explain (including target coverage)

George Weston Foods' energy target is derived from the Australian Food & Grocery Council's Sustainability Commitment and is to reduce energy usage per tonne of production by 10% by 2020, relative to a 2010 – 2011 baseline. George Weston Foods reduced its energy intensity by 11.5% between 2020 and 2011, exceeding the 10% reduction target, through a range of energy efficiency programmes and the consolidation of some facilities. This reduction activity covered all five different business units within George Weston Foods.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	1	
Implementation commenced*	1	
Implemented*	6	109124
Not to be implemented		

C4.3b

GJ

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Non-energy industrial process emissions reductions

Other, please specify (Green cane harvesting)

Estimated annual CO2e savings (metric tonnes CO2e)

6958

Scope(s) Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

0

Investment required (unit currency - as specified in C0.4)

Payback period No payback

.....

Estimated lifetime of the initiative Ongoing

Comment

In the financial year 2019/2020, Illovo Sezela harvested green cane as opposed to harvesting following in-field burning. The extra biomass harvested was used as a renewable fuel within the boilers which resulted in 6,958 tCO2e avoided emissions. The methodology to calculate the Green Cane avoided emissions data and emissions for Illovo is based on IPCC 2006 Guidelines methodology and default emission factors (Volume 4, Chapter 2). The group's primary source of energy is from the use of carbon-neutral bagasse which substantially decreases process GHG emissions at Illovo's operations in comparison with the use of fossil fuel sources. Certain of our operations have adopted "green cane harvesting", where feasible, which decreases agricultural emissions caused by the burning of sugar cane prior to harvesting. During "green cane harvesting", green biomass is stripped off the cane, either mechanically or by hand, as an alternative to the traditional practice of burning. This trash removed from the cane is either left infield to render back into the soil, potentially improving soil moisture retention, nutrient levels and carbon sequestration, or used as a renewable boiler fuel. Green cane harvesting operations are currently undertaken in Malawi, eSwatini and South Africa. Along with the use of bagasse as a fuel source, green cane harvesting reduces the reliance on imported energy from fossil fuel sources (scope 2 emissions).

Initiative category & Initiative type

Energy efficiency in production processes Machine/equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e) 100231 Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

398000

Investment required (unit currency – as specified in C0.4) 2000000

Payback period

1-3 years

Estimated lifetime of the initiative 16-20 years

Comment

In 2019, AB Sugar China invested in an upgrade to the pulp press facilities at both its Qianqi and Zhangbei factories reducing the amount of coal consumed as part of the pulp drying process. At the Qianqi factory, the upgrade achieved a saving of 3,097 tonnes of coal and at the Zhangbei factory the improved press installation reduced the amount of coal required in the animal feed dryers by 4,867 tonnes of coal.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e) 470

Scope(s) Scope 2 (location-based)

Voluntary/Mandatory Voluntary

Annual monetary savings (unit currency – as specified in C0.4) 31000

Investment required (unit currency – as specified in C0.4) 156000

Payback period 4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

George Weston Foods' Tip Top Chullora site, near Sydney, more than halved the energy use required for lighting by installing smart LEDs. The site obtained capital funding to upgrade the lighting system from Metal Halide lighting with low wattage and smart LED technology to improve lighting lux levels and the energy use and cost. With over 280 lights including floodlights, high and low bay lights and task lights, this was a large-scale project implemented in 2017, with final installation completed towards the end of that year, with the positive environmental and safety returns continuously captured in subsequent years. The project aims included: - to design and install new LED lights across all main sections of the site to achieve increased illumination and safety; - to generate significant energy savings over the lifecycle of the LED fixtures; - to incur negligible maintenance costs; and - to realise a reduction in GHG emissions. Prior to the upgrade, the lighting consumed 989,968 kWh of electricity which reduced significantly by 57% to 423,984 kWh after the upgrade. Scope 2 emissions were also saved by approximately 470 tCO2e per annum due to reduced electricity requirements for lighting.

Initiative category & Initiative type

Low-carbon energy consumption Biogas

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s)

Scope 1 Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

Within AB Mauri, we are working to increase our use of renewable energy. We recognise that energy generation is our primary source of GHG emissions, so all our businesses are working hard to improve energy efficiency on a continuous basis, as well as via investment projects. AB Mauri's Global Energy Champion is based at the Veracruz manufacturing plant in Mexico where results have shown: • more than 10% reduction in energy consumption between 2014 – 2019; and • more than half of the fossil fuels (natural gas and LPG) used to operate the boilers have been replaced by the biogas generated at the on-site wastewater plant.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4) 4000000

Investment required (unit currency – as specified in C0.4) 504000

Payback period

1-3 years

Estimated lifetime of the initiative Ongoing

Initiative category & Initiative type

Comment

Primark's Energy Policy confirms Primark's commitment to reducing the impact that we have on the environment. Energy management and the continual improvement in energy performance are key pillars of this commitment. Primark has identified that the Building Management System (BMS) strategies in its UK & ROI stores are not configured for optimal energy efficiency. In response to this issue Primark is planning to establish an Energy Bureau that will be responsible for implementing efficient BMS strategies and monitoring energy consumption on an ongoing basis. The initiative is aligned with the Primark Cares commitments and will ensure that we reduce the environmental impact of our operations. The reported investment figure is the capital cost and does not take into account the projected operational costs over the five-year programme. As per the CDP guidance, the reported annual monetary savings are the annual average savings across the programme duration.

Waste reduction and material circularity	Waste reduction	

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) Scope 3

Voluntary/Mandatory Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

Investment required (unit currency - as specified in C0.4)

Payback period Please select

Estimated lifetime of the initiative

Ongoing

Comment

Primark's Packaging Optimisation Programme has contributed to a reduction in CO2 emissions across its whole supply chain as a result of less packaging being produced, transported and processed as waste. Primark, in partnership with the packaging optimisation company PAC-D, has developed a programme to train its suppliers' factories to accurately measure products and efficiently package them into shipping cartons, eliminating empty space. It also optimises the carton dimensions for maximum utilisation of space within ocean containers and warehouse pallets. To make the most impact, Primark started by training its largest suppliers, whose factories products make up 75% of Primark's inbound carton volume. Primark is now planning on rolling this programme out to more suppliers over the next year. Over a nine-month period, the programme has led to a 3.8% reduction (over 90,000 cubic metres) in packaging volume shipped and received and has created a 4% reduction (2.26 million square metres) of corrugate material being produced, shipped and recycled. This in turn has led to a reduction in CO2 equivalent of over 9 million kilograms through a combination of reduced material usage, transport and disposal.

Initiative category & Initiative type

Transportation

Other, please specify (Delivery fleet vehicle management)

Estimated annual CO2e savings (metric tonnes CO2e)

1465

Scope(s) Scope 3

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4) 0

Payback period No payback

Estimated lifetime of the initiative Ongoing

Comment

Over the past five years, Primark has undertaken a Liquefied Natural Gas (LNG) deployment initiative in its delivery truck logistics program. Primark actively engages its third-party transport service provider to ensure that LNG trucks attend to deliveries in various Primark stores across Portugal and Spain in an effort to reduce carbon emissions, and also to reduce noise pollution. The project started with eight stores in Madrid being serviced by five LNG trucks. At the time this equalled 15% of the Primark stores receiving deliveries from LNG trucks. By 2020, these figures have increased to 50% of the deliveries being undertaken by LNG trucks, covering 40% of Primark's stores. The CO2e savings are calculated by comparing the CO2e of diesel trucks and the CO2e of LNG trucks over the same distance. We calculated the CO2e of diesel trucks and subtracted the CO2e of LNG trucks in the reporting period.

Initiative category & Initiative type

Waste reduction and material circularity

Product/component/material recycling

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) Scope 3

Voluntary/Mandatory Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period No payback

Estimated lifetime of the initiative Ongoing

Comment

Primark has successfully diverted 96% of the waste generated by our direct operations away from landfill. The continued use of our own dedicated Resource Recovery Units (RRUs) at our distribution centres in the Czech Republic, Germany, the Netherlands and the UK has contributed significantly to the improved performance in this area. In these units, the cardboard, plastic and hangers collected at our Austrian, Belgian, Dutch, French, German and UK stores are reprocessed and sent for onward recycling or energy recovery. As well as enabling Primark to be more actively involved in the recycling process and thereby ensuring our waste is being managed appropriately, the roll out of this 'backhauling' arrangement has significantly reduced the volume of third-party waste collections from our stores. We now have five RRUs in separate distribution centres throughout Europe and more than 260 stores are participating in the backhauling process.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Emission reduction activities need to meet the usual investment criteria.

C-AC4.4/C-FB4.4/C-PF4.4

(C-AC4.4/C-FB4.4/C-PF4.4) Do you implement agriculture or forest management practices on your own land with a climate change mitigation and/or adaption benefit?

Yes

C-AC4.4a/C-FB4.4a/C-PF4.4a

(C-AC4.4a/C-FB4.4a/C-PF4.4a) Specify the agricultural or forest management practice(s) implemented on your own land with climate change mitigation and/or adaptation benefits and provide a corresponding emissions figure, if known.

Management practice reference number

MP1

Management practice

Pest, disease and weed management practices

Description of management practice

Germains Seed Technology has been applying breakthrough bioscience to support the British sugar beet industry for more than 50 years. Over the years Germains has developed unique processes to help manage yield fluctuations caused by pests and diseases, helping growers achieve consistent returns from their sugar beet crops. The company has launched its new Xbeet® enrich 200. Xbeet® enrich 200 will be available for the 2021 season. Trialled and tested for the UK climate, enhancements include an extra coating of bio-stimulant, derived from natural plant extracts to help with crop health, accelerate emergence, increase yield and assist the crop to reach the critical twelve-leaf stage and mature plant resistance. Independent trials have been carried out in collaboration with the BBRO and independent trial specialists and have shown an average yield benefit of 1.4% from Xbeet® enrich 200 over Xbeet® enrich 100 during 3 years of trials. The independent verification of the trial results by NIAB have shown the results are significant to the 95% confidence level.

Primary climate change-related benefit

Increasing resilience to climate change (adaptation)

Estimated CO2e savings (metric tons CO2e)

Please explain

Management practice reference number MP2

Management practice

Efficient equipment use

Description of management practice

British Sugar identified that certain facilities were being oversupplied with beet resulting in the need for a longer campaign as well as a significant diversion of beet to alternative venues. A network optimisation project was established including the mapping of the supply chain. British Sugar's Beet Delivery Service aims to transport crops in the most environmentally efficient ways. Advanced mapping software is enabling more fuel-efficient routes, with beet growers being matched to the closest processing factories with capacity, and crop production closer to processing sites is also being prioritised. A telematic monitoring system is contributing to lower impacts by cutting vehicle idling time and unnecessary fuel consumption. British Sugar has identified other opportunities to reduce the impact of deliveries – for example, by combining multiple orders, developing new packaging and incentivising customers to order the most environmentally beneficial payload. The company's logistics partner has been able to increase average payload by 440kg, while a trial to analyse different tractor unit weights has seen an increase of 300kg in payloads.

Primary climate change-related benefit Emission reductions (mitigation)

Estimated CO2e savings (metric tons CO2e)

Please explain

Management practice reference number

Management practice

Other, please specify (Green sugar cane harvesting)

Description of management practice

The sugar industry in South Africa burns approximately 90% of its crop at harvest while the rest is harvested green. The negative environmental effects of burning have been recognised, and industrial guidelines incorporating a code of practice have been formulated. The guidelines suggest that fields in sensitive areas should be trashed,

and that all other fields should be mapped for burning or trashing according to agronomic and economic factors. There are several advantages to green cane harvesting. These relate mainly to soil and moisture conservation and can result in increased yields. Certain of Illovo's operations have adopted "green cane harvesting", where feasible, which decreases agricultural emissions caused by the burning of sugar cane prior to harvesting. During "green cane harvesting", green biomass is stripped off the cane, either mechanically or by hand, as an alternative to the traditional practice of burning. This trash removed from the cane is either left infield to render back into the soil, potentially improving soil moisture retention, nutrient levels and carbon sequestration, or used as a renewable boiler fuel. Green cane harvesting operations are currently being undertaken in Malawi, eSwatini and South Africa. In our sugar cane operations at Illovo Sezela South Africa, a proportion of our sugar cane is harvested without burning the cane in the field to remove unwanted leaves. Instead, the cane has the leaves removed manually without burning. This is very labour intensive but reduces the in-field burning and subsequent CO2e emissions and resultant particulate emissions.

Primary climate change-related benefit

Emission reductions (mitigation)

Estimated CO2e savings (metric tons CO2e)

6958

Please explain

The methodology to calculate the Green Cane avoided emissions data and emissions for Illovo is based on IPCC 2006 Guidelines methodology and default emission factors (Volume 4, Chapter 2).

Management practice reference number MP4

Management practice

Low tillage and residue management

Description of management practice

Illovo Sugar has implemented a reduced tillage project at Kilombero. The Reduced Tillage Project has been running for a period of three years. The approach is to replant cane mechanically using either pre-germinated bud chips or speedlings as the primary planting material. Reducing areas under planting material feeder nurseries by 80%. Overall, it is performing to expectations and has successfully reduced the number of passes for sugarcane replant by 45 to 50%. This has the added benefit of reducing the cost of replant proportionally and has reduced our emissions proportionally as well. This methodology will also bring about benefits to general soil structure and microbial health which in turn can reduce the reliance on large amounts of artificial fertilizers. Although the use of fertilizers will remain necessary, it can be reduced and what is used is assimilated into the plants better and more efficiently.

Primary climate change-related benefit

Reduced demand for fertilizers (adaptation)

Estimated CO2e savings (metric tons CO2e)

Please explain

Management practice reference number MP5

Management practice

Biodiversity considerations

Description of management practice

In Illovo, in order to protect biodiversity and prevent environmental damage, existing cane lands and farming activities are managed according to the field conservation guidelines advocated by the South African Sugar Research Institute (SASRI) and the SUSFARMS® initiatives. SUSFARMS® which originated in South Africa is a methodology which develops better farm management practices in the cane sugar industry bringing environmental, social and economic benefits.

Primary climate change-related benefit

Increasing resilience to climate change (adaptation)

Estimated CO2e savings (metric tons CO2e)

Please explain

Management practice reference number MP6

Management practice

Biodiversity considerations

Description of management practice

Maintenance of pockets of natural vegetation within our centre pivot fields act as refuges and ecological green corridors for indigenous fauna and flora resulting in increased biodiversity and minimisation of land use change. As an example, Illovo Malawi continued to maintain biodiversity corridors throughout its sugar estates. A 400-hectare reserve known as Nyala Park has been set aside within the Nchalo estate boundary and is maintained with species of the original flora and fauna of the Shire Valley. Ubombo Sugar has maintained biodiversity corridors throughout its sugar estates, which leave wetlands and other riparian zones undisturbed. One example of this is its management of the private Mhlosinga Nature Reserve, including the Van Eck Dam. Sitting on 1,108 hectares of land, the reserve supports game, birds, reptiles and fish.

Primary climate change-related benefit

Increase carbon sink (mitigation)

Estimated CO2e savings (metric tons CO2e)

Please explain

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions? Yes (C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Within ABF, our ABF Ingredients division constantly seeks to improve its products, to find new applications where use of enzymes adds value and to discover novel molecules for the benefit of its customers. ABF Ingredients uses protein engineering and molecular biology techniques to manufacture highly stable enzymes that provide excellent performance and reduce GHG emissions for customers and end-users. For example, one of ABF Ingredients' businesses, AB Enzymes, manufacture enzymes which, beside their technical performance, are able to address specific environmental challenges. These challenges include cutting food waste by extending the shelf life of bread, reducing the need for chemicals for bleaching in textiles, and lowering the energy consumption required for the production of paper. AB Enzymes has also created enzymes that improve the effectiveness of laundry detergent, allowing consumers to save energy by washing their clothes at a lower temperature while achieving even better cleaning performance compared to detergents without enzymes. ABF Ingredients' sustainability strategy focuses on strengthening its customers' own sustainability journeys through product innovation and addressing their sustainability challenges through its research and development and the application of green chemistry principles. Scientists and technicians in ABF Ingredients' Research and Development (R&D) group develop new and improved enzymes and proprietary technologies in order to maintain competitive edge in innovative and high-quality products. The R&D comprises specialists in molecular biology, biochemistry, microbiology, food chemistry and biotechnology.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions Other, please specify (Internal calculations)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value <Not Applicable>

Asset classes/ product types <Not Applicable>

siter applicable

Comment

Level of aggregation

Group of products

Description of product/Group of products

All of AB Sugar's businesses adopt a circular economy approach - to make the most out of every stick of cane and root of beet so that wherever possible, there is minimal waste by producing co-products, generating renewable energy and reusing or returning water to source. As examples: (1) The manufacture of bioethanol from our Sugar businesses is sold as a renewable transport fuel. (2) AB Sugar China sell co-products like molasses and animal feed as well as ash from their boilers which they use to supply factories to make bricks. (3) Azucarera recycles 99% of waste from the sugar process and produces around 400,000 tonnes per year of co-products like animal feed and agricultural fertiliser. For the former, Azucarera can provide bespoke feed products tailored to the need of its customers. To decrease emissions in producing animal feed, they introduced a sun-drying pulp system instead of using mechanical dryers which reduces CO2 emissions by 13,000 tCO2 per year at its factories. (4) In British Sugar's Bury St Edmunds operations, they use an Anaerobic Digester to turn over 100,00 tonnes of beet pressed pulp per year into enough energy to power over 18,000 homes. In British Sugar's Wissington operations, an 18-hectare glasshouse is operated which uses 46,000 MWh of excess heat from the factory and 250,000 tCO2 from the factory is sent to the glasshouse to support plant growth.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions Other, please specify (internal calculations)

% revenue from low carbon product(s) in the reporting year 0.07

% of total portfolio value <Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is estimated that the low-carbon products produced by our sugar businesses, which include bioethanol and solar dried pulp contribute approximately 0.07% of the Group's total revenue. This is based on conservative estimations only.

Level of aggregation

Product

Description of product/Group of products

Bagasse, a dry, fibrous co-product from sugar cane, provides a substantial renewable energy source for combined heat and power (CHP), replacing fossil fuel sources such as coal and reducing greenhouse gas emissions. In addition to bagasse, some of Illovo's operations, for example, Ubombo in eSwatini, Nchalo in Malawi and Noodsberg in South Africa, are able to supplement their CHP capacity by using additional green cane biomass and wood or woodchips as boiler feedstock. In 2011 Ubombo became the first company in eSwatini to be issued with an Independent Power Producer (IPP) licence. As part of the £104.5 million project to expand sugar milling capacity from 400 to 500 tonnes of cane per hour, Ubombo invested in a 25mW co-generation plant. In 2013, the company was issued with an IPP Generation Licence, which enabled electrical co-generation to become a longer-term contributor to Illovo's downstream business. The Ubombo mill has proved that it is a reliable supplier of electricity. During 2019/20, the Ubombo mill, with its integrated co-generation facility, exported 138GWh to the National Grid. The sale of this clean renewable energy has directly enabled the Swaziland Electricity Company (SEC) to reduce its scope 1 emissions and consequently, its customers' scope 2 emissions. Power exported to the Swaziland Electricity Company (SEC), the sole supplier of electricity to the country, has been consistently above the Power Purchase Agreement (PPA) obligations since commissioning. In Spain, Azucarera is self-sufficient in electricity generation during production campaigns through its co-generation (CHP) plants. It generates more energy than required at its factories and sells the excess to the National Grid. During the rest of the year, the energy required by its factories is obtained from the National Grid,

Are these low-carbon product(s) or do they enable avoided emissions? Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions Other, please specify (Internal calculations)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value <Not Applicable>

Asset classes/ product types <Not Applicable>

Comment

Electricity is exported by three Illovo sites including Ubombo, eSwatini. Ubombo has a license granted by the eSwatini Energy Regulatory Authority (EERA) to supply power to the country's national grid through energy generation at the mill. The site supplies approximately 5% of the electricity capacity of the national grid. Ubombo earns 65% of its profits from the sale of co-generated power to the grid and 35% from sugar production. Illovo supports the government of Eswatini as it pursues reducing the country's over-reliance in neighbouring countries for electricity supply. Ubombo is participating in the 40MW solar programme released by the eSwatini Energy Regulatory Authority and in the 40MW biomass programme to be released by ESRA. There are opportunities for Illovo to enhance revenue growth through electricity co-generation. Illovo is reducing dependence on the grid for fossil-based electricity imports through reducing demand and increasing its own power generation from biomass resources. The site is reducing coal burn through boiler efficiency and steam efficiency optimisation at our sites that burn coal. It is actively seeking to substitute woodchips for coal and building representative business cases that include carbon tax impact on the cost of fuel procurement. It is investing in new power island operations fuelled primarily by sugar cane bagasse (but also potentially other types of biomass) to increase the availability of low-carbon impact electricity to the grid. Ubombo is seeking procurement of alternative energy generation solutions i.e., solar plant ownership or offtake via PPA.

Level of aggregation

Product

Description of product/Group of products

Three years ago, AB Agri invested £17m to build its first Anaerobic Digestion (AD) plant. Anaerobic digestion (AD) is the breakdown of organic matter without oxygen to produce flammable gases. These gasses can be burnt in an engine to produce heat and electricity, or cleaned up and used in the same way as natural gas, to heat our homes and cook our food. The plant has been designed to take 60,000t of blended food and green waste, per annum. It is a gas to grid plant, enabling methane to be injected directly into the gas network for maximum carbon efficiency. If the plant were CHP, however, it would be equivalent to a 3MW facility. In addition, in September 2018, the anaerobic digestion plant in North Yorkshire became certified to the PAS110 Specification for Digestate. Digestate is the waste material remaining after the completion of the anaerobic digestion process. This means the digestate from the plant can now be treated as a bio-fertiliser product, rather than waste. It can be spread on fields in exactly the same way as any normal fertiliser. The PAS110 certification applies rigorous testing to the digestate to ensure there is no contamination of heavy metals, plastics, metals or stones and that it is free of biological agents such as E'coli and Salmonella. As well as reducing our waste significantly, we are also helping to reduce the use of fossil based fertilisers by helping farmers to switch to more sustainable bio-fertilisers. The vast majority, approximately 98% of the gas produced by the AD plant is directed straight to the national grid with the remainder used by the ABN mills, part of the AB Agri business. The amount of gas that the AD plant produces is equivalent to 80% of the gas used by the ABN mills. The use of the gas from the AD plant, greatly displaces the use of fossil fuels by ABN.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions Other, please specify (Internal calculations)

% revenue from low carbon product(s) in the reporting year 0.08

% of total portfolio value <Not Applicable>

Asset classes/ product types <Not Applicable>

Comment

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start August 1 2017

Base year end July 31 2018

Base year emissions (metric tons CO2e) 3227870

Comment

Scope 2 (location-based)

Base year start August 1 2017

Base year end July 31 2018

Base year emissions (metric tons CO2e) 925045

Comment

Scope 2 (market-based)

Base year start August 1 2019

Base year end July 31 2020

Base year emissions (metric tons CO2e)

782555

Comment

In 2019, we conducted a pilot exercise to calculate our scope 2 market-based and reported them in CDP. For the 2020 reporting year, we worked with the businesses to capture information to calculate market-based emissions and so we have presented them here as our base year emissions. However, as we continue to embed our approach to obtaining the data and evidence required to calculate our scope 2 market-based emissions, we may determine an alternative base year.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IEA CO2 Emissions from Fuel Combustion

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol Agricultural Guidance: Interpreting the Corporate Accounting and Reporting Standard for the Agricultural Sector

The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e) 2796993

Start date <Not Applicable>

End date

<Not Applicable>

Comment

This year we report a 12% reduction of our scope 1 emissions compared with 2019. Of our total scope 1 emissions 2,719,336 tCO2e were for the combustion of fuel and operation of facilities and 77,656 tCO2e were for the on-site generation and use of renewables.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

This is our second year reporting our market-based scope 2 emissions and we are working with our businesses to develop a structured approach which can be evidenced. The first step has been to ascertain what information we can gather from the various energy suppliers across our global operations. This has had different levels of success depending on geography and the ability of suppliers to provide the requested information. We were able to map 49% of our market-based emissions from supplier sources this year and, as we continue to work with our energy suppliers, we aim to increase this figure and therefore the accuracy of our scope 2 market-based disclosure. AIB and GreenE residual mix emission factors were used where supplier factors were not available. Outside of Europe and the USA, national or regional grid averages were applied where supplier factors were not available.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based 758195

Scope 2, market-based (if applicable) 782555

102000

Start date <Not Applicable>

End date

<Not Applicable>

Comment

This year we report a 9% reduction of our scope 2 location-based emissions compared with 2019 emissions of 830,562 tCO2e.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status Relevant, calculated

Metric tonnes CO2e 4265101

Emissions calculation methodology

Primark has completed a scope 3 inventory for 2019 and 2020, assured by The Carbon Trust, which includes emissions for purchased goods and services. A full scope 3 inventory has yet to be conducted for the ABF group and therefore data reported here is just for Primark. The following sub-categories are included for Primark's data: a) Good for resale - fibres and other materials. b) Goods for resale - cut and sew data which is account for emissions from processing of raw materials into final products. c) Goods for resale - other non-textile products related to the extraction of raw materials through to product finishing for footwear, footwear accessories and health & beauty. d) Goods and services not for resale which are necessary for business operations such as IT and business services. e) Packaging - the emissions account for the procurement of packaging materials for finished textile and non-textile Primark products. f) Water use - the consumption of water at sites operated by Primark including stores, offices and distribution centres. UK Government GHG Conversion Factors for Company Reporting (DEFRA) 2019 factors were applied and supplemented by specific emission factors for the type of activity.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

98

Please explain

Evaluation status Relevant, calculated

Metric tonnes CO2e

110186

Emissions calculation methodology

Primark has completed a scope 3 inventory for 2019 and 2020, assured by The Carbon Trust, which includes emissions from capital goods. A full scope 3 inventory has yet to be conducted for the ABF group and therefore data reported here is just for Primark. Capital goods are those which enable the business to operate and which have an extended product life. The data deals with emissions relating to the construction, refit and refurbishment of Primark's stores including fixtures and fittings. Emission factors are sourced from the UK Government's GHG Conversion Factors for Company Reporting (DEFRA) 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status Relevant. calculated

Metric tonnes CO2e 453399

Emissions calculation methodology

The data supplied for Category 3: Fuel and energy related activities are for the ABF group and covers the upstream emissions associated with the fuels that ABF's businesses use. This relates primarily to the extraction, production and transportation of fuels used directly or indirectly by ABF (not covered in scopes 1 and 2). Emissions in this category are calculated from three distinct activities: a) Upstream emissions (well to tank - WTT) of purchased fuels; b) Upstream emissions from purchased electricity and district heating; c) Transmission & Distribution (T&D) losses and associated WTT from purchased electricity. The source for emission factors for T&D losses and upstream emissions are the UK Governments GHG Conversion Factors for Company Reporting (DEFRA). - CO2e factors for fuels represent indirect emissions associated with the extraction and transport of primary fuels as well as the refining, distribution, storage and retail of finished fuels. - CO2e factors for imported energy for each country reflect indirect emissions of CO2, CH4 and N2O associated with the extraction and transport of primary fuels as well as the refining, distribution, storage and retail of finished fuels used in the generation of electricity and heat.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

98

Please explain

Of the 453,399 tCO2e reported, 26,994 tCO2e is attributed to Primark's data, assured by The Carbon Trust. 426,405 tCO2e is attributed to ABF and calculations were from the fuels used data supplied by ABF businesses for scope 1 and scope 2 in their annual data submission, assured by EY. For a small proportion of the group's data, where invoices or supplier confirmed values are missing for specific months or reporting periods within the year, the businesses estimate the energy use based on existing invoices and / or average use during the reporting year.

Upstream transportation and distribution

Evaluation status Relevant, calculated

Metric tonnes CO2e 790328

Emissions calculation methodology

The data supplied for Category 4: Upstream transportation and distribution activities are for the ABF group. The data supplied by Primark covers emissions from its distribution network from country of origin to distribution centre, and distribution centre to store. For the rest of ABF businesses, the data reported here includes all upstream and downstream third-party transport movements that are dedicated to moving something for us including raw materials, ingredients, packaging, processing aids, waste, part processed materials or finished product. To date, ABF has not split out the data for upstream and downstream activities. Therefore the emissions for upstream transportation are over-reported. Our reported emissions include sea, air, road and rail transport. Calculations are based on data provided by supply chain logistics partners, with the UK Government's GHG Conversion Factors for Company Reporting (DEFRA) applied to calculate the emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Of the 790,328 tCO2e reported, 230,211 tCO2e is attributed to Primark's activities with data assured by The Carbon Trust. 560,117 tCO2e is attributed to the rest of the ABF group and is calculated using transport data provided by the businesses. This data is assured by EY and publicly reported in our 2020 Annual Report and Accounts. At the moment, we are reporting all transport movements within upstream transportation and distribution but, as part of developing our scope 3 inventory, we will start to split our upstream and downstream transportation with the aim of reporting these separately.

Evaluation status

Relevant, calculated

Metric tonnes CO2e 102288

Emissions calculation methodology

The data supplied for Category 5: Waste generated in operations are for the ABF group and represent the emissions related to the disposal and treatment of the waste produced in our direct operations. This waste includes hazardous and non-hazardous wastes, waste material which is reused, recycled or recovered and wastewater. The tonnage of waste generated is assured by EY. Where our businesses have on-site waste water treatment plants, the associated emissions are captured in our scope 1 emissions. Data included here is for waste treatment in facilities owned or operated by third parties. Calculations are based on data provided by waste management and service providers, with the UK Government's GHG Conversion Factors for Company Reporting (DEFRA) applied to calculate the emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

98

Please explain

Of the 102,288 tCO2e reported, 2,889 tCO2e is attributed to Primark's activities, with data assured by The Carbon Trust. 99,399 tCO2e is attributed to the rest of the ABF group and is calculated using waste data provided by the businesses. This data is assured by EY and waste tonnage is publicly reported in our 2020 Annual Report and Accounts. The coverage of primary data is 100% and the quality of this data is very high. The emission factors are secondary data, supplied by DEFRA, and are not geographically representative. For a small proportion of the group's data, where invoices or waste service provider values are missing for specific months or reporting periods within the year, the businesses estimate the waste tonnage based on existing invoices and / or average waste generation during the reporting year.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

7986

Emissions calculation methodology

Primark has completed a scope 3 inventory for 2019 and 2020, assured by The Carbon Trust, which includes emissions from business travel. A full scope 3 inventory has yet to be conducted for the ABF group and therefore data reported here is just for Primark. Primark maintains a complex global supply chain, managed from head offices in the UK and Ireland. There is office space within the Islip UK distribution centre and in-country teams working from locations in China and Bangladesh. Employees are often required to move between these sites and those of Primark's suppliers. This category includes the emissions from air and rail travel and other travel related emissions. The UK Government's GHG Conversion Factors for Company Reporting (DEFRA) were applied to calculate the emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

54

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e 68104

Emissions calculation methodology

The data supplied for Category 7: Employee commuting are for the ABF group with calculations and assumptions made for all business segments. Primark excluded employee commuting from their inventory due to materiality. The relevance or materiality of emissions from employee commuting is also likely to be insignificant for our group and when estimated, account for less than 1% of ABF's total emissions. However, we recognise that with over 100,000 employees worldwide there is still a considerable amount of employee commuting. As we have the raw data to calculate an estimate (using employee figures, national average commuting time and country emission factors from DEFRA 2019), we have reported this data. Nonetheless, given the varied locations of our sites, the nature of employee commuting will also be varied including most forms of private and public transport and the distances covered will also vary greatly. We have factored in assumptions on the type of transport used such as trains, busses and cars. As such, the coverage of this data is high using employee figures but the calculations used are based on assumptions and therefore the overall quality of this data is considered to be below average. Emissions from employee commuting are based on an estimation of the average distance travelled per number of employees per country. The UK Government's GHG Conversion Factors for Company Reporting (DEFRA) were applied to calculate the emissions for private and public transport.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream leased assets

Evaluation status Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology <Not Applicable>

~nor Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

While ABF does operate upstream leased assets, we are not reporting this source of emissions this year as we are improving the availability of data and accuracy of our calculations at the ABF level. For Primark, upstream leased assets are not included in their own inventory as emissions are considered to be immaterial.

Evaluation status Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

For ABF and separately for Primark, this category is likely to be material at the group level and within Primark's own inventory. However, due to lack of crucial primary data points this has been scoped out of Primark's baseline emissions calculations. For the rest of the group, transport and distribution data is collected but not yet split between upstream and downstream movements. Each business will have differing scopes of downstream movements depending on their relationships with distribution companies, retailers and customers, classifying the point of sale and relevant data may not be available. For example, for Primark this category consists of customer 'home to store' and 'store to home' travel and as per the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, the scope 1 and 2 emissions of transportation for customers are optional. While it is possible to estimate emissions from shopping journeys on a national level, there is a lack of publicly available data to allow accurate allocation of emissions to a particular retailer. For ABF, all upstream and downstream third party transportation and distribution activities are captured in Category 4: Upstream transportation and distribution until further analysis enables this data to be separated and movements can be calculated for the distribution of sold products between ABF and the consumer (with movements not paid for by ABF and in vehicles not owned by ABF).

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

For ABF, this category is likely to be material at the group level as a large proportion of our products such as sugar, yeast, edible oils and bakery ingredients are sold to other companies to be further processed and incorporated into their (mainly food) products. For Primark, this category is considered not material and is therefore out of scope for their own inventory. Primark's products are finished consumer goods with no additional processing after handover to the customer. Further work will be conducted by ABF to identify source data from our businesses and central functions to support the methodologies outlined by The GHG Protocol for this category.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

444558

Emissions calculation methodology

Primark has completed a scope 3 inventory for 2019 and 2020, assured by The Carbon Trust, which includes emissions from the use of sold products, from the point of sale to the point of disposal. The data reported here is for Primark only as this category has not yet been assessed at the ABF group level, although is considered material for the group's scope 3 emissions. Primark calculate the emissions from the products they sell within the following product 'use phases': a) Wearing b) Washing c) Drying d) Ironing

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For ABF, this category is likely to be material at the group level as a large proportion of our products such as bread and bakery foods, tea, animal feed, and bioethanol are consumed directly without further processing. Further work will be conducted by ABF to identify source data from our businesses and central functions to support the methodologies outlined by The GHG Protocol for this category.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

25641

Emissions calculation methodology

Primark has completed a scope 3 inventory for 2019 and 2020, assured by The Carbon Trust, which includes emissions from the end-of-life treatment of sold products, such as recycling or waste to energy processes. Primark also include emissions from the disposal of its brown paper bags used by customers. The data reported here are for Primark only as this category has not yet been assessed at the ABF group level, although is considered material for the group's scope 3 emissions. Emission factors are sourced from the UK Government's GHG Conversion Factors for Company Reporting (DEFRA).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

7

Please explain

For ABF, this category is likely to be material at the group level. Further work will be conducted by ABF to identify source data from our businesses and central functions to support the methodologies outlined by The GHG Protocol for this category.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable> Please explain

For ABF, this category is likely to be small and not material when compared with our main emission sources, particularly as we do not lease out a significant amount of our assets. For Primark, this category is also considered out of scope as emissions are unlikely to be material in terms of its overall carbon footprint.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain We do not have franchises.

Investments

Evaluation status Relevant, not yet calculated

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

In the reporting year we undertook an assessment of scope 3 reporting categories and have started to identify source data from our central functions that may be used to support the methodologies outlined by The GHG Protocol for this category. Emissions from our joint ventures where we have 40% investment or financial control are already included in the scope of our group's emissions and therefore we are determining the boundary of the scope 3 Investments category for other associate companies or subsidiaries where there is a level of influence.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology <Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We are not aware of other upstream scope 3 emissions.

Other (downstream)

Evaluation status Not relevant, explanation provided

Metric tonnes CO2e <Not Applicable>

Emissions calculation methodology <Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners <Not Applicable>

Please explain

We are not aware of any other downstream scope 3 emissions.
C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area? No

C-AC6.6b/C-FB6.6b/C-PF6.6b

(C-AC6.6b/C-FB6.6b/C-PF6.6b) Why can you not report your Scope 3 emissions by business activity area?

Row 1

Primary reason

Analysis in progress

Please explain

We are in the early stages of developing our full scope 3 emissions inventory for the group. As with our scope 1 and scope 2 monitoring and reporting, we will incorporate monitoring scope 3 emissions from the different business activities to help us identify where climate-related impacts, risks and opportunities exist across our entire value chain.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization? Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1		This is a 2% increase compared with the prior years out of scope emissions. In the main, the renewable energy we generate comes from bagasse, the renewable fibrous residue that remains after the extraction of juice from the crushed stalks of sugar cane.

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure? Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from land use management

Emissions (metric tons CO2)

0

. . . .

Methodology Process-based models

Please explain

We report the total emissions from our biogenic carbon within biofuel combustion (processing / manufacturing machinery) until further differentiation is made in our data.

CO2 removals from land use management

Emissions (metric tons CO2)

0

Methodology

Other, please specify (Managed and not measured)

Please explain

We apply best management practices to manage the soil and CO2 emissions on our own land, as required under relevant certification schemes. This does not involve the measurement and reporting of CO2 removals.

Sequestration during land use change

Emissions (metric tons CO2)

0

Methodology

Other, please specify (Managed and not measured)

Please explain

We apply best management practices to manage the soil, CO2 emissions and sequestration on our own land, as required under relevant certification schemes.

CO2 emissions from biofuel combustion (land machinery)

Emissions (metric tons CO2)

0

Methodology

Default emissions factors

Please explain

We collect data for fuels used in our own transport which includes land machinery and are reported in our aggregated scope 1 emissions. We do have data at the granular level for different fuel sources used in land machinery across our operations however emissions from our total biogenic carbon figure of 4,045,176 tonnes is not yet differentiated from land machinery and processing/manufacturing machinery.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2)

4045176

Methodology

Default emissions factors

Please explain

These emissions relate to biogenic fuels including biomass, wood/wood waste, fuel crops and biogas used as fuels within our manufacturing operations. CO2 emissions from biofuel combustion in our processing and manufacturing are included in scope 1 emissions. Of the CO2 emissions from our biogenic carbon, 92% are emitted from the combustion of bagasse which is primarily used as a fuel source within our Sugar processing and manufacturing. Therefore we report the total emissions from our biogenic carbon within this category until further differentiation is made in our data. To note: we use IPCC 2006 guidelines to create a custom emission factor using exact sugar cane yield tonnes and hectares burnt to determine CO2 emissions for trash burning on our land. In future reporting, this will be accounted for within emissions from land use management.

CO2 emissions from biofuel combustion (other)

Emissions (metric tons CO2)

0

Methodology

Other, please specify (Not measured separately)

Please explain

The emissions from biofuel combustion are captured and reported in our group figures.

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities Sugar

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

In April 2018, AB Sugar publicly shared its commitment to growing a sustainable future through its Global Mind, Local Champions sustainability framework. One element of this commitment is to reduce end-to-end greenhouse gas emissions by 30% by 2030. AB Sugar works with its five sugar businesses (British Sugar, AB Sugar China, Azucarera, Germains and Illovo) to collect CO2e data from suppliers, collate own operations data and build a clear understanding of end-to-end emissions. The data reported here comes from our own-produced sugar cane and sugar beet which is processed by AB Sugar. Our Sugar businesses report their GHG emissions data once a year to ABF using the group's CloudApps system. From each site, data is collected from several inputs across agricultural activities (own land), transport, manufacturing process and energy use. The site SHERQ (safety, health, environment, risk and quality) Manager is responsible for analysing, challenging and signing off the data. The SHERQ Manager also engages with the business level Finance team who conduct a review across business aggregated data before it is submitted to AB Sugar's Finance team. Additional checks are conducted for the data across AB Sugar before it is submitted into ABF's environment data system.

Agricultural commodities

Cotton

Yes

Do you collect or calculate GHG emissions for this commodity?

Please explain

As part of our Scope 3 emissions assessment, Primark has calculated the impact of the fibres sourced within category 1, purchased goods and services. The calculated emissions in this sub-section account for the production and finishing of fibres, plastics, paper, glass and metal products.

Agricultural commodities

Soy

Do you collect or calculate GHG emissions for this commodity?

No

Please explain

Priorities for soy do not currently include calculating the GHG emissions from this commodity. AB Mauri's intention is to move to locally produced soya and this will translate into GHG emission reduction in the supply chain due to reduced food miles.

Agricultural commodities

Wheat

Do you collect or calculate GHG emissions for this commodity?

No

Please explain

Priorities for wheat do not currently include calculating the GHG emissions from this commodity.

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Cotton

Reporting emissions by

Emissions (metric tons CO2e)

Denominator: unit of production <Not Applicable>

Change from last reporting year

Please explain

While Primark has calculated the emissions of sourced fibres as part of the scope 3 inventory, we are not in a position yet to disclose the emissions allocated to cotton.

Soy

Reporting emissions by

Emissions (metric tons CO2e)

Denominator: unit of production

<Not Applicable>

Change from last reporting year

Please explain

Priorities for soy do not currently include calculating the GHG emissions from this commodity.

Sugar

Reporting emissions by Unit of production

Emissions (metric tons CO2e) 0.33

Denominator: unit of production Metric tons

Change from last reporting year About the same

Please explain

Our last year calculations should have been reported as 0.36. This year we have seen a 9% reduction in our tCO2e per unit of production due to a reduction in both our product tonnage and GHG emissions for AB Sugar. To calculate this figure, we accounted for all the scope 1 and 2 agricultural emissions related to sugar production on our own land, including emissions from the manufacturing facilities. The metric tonnes of product includes co- and by-products in addition to sugar tonnage. Our Sugar businesses report their GHG emissions data once a year to ABF using the group's environment data reporting system. From each site, data is collected from several inputs across agricultural activities (own land), transport, manufacturing process, and energy use. The site SHERQ (safety, health, environment, risk and quality) Manager is responsible for analysing, challenging and signing off the data. The SHERQ Manager also engages with the business level Finance team who conduct a review across business aggregated data before it is submitted to AB Sugar's Finance team. Additional checks are conducted for the data across AB Sugar before it is inputted to ABF's environment data system. The data provided and output emissions are assured by EY.

Wheat

Reporting emissions by

Emissions (metric tons CO2e)

Denominator: unit of production <Not Applicable>

Change from last reporting year

Please explain

Priorities for wheat do not currently include calculating the GHG emissions from this commodity.

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure 0.000255

0.000255

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e) 3555187

Metric denominator unit total revenue

Metric denominator: Unit total 13937000000

Scope 2 figure used Location-based

% change from previous year 1

Direction of change Decreased

Reason for change

The 1% decrease in tCO2e against annual revenue is driven by an 11% decrease in scopes 1 and 2 and a 12% decrease in the total revenue between 2019 and 2020. The reduction in scopes 1 and 2 emissions are largely driven by the energy performance of our sugar segment, which accounts for 83% of the group's total energy use. Sugar's scope 2 emissions reduced by 21% in the year; maximising the on-site use of bagasse (a renewable fuel) as an energy source across its southern African operations and the continued use of combined heat and power plants and combined cycle gas turbine technologies across their UK operations. Overall, the group's use of energy from renewable sources increased from 52% to 55% in the reporting year. Group revenue reduced by 11% to £13.9bn, with the reduction mainly seen in the third quarter driven by the total loss of sales for the three-month period in which Primark's stores were closed. For the reporting year COVID-19 cost the group some £2bn of sales and £650m in lost profit.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type? Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2710436	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	29108	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	57449	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	0	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

	Scope 1 emissions (metric tons CO2e)
	32575
	80197
	5
	406
	35477
Canada	35688
Chile	3749
China	365613
Colombia	3205
Czechia	496
Denmark	30
Ecuador	5
Finland	881
France	4009
Germany	106657
India	14338
Ireland	2088
	69998
Malawi	64624
Malaysia	1161
	41929
	13810
	1640
	10033
	2124
	3564
	0
	2226
	5
-	0
	274379
	159455
	62561
	5046
	37116
	13913
	13982
	1197927
	29
	68371
	0
	1212
	66453
	13
	0
United Arab Emirates	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide. By business division By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Grocery	242431
Sugar	1942408
Agriculture	51403
Ingredients	540784
Retail	19967

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)	
Agricultural activities on our own land	170361	
Processing and manufacturing in our direct operations	2536469	
Transport and distribution in our control	90163	

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4a/C-FB7.4a/C-PF7.4a

(C-AC7.4a/C-FB7.4a/C-PF7.4a) Select the form(s) in which you are reporting your agricultural/forestry emissions. Total emissions

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity Agriculture/Forestry

Emissions category

<Not Applicable>

Emissions (metric tons CO2e) 170361

Methodology

Other, please specify (We use a mix of sources for the factors for our agricultural emissions reflecting the variety of activities in this category.)

Please explain

Over 99% of our agricultural emissions are those from growing our own sugar cane and sugar beet crops and harvesting them including the burning of the cane crops to remove cane leaves just before they are harvested. We also include data for GHG emissions from intensive livestock farming activities which are due to enteric fermentation and the production on site of crops such as peas and corn for pig feed. Methodology is a mixture between IPCC Guidelines for National Greenhouse Gas Inventories – Volume 4, British Sugar carbon footprint methodology certified by The Carbon Trust, Department for Transport RTFO Guidance, Ecoinvent Emissions Factor Database.

Activity

Processing/Manufacturing

Emissions category

<Not Applicable>

Emissions (metric tons CO2e) 2536469

Methodology

Other, please specify (For the majority of manufacturing emissions we use international and national sources for factors such as DEFRA. For a minority of emissions from processing and manufacturing, we use activity specific factors which take into account local conditions.)

Please explain

For a minority of emissions from processing and manufacturing, we use production activity-specific factors that take into account local conditions. These include ethanol and yeast manufacture and bread baking.

Activity

Distribution

Emissions category <Not Applicable>

Emissions (metric tons CO2e) 90163

Methodology

Default emissions factor

Please explain

We use DEFRA 2019 emission factors for our transport and distribution activities.

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based	Scope 2, market-based	Purchased and consumed electricity,	Purchased and consumed low-carbon electricity, heat, steam or cooling
	(metric tons CO2e)	(metric tons CO2e)	heat, steam or cooling (MWh)	accounted for in Scope 2 market-based approach (MWh)
Argentina	10756	10756	30556.78	0
Australia	133950	133950	158258.15	0
Austria	1091	1091	6677.47	0
Belgium	1500	1634	8731.08	0
Brazil	15079	15079	106226.76	0
Canada	4677	2292	39853.19	153084.43
Chile	1865	1865	4268.95	0
China	138256	138256	212455.44	0
Colombia	886	886	6579.9	0
Czechia	1127	1337	2245.82	0
Denmark	73	224	480.69	0
Ecuador	66	66	366.18	0
Finland	7007	12412	50826.36	0
France	1852	1152	26684.11	0
Germany	30746	35449	78765.39	22539.1
India	12395	12395	17145.91	0
Ireland	11116	9949	29260.99	0
Italy	6329	9018	19356.12	0
Malawi	25477	25477	85635.72	0
Malaysia	1626	1626	2491.87	0
Mexico	22672	8217	47361.07	30194.85
Mozambique	960	960	13735.67	0
Netherlands	13116	16337	31073.43	305.45
New Zealand	3254	3254	28096.36	0
Pakistan	1115	1115	2673.54	0
Peru	1153	1153	5181.06	0
Philippines	14	14	20.66	0
Poland	10506	11952	14737.33	0
Portugal	4298	3050	11913.76	0
Singapore	16	16	41.55	0
South Africa	44773	44773	49521.71	0
Spain	25672	30367	88614.75	0
Sri Lanka	192	192	304.33	0
Eswatini	7456	7456	25060.62	0
Switzerland	194	0	6727.26	6727.26
United Republic of Tanzania	5548	5548	18329.2	0
Thailand	9295	9295	19473.74	0
Turkey	9758	9758	21079.21	0
United Kingdom of Great Britain and Northern Ireland	101421	125912	435053.13	0
Uruguay	5	5	333.8	0
United States of America	77831	75117	199566.65	24134
Venezuela (Bolivarian Republic of)	13	13	43.99	0
Viet Nam	1316	1316	4297.75	0
Zambia	11489	11489	86839.13	0
United Arab Emirates	0	0	0	0
Slovenia	254	334	1027.78	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide. By business division By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Grocery	252218	264291
Sugar	112120	113995
Agriculture	33783	38623
Ingredients	246229	230492
Retail	113845	135156

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Processing and manufacturing. This includes manufacturing sites and associated distribution centres, warehouses and offices.	644349	647400
Retail stores and associated distribution centres, warehouses and offices.	113845	135156

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year? Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)		Emissions value (percentage)	Please explain calculation	
Change in renewable energy consumption	2883	Decreased	0.072	We succeeded in reducing the CO2 emissions (Scope 1 and Scope 2), from 3,993,010 to 3,555,187 tCO2 between 2019 and 2020. This is partly due to an increase in our renewable energy consumption from 74,773 to 77,656 tCO2 between 2019 and 2020. We estimate that the decrease linked to "Change in renewable energy consumption" reaches 2,883 tCO2. These decreases are thanks to our renewable energy emission reduction activities explained above and takes into account the non-carbon dioxide emissions from the use of wood and bagasse on-site to generate electricity for consumption" in renewable energy is (2,883/,993,010)*100 = .0.72%. N.B: for all our calculations in this question, we use the Scope 1 and Scope 2 emissions reported last year to CDP (i.e. 3,993,010 tCO2) as the denominator, as recommended in the CDP guidance.	
Other emissions reduction activities	107189	Decreased	2.7	We succeeded in reducing the CO2 emissions (Scope 1 and Scope 2), from 3,993,010 to 3,555,187 tCO2 between 2019 and 2020. We estimate that the decrease linked to "Other emission reductions activities" reaches 107,189 tCO2. These decreases are thanks to our green cane harvesting and energy efficiency in production processes as per question 4.3b. Thus the percentage of reduction linked to other emissions reduction activities is (107,189/39,93,010) 100 = 2.7%. N.B. for all our calculations in this question, we use the Scope 1 and Scope 2 emissions reported last year to CDP (i.e. 3,993,010 tCO2) as the denominator, as recommended in the CDP guidance.	
Divestment	1993	Decreased	0.05	We succeeded in reducing the CO2 emissions (Scope 1 and Scope 2), from 3,993,010 to 3,555,187 tCO2 between 2019 and 2020. We estimate that the decrease linked to "Divestments" reaches 1,993 tCO2. These decreases are a result of site closures in the reporting year. Thus the percentage of reduction linked to change in divestments is (1,993/3,993,010)*100 = 0.05%. N.B: for all our calculations in this question, we use the Scope 1 and Scope 2 emissions reported last year to CDP (i.e. 3,993,010 tCO2) as the denominator, as recommended in the CDP guidance.	
Acquisitions	4526	Increased	0.11	Three facilities were acquired and reported data for the first time in 2020. These were two factories (Australia and Italy) and one retail store (Slovenia). The to an increase of 4,526 tCO2. Thus the percentage increase linked to acquisitions is (4526/3,993,010)*100 = 0.11%. N.B: for all our calculations in this question, we use the Scope 1 and Scope 2 emissions reported last year to CDP (i.e. 3,993,010 tCO2) as the denominator, as recommended in the CDP guidance.	
Mergers	0	No change	0	No change.	
Change in output	26631	Decreased	0.67	We succeeded in reducing the CO2 emissions (Scope 1 and Scope 2), from 3,993,010 to 3,555,187 tCO2 between 2019 and 2020. This is partly due in decrease in our retail emissions from 160,443 to 133,812 tCO2 between 2019 and 2020. We estimate that the decrease linked to "Change in output" in 26,631 tCO2. These decreases are because all 375 of Primark's stores were unable to trade for a significant period in the reporting year as a result of COVID-19 pandemic. Thus the percentage of reduction linked to change in output is (26,631/3,993,010)*100 = 0.67%. N.B: for all our calculations in th question, we use the Scope 1 and Scope 2 emissions reported last year to CDP (i.e. 3,993,010 tCO2) as the denominator, as recommended in the CD guidance.	
Change in methodology	0	No change	0	No change.	
Change in boundary	0	No change	0	No change.	
Change in physical operating conditions	0	No change	0	No change.	
Unidentified	0	No change	0	No change.	
Other	0	No change	0	No change.	

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy? More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	12454911	8424254	20879165
Consumption of purchased or acquired electricity	<not applicable=""></not>	7513	1744334	1751847
Consumption of purchased or acquired heat	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of purchased or acquired steam	<not applicable=""></not>	0	246128	246128
Consumption of purchased or acquired cooling	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>
Consumption of self-generated non-fuel renewable energy	<not applicable=""></not>	0	<not applicable=""></not>	0
Total energy consumption	<not applicable=""></not>	12462424	10414716	22877140

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks) Bagasse

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 11410716

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 11410716

Emission factor

0.81837

Unit

metric tons CO2e per metric ton

Emissions factor source

This is an average taken from site-specific emission factors for different input materials. Calculations are conducted each year to confirm or amend the emission factors which depend on inputs such as percentage of fibre, ash and moisture in the bagasse.

Comment

All energy from bagasse is consumed on our site for on-site energy needs, and surplus is exported to the national grid.

Fuels (excluding feedstocks) Biogas

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 244528

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 198255

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor

0.00021

Unit

metric tons CO2e per MWh

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Biogas

Comment

We capture the consumption of biogas at a total group level.

Fuels (excluding feedstocks) Coal

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 1830229

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 109138

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 1721091

Emission factor 2.38001

Unit

metric tons CO2e per metric ton

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Fuel-Coal

Comment

We capture the consumption of coal at a total group level. Our yeast and sugar businesses consume coal for self-generation or heat and/or self-generation.

Fuels (excluding feedstocks) Coke

Heating value Unable to confirm heating value

Total fuel MWh consumed by the organization 35351

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 35351

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor

3.22204

Unit metric tons CO2e per metric ton

Emissions factor source UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Coke (weight)

Comment We capture the consumption of coke at a group level.

Fuels (excluding feedstocks) Diesel

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 39103

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor 0.00269

Unit metric tons CO2e per liter

Emissions factor source UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Diesel (volume)

Comment We capture the consumption of diesel at a total group level.

Fuels (excluding feedstocks) Kerosene

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 116

MWh fuel consumed for self-generation of electricity <Not Applicable> MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor 0.00254

Unit metric tons CO2e per liter

Emissions factor source UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 Kerosene (volume)

Comment We capture the consumption of kerosene at a total group level.

Fuels (excluding feedstocks) Liquefied Petroleum Gas (LPG)

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 109217

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor 2.93882

Unit metric tons CO2e per metric ton

Emissions factor source UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - LPG (weight)

Comment We capture the consumption of LPG at a total group level.

Fuels (excluding feedstocks) Petrol

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 348

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor 0.00231

Unit metric tons CO2e per liter

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Petrol (volume)

Comment

We capture the consumption of petrol at a total group level.

Fuels (excluding feedstocks) Natural Gas

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 6328845

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 198952

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 4436739

Emission factor 0.18337

Unit metric tons CO2e per liter

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Natural Gas

Comment

Our fuel consumption for self-generation refers to our bakeries businesses and fuel consumed for self-cogeneration or self-trigeneration refers to our sugar sites.

Fuels (excluding feedstocks) Wood

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 743626

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 741105

Emission factor

1.86482

Unit metric tons CO2e per metric ton

Emissions factor source

Intergovernmental Panel for Climate Change 2006 GHG conversion factors.

Comment

We capture the consumption of wood at a total group level.

Fuels (excluding feedstocks) Gas Oil

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 44254

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat

44254

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor 0.00276

Unit metric tons CO2e per liter

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Gas oil (volume)

Comment

We capture the consumption of gas oil at a total group level.

Fuels (excluding feedstocks) Heavy Gas Oil

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization 29278

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 29278

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor

0.00318

Unit

metric tons CO2e per metric ton

Emissions factor source

UK Government GHG Conversion Factors for Company Reporting - DEFRA - 2020 - Heavy Fuel Oil (weight)

Comment

We capture the consumption of heavy fuel oil at a total group level.

Fuels (excluding feedstocks)

Other, please specify (Waste materials from sugar cane fibre)

Heating value HHV (higher heating value)

Total fuel MWh consumed by the organization 63554

MWh fuel consumed for self-generation of electricity <Not Applicable>

MWh fuel consumed for self-generation of heat 0

MWh fuel consumed for self-generation of steam <Not Applicable>

MWh fuel consumed for self-generation of cooling <Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration 0

Emission factor

0.00038

Unit metric tons CO2e per MWh

Emissions factor source A customised default emission factor. We capture the consumption of waste materials from sugar cane fibre at a total group level.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	-	Generation that is consumed by the organization (MWh)	°	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	20879165	19877105	12462424	11642572
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor 480

Comment

REGO UK.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, not supported by energy attribute certificates

Low-carbon technology type Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling Netherlands

MWh consumed accounted for at a zero emission factor 305

Comment

100% Green agreement

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling Switzerland

MWh consumed accounted for at a zero emission factor 67273

01213

Comment

Purchasing full demand Swiss water energy.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, not supported by energy attribute certificates

Low-carbon technology type

Hydropower

Canada

Country/area of consumption of low-carbon electricity, heat, steam or cooling

MWh consumed accounted for at a zero emission factor 3328

Comment

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Mexico

MWh consumed accounted for at a zero emission factor

30194 Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

Metric numerator Tonnes of hazardous and non-hazardous waste

Metric denominator (intensity metric only)

% change from previous year 22

Direction of change

Please explain

We generated 585,472 tonnes of waste in the year; this figure includes hazardous and non-hazardous waste as well as waste which was recycled, recovered or had another beneficial use. As a proportion of the total amount, recycled waste material accounted for 84%. In the reporting year, we decreased the amount of hazardous and non-hazardous waste (not accounted for in our recycled waste) from 123,442 tonnes in 2019 to 96,483 tonnes. This equates to a 22% decrease. We remain focused on minimising waste production and maximising the opportunities to reuse and recycle the materials. As well as the environmental impacts of waste and associated GHG emissions (as reported in our scope 3 inventory), managing and safely disposing of waste is a cost to the businesses. Therefore the first priority is to minimise it by extracting as much value as possible from all our raw materials. When we do have unavoidable waste materials, we look at how these can be of benefit to our operations. This includes implementing processes to turn waste into energy sources such as using the biogas from wastewater treatment processes to feed our combined heat and power (CHP) plants or the generation of renewable energy from anaerobic digestion plants. We consider alternative uses for waste materials including making compost, replenishing soil and as building or packaging materials. Where appropriate we donate surplus food products to charities and community groups. Again this year, all our business segments have recycled far more waste than they have sent to landfill; the figures range from 81% in our sugar segment of total waste generated was recycled to 96% in our retail segment. These are substantial amounts of waste materials which have been segregated to fulfil a beneficial purpose when reused or recovered.

Description

Energy usage

Metric value 22877140

Metric numerator

Metric denominator (intensity metric only) N/A

% change from previous year

Direction of change Decreased

Please explain

As energy use is one of our main environmental impacts and is a significant cost coupled with fluctuations in the price of fuels, it remains a key focus for the effective management of our businesses. They explore changes to their energy mix and ways of generating their own energy, and a number have invested in combined heat and power plants (CHP) and cycle gas turbines. Of the total energy consumed this year, 55% came from renewable sources, a proportion which has increased incrementally over the last five years. In 2020, our total energy use was 22,877GWh, a 3% decrease compared with 2019. Our Sugar businesses were responsible for consuming 83% of that total, or 18,883GWh. They have continually improved energy use over the last decade and look to drive efficiency and do more with every unit of energy consumed. For example, as well as producing both core sugar products and a range of speciality sugars, each of the 27 advanced sugar manufacturing sites produces more than 24 co-products, including molasses, sugar beet pulp and bioethanol. Some of our sugar sites are deemed 'energy positive' which means that they have the ability to generate energy on-site which is surplus to their needs. When this happens, they export it to the national grid or other organisations. Illovo has recently formed an Energy Forum working group where experts from across the Illovo group come together to look at efficiency, reduction and energy plans. This co-ordination, strategy sharing and community of practice Forum has identified water stewardship, improving energy efficiencies and air quality as key focus areas.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status	
Scope 1	Third-party verification or assurance process in place	
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place	
Scope 3	Third-party verification or assurance process in place	

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

abf_2020_independent-assurance-report.pdf

Page/ section reference

ABF's 2020 Independent Assurance Statement issued by EY is attached. Also available at https://www.abf.co.uk/responsibility/cr_downloads as a separate link and within ABF's 2020 Responsibility Update, Living our Values, pages 58 and 59.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach Scope 2 market-based

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement

abf_2020_independent-assurance-report.pdf

Page/ section reference

ABF's 2020 Independent Assurance Statement issued by EY is attached. Also available at https://www.abf.co.uk/responsibility/cr_downloads as a separate link and within ABF's 2020 Responsibility Update, Living our Values, pages 58 and 59. This assurance also applies to our 2020 scope 2 location-based emissions.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category Scope 3: Purchased goods and services

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

The Carbon Trust verified Primark's scope 3 upstream and downstream data including purchased goods and services. We are reporting only Primark's emissions from purchased goods and services.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

100

Scope 3 category

CDP

Scope 3: Capital goods

Verification or assurance cycle in place Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

The Carbon Trust verified Primark's scope 3 upstream and downstream data including capital goods. We are reporting only Primark's emissions from capital goods.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place Annual process

Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

We report an ABF group level figure for emissions from fuel and energy-related activities distribution of which 6% is apportioned to Primark. This proportion of emissions has been assured by The Carbon Trust as part of their assurance of Primark's scope 3 emissions.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

6

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

We report an ABF group level figure for emissions from upstream transportation and distribution of which 29% is apportioned to Primark. This proportion of emissions has been assured by The Carbon Trust as part of their assurance of Primark's scope 3 emissions.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

29

Scope 3 category Scope 3: Waste generated in operations

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

We report an ABF group level figure for emissions from waste generated in operations of which 3% is apportioned to Primark. This proportion of emissions has been

assured by The Carbon Trust as part of their assurance of Primark's scope 3 emissions.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

3

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year Complete

Type of verification or assurance Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

The Carbon Trust verified Primark's scope 3 upstream and downstream data including use of sold products. We are reporting only Primark's emissions from use of sold products.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

100

Scope 3 category Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place Annual process

Status in the current reporting year Complete

Type of verification or assurance

Limited assurance

Attach the statement

Primark_2020_Carbon Trust_scope 3 assurance statement.pdf

Page/section reference

The Carbon Trust verified Primark's scope 3 upstream and downstream data including end-of-life treatment. We are reporting only Primark's emissions from end-of-life-treatment.

Relevant standard

Verification as part of Carbon Trust standard certification

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5? No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations. EU ETS Poland carbon tax South Africa carbon tax

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS 42

% of Scope 2 emissions covered by the ETS

- Period start date January 1 2019
- Period end date December 31 2020

Allowances allocated 532061

Allowances purchased 650724

Verified Scope 1 emissions in metric tons CO2e 1182785

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership Facilities we own and operate

Comment

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Poland carbon tax

Period start date January 1 2020

Period end date December 31 2020

% of total Scope 1 emissions covered by tax 0.06

Total cost of tax paid 67.8

Comment This covers the tax paid by one of our sites in Poland.

South Africa carbon tax

Period start date June 1 2019

Period end date December 31 2019

% of total Scope 1 emissions covered by tax

Total cost of tax paid

0

9.6

-

Comment

The first payment in respect of the period 1 June 2019 to 31 Dec 2019 was delayed due to the COVID-19 pandemic. First payment was made at the end of October 2020 in the amount of R3.3million. This includes various allowances totalling 75%.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Our strategy for compliance is to:

1 - Meet compliance levels for all appropriate environmental legislation and other requirements relating to our activities. Our site-level environmental managers and finance teams collaborate to ensure compliance with national or regional tax price schemes.

2 - Continually improve our environmental performance through a process of monitoring, measuring and reviewing our environmental impacts. For energy, we utilise energy more efficiently to reduce the use of fossil fuels and the production of associated greenhouse gas emissions. Where financially or operationally viable, our businesses will change to less carbon-intensive fuels for manufacturing and transportation.

3 - Maximise the efficient use of our raw materials and minimise waste generation through promotion of re-use and recycling.

4 - Include environmental regulation tracking as part of the group-wide environmental compliance and risk management audit programme. This is a rolling site-level audit programme conducted by an independent third-party provider. Where there is a risk of regulatory non-compliance, the finding is reported to ABF's HSE team and progress towards closure of the finding is monitored.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

C11.3

(C11.3) Does your organization use an internal price on carbon? Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price Navigate GHG regulations

Drive energy efficiency

GHG Scope

Scope 1

Application

A small number of our businesses use carbon pricing as a tool to manage risks and opportunities to operations participating in the EU ETS and in anticipation of new carbon regulations. For the majority, our businesses internalise the current EU ETS market price so that there is consistency across our European businesses. The analysis is based at a business and country level to ensure effectiveness in driving reduction behaviour.

Actual price(s) used (Currency /metric ton)

12

Variance of price(s) used

Across our businesses, we use a differentiated price, depending on the geography and therefore most applicable carbon scheme or market to each business. Using the EU ETS price for those businesses in scope means that the price used may vary linked to market demand. Over recent years, reforms to the EU ETS means that the price of carbon allowances has moved. At the high end, this has reached approximately £24.00 per tonne from lows of £5.00 per tonne. Several of our businesses have used this approach to support their efforts to plan their medium and long-term work in carbon management. We will continue to track carbon prices and their movement to ensure that our approach is the most effective to support the sustainability of our businesses and in alignment with the 2-degree transition pathway.

Type of internal carbon price

Other, please specify (A price reflecting the relevant market)

Impact & implication

We use the internal carbon price to support medium and long-term planning within our businesses. A number of our businesses are now participating in carbon taxes or preparing for the introduction of national carbon tax schemes. For example, whilst the UK is moving from the CRC to an integrated approach, South Africa, in 2019, introduced a carbon tax. Our South African business Illovo has worked to incorporate the price into project finance justification models. It is anticipated that the carbon tax will increase the cost of Scope 1 energy for Illovo by approximately 7%. As part of the business's response to the national GHG regulation, further focus has been placed on maximising the energy efficiency programmes and effectively manage the allowances. The use of an internal carbon price drives both our emission reduction strategies and, aligned with this, reduced operating costs.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues? Yes, our suppliers Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

0

% total procurement spend (direct and indirect)

0

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

ABF's decentralised approach to doing business allows each business to engage with its suppliers as it considers best. Engagement decisions are made locally because they are most successful when made by the people who have the best understanding of the prevailing conditions in their supply chains. As an example, AB Sugar China faces key environmental challenges relating to meeting product demand while dealing with limited resources such as land, water and energy, and responding to risks associated with climate change. Specifically: • Both the Hebei and Inner Mongolia provinces in which AB Sugar China operates are classified as water scarce regions by the World Wildlife Fund (WWF). • The growing season in Northern China is relatively short in comparison with other parts of the world due to cooler temperatures in winter and spring. This requires harvesting of sugar beet over a 6-week period in October, which is vulnerable to extreme weather events such as frost. • Soil and water quality, for example higher sodium from groundwater and nitrogen content from nitrogen fertiliser use, is known to increase inpurities in the sugar product because of challenges are linked to the commercial strategy of increasing the sugar content of the beet crop and commanding a higher price for premium sugar products, and directly impact key stakeholders such as AB Sugar China's 4,500 sugar beet growers. AB Sugar China recognises the importance in engaging with these sugar beet growers to ensure a sustainable supply of sugar beet. Accordingly, AB Sugar China has started to use new channels to communicate with their growers including the launch of a bespoke mobile phone application. The communications have provided growers with advice on agronomy to help achieve strong productivity and to provide them with solutions to overcome specific challenges such as those related to weather or localised soil quality.

Impact of engagement, including measures of success

Since 2007/08, AB Sugar China has made a concerted effort to modernise growers' agricultural businesses. AB Sugar China has worked extensively with growers to educate them on how to best grow their crop sustainably, through its Sustainable Agriculture Programme. AB Sugar China offers a multi-channel, targeted approach focused on delivering simplified content supported by comprehensive research and development to growers over various channels, including social media. AB Sugar China's Sustainable Agriculture Programme was launched in March 2014 to increase productivity, embrace conservation and improve lives. The company's agricultural strategy is focused on sugar beet crop optimisation and driving efficiencies to increase yield and sugar content, while reducing water and fertiliser use. Since 2007/08, beet volume at AB Sugar China's two factories has increased two-fold in part due to grower's beet yields rising by 212% (26t/ha to 55t/ha), due to knowledge sharing and AB Sugar China's investment in mechanisation and helping to implement best farming practices. AB Sugar China is measuring the success of this programme by the number of growers who take part in the program as well as the increase in sugar beet yield.

Comment

One of the steps taken has been our introduction of the Pay by Sugar (PBS) model, which sets us apart from others within the Chinese industry. Traditionally, our growers have been paid per tonne of sugar beet, with no adjustment for the sugar content in the beet. Therefore, reflecting models outside of China, we have moved to PBS where our growers are paid a headline price per tonne of beet which rewards them for developing their agronomy practices by improving their yield and sugar content, thus crop profitability. In tandem, for us, helps to drive down our costs of production by having improved beet quality and operational efficiency at both our factories. In 2020, we set an ambitious target of having 100% of our large growers contracted to PBS by the end of 2021/22. We are currently ahead of target with 77%. This demonstrates the level of confidence in this mutually beneficially partnership as together we are improving agronomy practices resulting in the reduction of fertilizer applications that are not detrimental to crop quality and generating more from less that rewards hard work and dedication. All bodes well for our ambitions of improving the competitiveness of the Chinese beet sugar industry through education, technological advancements and competitiveness. Moving forward, we aim to increase further agricultural knowledge, yield improvements, profitability and crop management, all helping us to have more sustainable methods and helping us advance our market position. We have already seen over the past two years our joint efforts with our growers have made sugar Association with their 'Innovation Award' for the implementation of PBS in recognition of the contribution we are making towards the Chinese beet sugar industry competitiveness on the global sugar market and the alignment of interests of both growers and processor.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Primark's long-term ambition is to source all the cotton in its supply chain responsibly, having teamed up with agricultural experts CottonConnect and the SEWA to create the Primark Sustainable Cotton Programme in 2013.

Impact of engagement, including measures of success

Primark has been training cotton farmers in more environmentally friendly practices since 2013. In 2019 Primark announced an expansion of its Sustainable Cotton Programme, committing to train 160,000 cotton farmers in India, Pakistan and China in more sustainable farming methods by 2022. The programme has been developed in partnership with agriculture experts CottonConnect and local implementing partners, to train smallholder farmers to help them reduce their use of water, chemical pesticides and fertilisers, while helping to improve their livelihoods at the same time. Cotton from the programme is already being traced directly from cotton farm to store and is used in many of Primark's most popular products, such as jeans, pyjamas and bedding, at no extra cost to the customer. Working directly with farmers to create more sustainable and traceable cotton and reduce the environmental impact of the supply chain, the programme launched in Gujarat, India, with 1,251 female farmers. It has since been rolled out to two further countries and 160,000 farmers will have been trained by 2022. Farmers are trained in more sustainable farming techniques covering sowing, soil management, water and pesticide use, picking, grading and storage, and have seen transformative results: Outcomes from India 2013–2019: -9.9% water use -26% chemical fertiliser use +205% average farmer profit increase -41.7% chemical pesticide use Outcomes from Pakistan 2013 – 2018: -16.6% water use -22% chemical fertiliser use +26.8% average farmer profit increase -23.4% chemical pesticide use As of 2019, the programme is active in three countries, training farmers in sustainable farming practices, equipping them with the knowledge and means to grow cotton using fewer chemical pesticides and fertilisers and less water.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

0

% of customer - related Scope 3 emissions as reported in C6.5

0

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

ABF's decentralised approach to doing business allows each business to engage with its customers as it considers best. Engagement decisions are made locally because they are most successful when made by the people who have the best understanding of the prevailing conditions in those markets. As an example, as part of AB Sugar's 2030 commitments, British Sugar evaluated its GHG emissions across its value chain and identified transportation as an opportunity to reduce its own emissions, as well as an opportunity for its customers to reduce their emissions, through engagement with customers and distributors. In 2018, British Sugar reviewed its payload process, namely the amount of product being sold per delivery and identified an opportunity to improve the quantity of sugar being delivered on every load to customers. The aim was to reduce the number of deliveries and in turn reduce the business's impact on the environment. The environmental benefits include reduced time on the road, reduced use of fuels and resultant emissions ultimately aiming to reduce British Sugar's carbon footprint. In order to maximise the quantity of sugar to be delivered, collaboration is required across all elements of the supply chain, starting with the order being placed, through to the loading of the delivery vehicles and finally, delivery to the customer.

Impact of engagement, including measures of success

British Sugar's aim was to reduce the number of deliveries and in turn reduce the business's impact on the environment in three key areas: 1. Payload increase of 20% - on UK bagged sugar (from 2018 baseline) 2. Payload greater than 28.5 tonnes on bulk dry sugar 3. Age of Abbey & Wincanton fleet vehicles < 4 years Current performance: 1. The baseline was 18.5 tonnes in 2018-19, in 2019-20 we achieved 21.2 tonnes and in 2020-21 we are still trending at just over 21 tonnes a. As the order size is at times uncontrolled (SLA provides financial incentivisation) we have added a measure on load building performance. This shows we are consistently having a net positive impact of around 4 tonnes per vehicle on mixed orders. b. Additionally, our groupage solution for small pallet orders is on average saving 18 to 20 trips a week where a full vehicle would have been used for a delivery of less than 6 pallets. 2. Delivered Payload this year to date is tracking at 28.79 tonnes (2019-20 was 28.3 tonnes). Specific work at the Wissington factory has seen a sharp rise in fill adherence. The percentage of orders is at 29 tonnes or above this year. This is 87% compared to 2019/20 of 68% which shows the team's approach is driving improvement. 3. Eleven new units have been added to the Abbey core fleet this year with an average fleet age of 3.2 years. A fleet replacement programme is now in place and will continue to refresh assets. Driving supply chain efficient routes, with beet growers being matched to the closest processing factories with capacity, and crop production closer to processing sites is also being prioritised. A telematic monitoring system is contributing to lower impacts by cutting vehicle idling time and unnecessary fuel consumption. British Sugar has identified other opportunities to reduce the impact of deliveries. For example, by combining multiple orders, developing new packaging and incentivising customers to order the most environmentally beneficial payload. The company's logistics partner has been able to inc

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify (Product Life Cycle Assessments for customers)

% of customers by number

0

0

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

George Weston Foods collaborates with major customers on a range of sustainability initiatives including addressing climate risks and opportunities. When working on life cycle assessments with customers, the scope of the engagement will depend on the product offering and opportunities for product and processing innovations.

Impact of engagement, including measures of success

To understand George Weston Foods' sustainability profile with major customers and the customers' overall environmental footprints throughout their value chain (from farm to fork), Life Cycle Impact Assessments have been co-commissioned between the business and its customers. Depending on the customer requirements, the impact assessments have included a range of focus areas including specific product packaging and product category of bread. The assessments have supported the commercial relationships while highlighting areas within the product life cycle where activity and effort could be focused to reduce impacts. Impacts have included water consumption, carbon footprints, energy use and pollution. George Weston Foods continues to work with its customers through commercial and sustainability activities including updates to the life cycle implications of the products.

Type of engagement Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

Primark has worked hard to measure its Scope 3 emissions in order to identify further GHG reduction opportunities to effect positive change. The company is already making significant headway by tackling emissions generated by the use of raw fabrics and materials, which are its largest source of GHG. It is doing this among other things by operating an in-store recycling scheme for customers in the UK so that they can donate their unwanted clothes, textiles, shoes and bags to be recycled, reused or repurposed. Primark announced its in-store recycling scheme in July 2020, with collection boxes available in all 190 stores across the UK. It is early days for the scheme, and store closures due to Covid-19 will have impacted customers' ability to use it. Primark launched a communications campaign targeting our 22 million followers on social media to promote the scheme; this was dialled back when our stores closed during the pandemic. Our UK market alone represents about half of our store estate. The campaign provided an opportunity for Primark to engage with its customers on the impacts of climate change and to create a more circular system where clothes are kept in use for longer, are re-purposed or recycled. Currently only 2% of people choose retailer takeback to donate their unwanted clothing compared to more established methods. By providing the opportunity to return unwanted textiles to the same place where most new sales take place made it convenient and easy for customers to extend the life of their own unwanted garments.

Impact of engagement, including measures of success

Primark has partnered with Yellow Octopus to implement its recycling scheme. Yellow Octopus is a recycling specialist which has a 'no landfill' policy across the 21 countries it operates in, diverting around one million garments from landfill every month. All donated items will be reused wherever possible, or recycled or repurposed as insulation, toy stuffing and mattress fillers, with nothing going to landfill. The waste hierarchy ranks the waste management options according to the best environmental option, giving priority to preventing waste, preparation for re-use, recycling, recovery and last of all disposal (landfill). A waste data collection report sets out the weight and percentage of waste collected on a monthly basis as per the following categories: reused, recycled, recovered, incinerated and landfill. Primark tracks the amount of donated textiles collected from our store, and will continue to do so, to monitor the uptake of the scheme. We also monitor how much of this is reused or recycled. Primark's global charity partner, in support of its education programmes for vulnerable children around the world. In July 2018 Primark announced a three-year partnership to contribute to UNICEF's work in education and emergency response. Primark has committed US\$ 4.5 million to fund an education programme to enable vulnerable children to attend and stay in school in Cambodia. In addition, Primark has committed US\$ 1.5 million towards UNICEF's worldwide emergency response operations.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

ABF's UK Grocery Group is a signatory to Courtauld 2025 which aims to reduce food waste and associated GHG emissions in the food and drinks industry, coordinated by the Waste Resources Action Partnership. The collective industry wide ambition is to reduce the resources needed to provide food and drink by one fifth by 2025.

Allied Bakeries holds the 'Reducing carbon' label from The Carbon Trust for its Kingsmill 800g soft white, 50/50 and wholemeal products. To retain the label (which the business has held since 2009) Allied Bakeries conduct a complete carbon footprint of the products (scope 1, 2 and 3 emissions) every 2 years and demonstrates that it is continually reducing the businesses total carbon footprint.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-FF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number MP1

Management practice Knowledge sharing

Description of management practice

Through the Jordans Farm Partnership, Jordans pays 37 British farmers a premium for their oats, wheat and barley, in return for committing at least 10% of their land – a combined total of 4,200 hectares – to support biodiversity. Jordans Dorset Ryvita works with accredited farmers who supply all the oats, wheat and barley required to make the products sold in the UK and France using the Conservation GradeTM farm management standard. Through the initiative, farmers work with experts from The Wildlife Trusts to develop bespoke wildlife plans. They are independently audited and certified against the Linking Environment And Farming (LEAF) Marque Standard who are aligned with the post-2020 biodiversity framework. The farmers are also required to cut hedges only once every two years to protect nesting habitats, essential shelter and food sources, such as wild berries. Farmers who operate under this scheme are required to dedicate 10% of their land to wildlife preservation. 5% of this land must be comprised of options equivalent to those listed in the Countryside Stewardship Wild Pollinator and Farm Wildlife Package (WPFWP) to provide year round habitat (food,

nest sites and shelter). The remaining 5% is managed according to a bespoke landscape plan with habitat regeneration initiatives specific to that farm, this activity is completed in collaboration with The Wildlife Trust farm advisors. The JFP standard also stipulates criteria for the management of field boundaries, ponds, watercourses and woodland. In 2019-20, farmers managed more than 4,060 hectares of wildlife-friendly habitats to support nature's recovery on their farms including: - 692ha woodland - 94 ponds - 717km hedgerows - 475ha field margins - 136km waterways Separately, Jordans Dorset Ryvita has worked with the Woodland Trusts to plant 50,000 trees as part of a brand partnership with Dorset cereals. The business has also worked with NGOs in Bolivia to plant 35,000 Brazil Nut tree saplings in the Amazon Rainforest where the annual crop is gathered and is supporting a separate programme in California that plants of wildflowers within almond groves to provide habitat for pollinating insects and improve crop resilience.

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

We have directly raised awareness of these environmental practices among our network of selected farmers.

Climate change related benefit

Increasing resilience to climate change (adaptation)

Comment

The founders of Jordans Dorset Ryvita helped launch the nature-friendly Conservation GradeTM farming protocol.

Management practice reference number

MP2

Management practice

Knowledge sharing

Description of management practice

The South African-based World Wildlife Fund (WWF), in partnership with the Noodsberg Cane Growers Association, and supported by Illovo's South Africa Noodsberg sugar factory and refinery, was instrumental in the development of a Sustainable Sugar Cane Farm Management system for growers, termed SUSFARMS®. SUSFARMS® is a methodology which develops better farm management practices in the cane sugar industry bringing environmental, social and economic benefits. The use of SUSFARMS® sustainability methodology for evaluating agronomic practices is encouraged.

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

Illovo engages with sugarcane growers on sustainable farming practices based on the SUSFARMS® methodology

Climate change related benefit

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

Comment

Management practice reference number

Management practice

Knowledge sharing

Description of management practice

AB Sugar launched a True Potential project in collaboration with NFU Sugar and BBRO. Outputs include: • Brilliant Basics: essential messages stripped down to their simplest form, issued at the right time of the year, in an easy-to-understand way. • Beet Yield Tracker: bringing grower, Contract Manager and agronomists together to create yield action plans. Launching June/July 2020 to 300 growers. • What's App: pilot of peer-to-peer grower messaging facilitated by Contract Managers. British Sugar's Growers Services include a new grower portal to monitor contract, seed, deliveries and finances as well as a dedicated freephone telephone support for every grower.

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

AB Sugar collaborating with industry to improve yield by sharing best practice.

Climate change related benefit

Increasing resilience to climate change (adaptation)

Comment

Management practice reference number MP4

Management practice

Pest, disease and weed management practices

Description of management practice

Germains Seed Technology has been applying breakthrough bioscience to support the British sugar beet industry for more than 50 years. Over the years Germains has developed unique processes to help manage yield fluctuations caused by pests and diseases, helping growers achieve consistent returns from their sugar beet crops. The company has launched its new Xbeet® enrich 200. Xbeet® enrich 200 will be available for the 2021 season. Trialled and tested for the UK climate, enhancements include an extra coating of bio-stimulant, derived from natural plant extracts to help with crop health, accelerate emergence, increase yield and assist the crop to reach the critical twelve-leaf stage and mature plant resistance. Independent trials have been carried out in collaboration with the BBRO and independent trial specialists and have shown an average yield benefit of 1.4% from Xbeet® enrich 200 over Xbeet® enrich 100 during 3 years of trials. The independent verification of the trial results by NIAB have shown the results are significant to the 95% confidence level.

Your role in the implementation

Knowledge sharing Operational

Explanation of how you encourage implementation

Climate change related benefit

Increasing resilience to climate change (adaptation)

Comment

Management practice reference number MP5

IVIP5

Management practice

Rice management

Description of management practice

Our UK Grocery company Westmill Foods invested \$150,000 in a three-year Water and Productivity Project (WAPRO) in Punjab, Pakistan, which promotes the standards of the UN Sustainable Rice Programme (UNSRP), of which Westmill is a founding member. WAPRO partners Helvetas and Galaxy Rice provide training in SRP techniques and has trained 600 basmati rice farmers since 2018 with the aim to reach 1200 by 2024. In 2020, Westmill purchased 4,000 tonnes of the sustainable rice and plans to increase the proportion of rice it sources through the project in future years, with the project extended to 2024.

Your role in the implementation

Financial Knowledge sharing Procurement

Explanation of how you encourage implementation

Climate change related benefit

Increasing resilience to climate change (adaptation)

Comment

Management practice reference number MP6

Management practice

Biodiversity considerations

Description of management practice

Our UK Grocery business Allied Mills has launched a five-year project that aims to produce 5,000 tonnes of sustainable breadmaking wheat a year for its mill, with a greater focus on soil health and biodiversity. Through the Wheat Sustainability Project, set up in partnership with Frontier Agriculture in June 2019, nine local farmers will grow their crops in line with a number of sustainable principles, including crop rotation, minimum tillage (min till) farm management techniques to protect soil structure, and the use of disease- and pest-resistant varieties. To support the initiative, Allied Mills will be arranging mill, bakery and farm visits to facilitate the sharing of knowledge and best practice among the participating farmers. Progress will be monitored and data gathered throughout the project to identify expected improvements such as lower nitrogen use, reduced energy consumption, less water run-off and enhanced soil health. This data will be shared with stakeholders as part of broader efforts to reduce carbon emissions associated with UK arable farm production (Combinable Crops).

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

Allied Mills participates in the project with Frontier Agriculture and the farmers to generate benefit for all involved in cost and efficiency savings as well as wider sustainability principles. This is a multi-year initiative that allows the participating farmers to review their sustainability performance with their peer group.

Climate change related benefit

Increasing resilience to climate change (adaptation) Increase carbon sink (mitigation) Reduced demand for fertilizers (adaptation) Reduced demand for pesticides (adaptation)

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following? Direct engagement with policy makers Trade associations

Funding research organizations Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (Reducing waste and associated GHG emissions)	Support	ABF's UK Grocery Group is a signatory to the Courtauld Commitment 2025 which aims to reduce food waste and associated GHG emissions in the food and drinks industry. The collective ambition is to reduce the resources needed to provide food and drink by one fifth by 2025.	Waste management across industries
Adaptation or resilience	Support	ABF's Director of Company Secretariat is a member of the Committee on Climate Change's Adaptation Committee, an independent, statutory body established under the Climate Change Act 2008. The Adaptation Committee's purpose is to provide advice to the UK Government and Devolved Administrations on preparing for and adapting to climate change. The knowledge and skills required to fulfil the Company Secretariat role contribute to the expertise required for the Adaptation Committee.	Adaptation to Climate Change across industries
Other, please specify (Sustainability issues)	Neutral	Primark's head of ethical trade and environmental sustainability responded to the request to submit evidence to the UK's Environmental Audit Committee's inquiry into the sustainability of the fashion industry. The Committee's remit is to consider the extent to which the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development, and to audit their performance against sustainable development and environmental protection targets.	The inquiry examined the carbon, resource use and water footprint of clothing throughout its lifecycle.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership? Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

ADE – Association of Decentralised Energy

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The work of the ADE includes: Advocacy: the ADE is at the forefront of influencing; energy, planning and procurement policy; Raising awareness: building understanding through communications, events, training and the production of relevant policy and market research; Promoting best practice and collaboration; Working with our members and a wide range of relevant stakeholders to help drive improvement and innovation across the sector Enhancing and maintaining the reputation of the sector: through advocacy, promotion and adoption of best practice.

How have you influenced, or are you attempting to influence their position?

We are members of the working groups. We add influence and give 'real-life' examples as the Association works towards its objectives.

Trade association

ePURE (European Bioethanol T.A.)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

ePURE represents and supports companies that produce renewable ethanol in the EU for all end-uses, i.e. fuel, potable and industrial uses. ePURE also represents companies that have an interest in ethanol production.

How have you influenced, or are you attempting to influence their position?

An ABF representative is a Director on the Board of ePURE, and adds influence as the Association works towards its objectives.

Trade association

Combustion Engineering Association (CEA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The CEA seeks to promote the science of combustion engineering and to promote best practice.

How have you influenced, or are you attempting to influence their position?

An ABF representative is a member of the Executive as Past Chairman of CEA, and adds influence as the Association works towards its objectives. Sharing of good practice and own experiences.

Trade association

Food and Drink Federation (FDF)

Is your position on climate change consistent with theirs? Consistent

Please explain the trade association's position

Members are committed to FDF's 'Ambition 2025'; leading on collaborative transformations within the food and drink supply chain that enhance productivity and deliver environmental and social benefits to ensure safe, nutritious, affordable and sustainable food for all. The climate change ambition is to achieve a 55% absolute reduction in CO2 emissions by 2025 against the 1990 baseline. FDF members are committed to the Sustainability: Ambition 2025 which launched recently as a guide for members to sustainably manage their footprint and supply chain.

How have you influenced, or are you attempting to influence their position?

An ABF representative attends the Climate Change and Energy Working Group so has the responsibility to engage with the Group in the direction of the overall policy of the FDF. This group has engaged with the government ahead of the proposed changes in the replacement of the 2050 Decarbonisation Roadmap for example, as well as providing UK industry position input into the EU Commission in its revision of the Best Available Techniques Reference Document (BREF) covering the Food, Drink & Milk Industries. An ABF representative attends the Sustainability Group so has the responsibility to steer the Group in the direction of the overall policy of the FDF.

Trade association

The South African Sugar Association (SASA)

Is your position on climate change consistent with theirs? Consistent

Please explain the trade association's position

Support research through SASRI (South African Sugar Research Institute) focused on empowering the sugar industry to respond to climate change impacts. Working with the mandated government departments, such as the Department of Energy and the National Treasury, to support industry diversification into renewable energy; both electrical co-generation from bagasse and bioethanol production from molasses. Support the avoidance of GHG emissions through the promotion of electricity from bagasse-based cogeneration and bioethanol, thereby supporting the South African government's biofuel industry strategy and mandatory blending requirements.

How have you influenced, or are you attempting to influence their position?

Illovo has one member on the board of SASA. Illovo and SASA are aligned in their positions on climate change legislation. Through SASA led discussion, Illovo has participated in the carbon tax process headed by the National Treasury and together have provided policy submissions.

Trade association

The Sustainable Clothing Action Plan (SCAP), launched by WRAP in 2012 to provide a collaborative voluntary framework for fashion companies to reduce their carbon, water, and waste impacts.

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Members of SCAP have agreed voluntary targets to reduce the carbon and water footprints of clothing by 15% compared with 2012.

How have you influenced, or are you attempting to influence their position?

As a signatory of SCAP and the 2020 Commitment, Primark has agreed to a set of principles that work towards reaching the SCAP 2020 Targets

Trade association

All-Party Parliamentary Group for Renewable and Sustainability Energy

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

PRASEG, the Parliamentary Renewable & Sustainable Energy Group, is an all-party group for MPs & Peers committed to enhancing the scale and quality of debate around the energy transition. The group is focused on energy and climate change.

How have you influenced, or are you attempting to influence their position?

British Sugar is a member of the Parliamentary Group and is aligned on areas of interest.

Trade association

Energy Networks Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Energy Networks Association is the industry body for the companies that run the UK and Ireland's energy networks. The ENA is supporting the UK and Ireland in the race to net-zero carbon emissions. It is overhauling systems, processes and policies to make it easier to connect low-carbon electricity generators and green gas producers to the grid and take advantage of new smart technology that is becoming common place in our communities. Technology like solar panels, electric vehicles and battery storage. The ENA organises events and webinars throughout the year from conferences and networking receptions to publication launches.

How have you influenced, or are you attempting to influence their position?

British Sugar is a member of the Energy Networks Association is aligned on areas of interest.

Trade association

Road Haulage Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The RHA is the only UK trade association dedicated to companies who move freight by road. Trucks carry 90% of the UK's freight and are essential to the UK economy. We are proud to have a road haulage profession that is efficient, responsive and perhaps the safest in Europe. The RHA aims to ensure it stays that way

How have you influenced, or are you attempting to influence their position?

British Sugar is a member in order to gain a greater understanding of opportunities and policy.

Trade association

Sustainable Agriculture Initiative

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The SAI Platform brings together over 120 member companies and organisations leading the way in sustainable agriculture worldwide. Our members' goal is to ensure that the agricultural commodities and ingredients they use are supplied from sustainable sources. Our members share a commitment to developing sustainable agriculture in a

How have you influenced, or are you attempting to influence their position?

AB Sugar is a member of the SAI and sits on the Executive Committee

Trade association

Australian Food and Grocery Council

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Founded in 1995, the Australian Food and Grocery Council (AFGC) is an industry association that has been helping member companies and the food and grocery supply industry to sustain Australia. Our vision is for a thriving and trusted industry that delivers jobs, economic growth and helps people to live well. AFGC takes the lead in identifying model sustainability practices and fostering wider industry adoption of these practices. We work with members to reduce the food and grocery manufacturing sector's environmental footprint by fostering collaboration throughout the value chain, identifying best-practice and highlighting industry successes and opportunities. We represent members at the local, state and commonwealth levels, in the areas of strategy and policy development, driving sustainable outcomes. There are a number of active working groups in the packaging and food waste space, which the AFGC participates in on behalf of members. This keeps government informed of member activity and requirements. Effective management of environmental and social issues is fundamental to the continued growth of Australia's food and grocery manufacturing industry. Key sustainability issues include: • Water – availability and efficiency, • Waste – resource efficiency, minimising food waste and sustainable packaging design, • Energy and climate change – greenhouse gas emissions mitigation and adaptation, • Social and ethical sourcing – traceability and transparency of products and materials, modern slavery reporting.

How have you influenced, or are you attempting to influence their position?

George Weston Foods actively contributes to the Australian Food and Grocery Council's Committee of Health, Nutrition and Scientific Affairs.

Trade association

COFALEC - Confederation of European Yeast Producers

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

COFALEC is the confederation of yeast producers that represents the EU yeast industry in Europe. With 33 factories scattered through the European Union, one million tons of yeast produce each year and more than 30% of the production exported outside Europe, the yeast industry is an important player of the European food industry. Yeast producers have shown a long commitment to preserving the environment and sustaining natural habitats. It was one of the very first bio-technology industries and COFALEC members have actively embraced cutting-edge technologies to develop new methods of water, energy and waste management.

How have you influenced, or are you attempting to influence their position?

AB Mauri is a member of COFALEC and supports their sustainability strategy.

Trade association

FEDIMA - Federation of European Manufacturers and Suppliers of Ingredients to the Bakery, Confectionery and Patisseries Industries

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Fedima is the European trade association representing the bakery, patisserie and confectionery ingredients' manufacturers. Fedima's mission is to shape a favourable environment to ensure a sustainable and an innovative bakery industry. Fedima's vision is to be the European bakery ingredient platform to support and grow the bread and pastry market. The companies represented by Fedima provide a wide range of products to bakers, pastry and chocolate designers, as well as confectionery producers. Fedima's Sustainability Committee is composed of experts delegated from the companies and national associations. The Committee serves as a platform to share ideas and best practices on sustainability. It is tasked with evaluating and monitoring the actions and commitments undertaken by the industry. It identifies the sustainability concepts and scope within Fedima with the view to act as a responsible bakery ingredients industry, and meet the Sustainable Development Goals set out by the United Nations in 2015. It also builds out common positions and commitments on policy issues related to sustainability and identifies long term project(s) that can be carried out under Fedima's leadership in order to bring sustainable change to the industry. Since its first gathering in January 2020, the Sustainability Committee is working in synergy with other Fedima bodies, national associations, and European actors like FoodDrinkEurope, with the help of the Secretariat.

How have you influenced, or are you attempting to influence their position?

AB Mauri is a member of FEDIMA and supports their sustainability strategy.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund? Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

We actively engage in a number of meetings and events aimed at understanding and influencing public policy in the area of climate change including but not limited to the examples noted below:

Illovo is a member of, and participates in, the activities of the National Business Initiative (NBI) which is the local partner for CDP, World Business Council on Sustainable Development and the UN Global Compact. Illovo representatives attend workshops and seminars that the NBI presents and are represented on its board.

ABF's Spanish sugar business, Azucarera engages with the sugar beet growers in the region through AIMCRA, the Association for Research and Improvement of Sugar Beet, a private, non-profit, interprofessional association with joint management and financing in equal proportions by beet growers and Azucarera. AIMCRA aims to make beet-growing more competitive through research, development and innovation initiatives, establishing a number of lines of action to support growers' work based on the conclusions of those initiatives. Azucarera engages with the growers to disseminate information about innovation and improved crop growing techniques. Azucarera's solar irrigation partnership with AIMCRA, a Spanish research association, aimed to reduce energy and water use among beet growers. More than 80 solar water-pumping units were installed across Spain, leading to a 90% reduction in CO2 emissions, a 70% fall in irrigation costs and a 20% decrease in water use. AIMCRA has now extended the system to Italy, Portugal and Morocco through other projects.

Primark is a member of the Sustainable Apparel Coalition, made up of more than 150 global brands, retailers and manufacturers as well as government, non-profit environmental organisations, and academic institutions, that are collectively committed to improving supply chain sustainability in the apparel and footwear industries. Primark is also a member of the Ellen MacArthur Make Fashion Circular initiative, which is driving collaboration across and between industry leaders and other key stakeholders to create a textiles economy fit for the 21st century. The initiative's ambition is to develop and adopt new business models that move the textiles industry from a linear to a circular economy, maximising the use of renewable fibres, keeping products in use for as long as possible and giving a second life to old clothes. Primark attends working meetings and is collaborating with member brands towards the goal of circularity. Primark supports the UK Sustainable Clothing Action Plan (SCAP) 2020 commitments to:

· reduce carbon by 15%;

- · reduce waste to landfill by 15% (UK);
- · reduce waste arising over the whole product life cycle by 3.5%; and
- · reduce water in product manufacturing by 15%.

Primark is proud to announce that from October 2020, it will join the United Nations' Fashion Charter (UNFCC), supporting the Charter's net-zero ambition and committing to a 30% reduction in greenhouse gas (GHG) emissions by 2030. In joining the Charter, Primark is committing to tackling emissions from across its entire value chain, including beyond its own operations, or scope 3 emissions, which make up the vast majority of its carbon footprint. The retailer is committed to analysing and setting a decarbonisation pathway drawing on methodologies from the Science-Based Targets Initiative.

Primark met with InRetail, a Dutch Trade organisation, to discuss their proposals for establishing an Extended Producer Responsibility (EPR) regime for Textiles in the Netherlands. The purpose of the consultation was to share our experiences of managing Textile EPR in France and to help shape their proposals which will be put forward to the Dutch Government over the coming months.

Primark is also a signatory to the "Open Letter" which represents a call on behalf of a coalition of leading actors in the fashion, apparel and textile sector and NGOs that work for a more sustainable fashion industry, to ensure sustainability remains central in the face of our collective recovery from COVID-19.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Associated British Foods is both diversified and decentralised. We are successful because we trust the people who run our businesses. Close to their markets, they use their knowledge, skills and judgement to serve their customers and so our businesses thrive. The centre engages enthusiastically and deeply with leaders across our portfolio of businesses, but it doesn't dictate what operating companies' agendas or methods should be. Across Associated British Foods, we take an active approach to managing and reducing our environmental impact. We have invested in environmental improvement activities. These investments have primarily been targeted at areas where we have the greatest environmental impact including the use of energy and the resultant greenhouse gas emissions.

Our Group Company Secretary acts as a focal point for communications on matters of corporate governance and corporate responsibility. This role regularly liaises with Corporate Responsibility, Public Relations and other advocacy-related roles within the businesses to ensure alignment. This is carried out on an ad-hoc basis when required and through a formal annual reporting process whereby the businesses provide information on their internal activities, work with their value chain and any public policy activities related to a range of corporate responsibility issues including climate change. Any public policy engagement conducted by the businesses must be approved at a senior level.

The businesses also review engagement activities to ensure they are aware of current and future legislation that will impact their value chains. Accordingly, policy engagement will cover energy, waste, reporting, supply chain and other activities that each business, and the group as a whole, consider represent a risk or an opportunity. Engagement activities are reviewed at least annually, to ensure alignment with business strategy and the policy landscape.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status Complete

Attach the document

ABF_2020_Annual Report and Accounts.pdf

Page/Section reference

ABF's Annual Report and Accounts 2020 discloses our climate-related emissions figures, activities and support for the TCFD's recommendations. See pages 80 to 83. Reference to climate change as an identified and managed risk is reported on page 89 of the Annual Report and Accounts, within our Principal Risks and Uncertainties section.

Content elements

Governance Strategy Risks & opportunities Emissions figures Other metrics

Comment

Publication

In voluntary sustainability report

Status Complete

Attach the document

ABF_2020_ESG Appendix.pdf ABF_2020_Responsibility Report.pdf

Page/Section reference

ABF's Responsibility Report 2020, pages 41-46 for group-level climate-related information and data. There are additional references to climate-related activities throughout the report from our five business segments. ABF's ESG Appendix 2020, pages 12-13 for GHG emissions data. There are additional references to climate-related activities throughout the ESG Appendix.

Content elements

Governance Strategy Risks & opportunities Emissions figures Other metrics

Comment

C13. Other land management impacts

C-AC13.1/C-FB13.1/C-PF13.1

(C-AC13.1/C-FB13.1/C-PF13.1) Do you know if any of the management practices implemented on your own land disclosed in C-AC4.4a/C-FB4.4a/C-PF4.4a have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.1a/C-FB13.1a/C-PF13.1a

(C-AC13.1a/C-FB13.1a/C-FF13.1a) Provide details on those management practices that have other impacts besides climate change mitigation/adaptation and on your management response.

Management practice reference number

MP1

Overall effect Positive

Which of the following has been impacted? Yield

Description of impact

Germains Seed Technology has been applying breakthrough bioscience to support the British sugar beet industry for more than 50 years. Over the years Germains has

developed unique processes to help manage yield fluctuations caused by pests and diseases, helping growers achieve consistent returns from their sugar beet crops.

Have you implemented any response(s) to these impacts? No

Description of the response(s)

We have not implemented any response as we did not identify any negative impacts.

Management practice reference number

MP3

Overall effect

Positive

Which of the following has been impacted?

Soil Water Yield Other, please specify (Significant job creation)

Description of impact

There are several advantages to green cane harvesting. These relate mainly to soil and moisture conservation and can result in increased yields.

Have you implemented any response(s) to these impacts? No

Description of the response(s)

We have not implemented any response as we did not identify any negative impacts caused by the adoption of green cane harvesting practices.

Management practice reference number MP4

Overall effect

Positive

Which of the following has been impacted?

Soil

Description of impact

Illovo Sugar has implemented a reduced tillage project at Kilombero. The Reduced Tillage Project has been running for a period of three years. The approach is to replant cane mechanically using either pre-germinated bud chips or speedlings as the primary planting material, reducing areas under planting material feeder nurseries by 80%. Overall, it is performing to expectations and has successfully reduced the number of passes for sugarcane replant by 45 to 50%. This has the added benefit of reducing the cost of replant proportionally and has reduced our emissions proportionally as well. This methodology will also bring about benefits to general soil structure and microbial health which in turn can reduce the reliance on large amounts of artificial fertilizers. Although the use of fertilizers will remain necessary, it can be reduced and what is used is assimilated into the plants better and more efficiently.

Have you implemented any response(s) to these impacts?

No

Description of the response(s)

We have not implemented any response as we did not identify any negative impacts

Management practice reference number MP5

Overall effect

Positive

Which of the following has been impacted?

Other, please specify (Social and economic benefits)

Description of impact

SUSFARMS® which originated in South Africa is a methodology which develops better farm management practices in the cane sugar industry bringing environmental, social and economic benefits. SUSFARMS® is a farming system designed to encourage sustainable sugarcane production through the implementation of better management practices (BMPs). These BMPs are designed to reduce negative impacts on the environment, comply with legislation, maintain a high level of social responsibility and assist in ensuring financial sustainability.

Have you implemented any response(s) to these impacts?

No

Description of the response(s)

We have not implemented any response as we did not identify any negative impacts.

Management practice reference number MP6

Overall effect

Positive

Which of the following has been impacted? Biodiversity

Description of impact

Maintenance of pockets of natural vegetation within our centre pivot fields act as refuges and ecological green corridors for indigenous fauna and flora resulting in increased biodiversity and minimisation of land use change.

Have you implemented any response(s) to these impacts?

Description of the response(s)

We have not implemented any response as we did not identify any negative impacts.

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-FF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity Soil Water Yield

Description of impacts

The Jordans Farm Partnership (JFP) was created in 2016 and represents a unique collaboration between The Wildlife Trusts, Linking Environment and Farming (LEAF), The Prince's Countryside Fund and 37 British farms supplying oats, wheat and barley. Each farm has dedicated at least 10% of its land to supporting biodiversity, half of which is aimed at attracting pollinators through wildflower areas. Working closely with their local Wildlife Trust Farm Advisor the farmers are encouraging bees and other pollinators by: - Creating 475ha flower rich field margins to help provide reliable and abundant supplies of pollen and nectar, - Establishing grassy margins along field boundaries which are ideal shelter and nest sites for some species of bee and other insects, - Maintaining 692ha woodland and 136km waterways; and - Allowing 717km hedgerows to grow and spill over which, as well as providing shelter, deliver a wonderful source of nectar and pollen when the hedgerows are flowering. Managing land for bees and pollinators can also help support a whole host of other wildlife. Increased numbers of insects will provide a food source for farmland birds; grassy field margins provide ideal habitat for voles which in turn provide the food source for larger animals like barn owls; 94 in-field ponds, enhanced by buffering with grassy margins, reduce run off into rivers and streams and can provide a healthier water source. By recreating habitat and connecting areas of habitats on their farms with the wider countryside, the farmers in the JFP are helping establish a mix of connected habitats. When a cereal field with a margin of wildflowers lies next door to an ancient hedgerow or woodland, wildlife can move freely. To give confidence that Jordans' oat growers are carrying out the biodiversity measures as required by the JFP wildlife standard, the farms are independently assessed by wildlife consultants. The second round of independent assessments was undertaken in 2019/20. The six farms assessed were all found to be managing an ar

Have any response to these impacts been implemented?

Description of the response(s)

Management practice reference number MP2

Overall effect

Positive

Which of the following has been impacted?

Biodiversity Soil Water Yield

Description of impacts

SUSFARMS® which originated in South Africa is a methodology which develops better farm management practices in the cane sugar industry bringing environmental, social and economic benefits. SUSFARMS® is a farming system designed to encourage sustainable sugarcane production through the implementation of better management practices (BMPs). These BMPs are designed to reduce negative impacts on the environment, comply with legislation, maintain a high level of social responsibility and assist in ensuring financial sustainability. More than 400 commercial farmers have committed to the implementation of SUSFARMS® and the programme has received widespread industry and government support.

Have any response to these impacts been implemented?

Description of the response(s)

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director of Legal Services and Company Secretary	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Associated British Foods is a diversified international food, ingredients and retail group with sales of £13.9bn, 133,000 employees and operations in 53 countries across Europe, southern Africa, the Americas, Asia and Australia. Our purpose is to provide safe, nutritious, affordable food and clothing that is great value for money.

The group operates through five strategic business segments: Grocery, Sugar, Agriculture, Ingredients and Retail.

Grocery comprises consumer-facing businesses that manufacture and market a variety of well-known food brands. Some of our best-known household brands include Twinings, Ovaltine, Ryvita, Kingsmill, Silver Spoon, Tip Top and Mazola. George Weston Foods is one of Australia and New Zealand's largest food manufacturers. Tip Top is one of the most recognised brands in Australia with an extensive range of bread and baked goods.

AB Sugar - The heart of our business is making and selling sugar but we do much more than that. As well as 'core products' made from beet sugar and cane, we also make 'co-products', which can include anything one or two 'steps' away from the sugar-making process: animal feed, soil conditioners, electricity, bioethanol and seed enhancements. We have the capacity to generate power sufficient to meet most of our internal needs and, in a number of locations, we export power to the national grid. The group operates in ten countries and has 27 factories with the capacity to produce 4.5 million tonnes of sugar. Our British Sugar factories produce over 1 million tonnes of beet sugar annually. Azucarera in Spain produces beet sugar from its factories in the north and south, and also refines sugar from cane raws at its refinery in the south. Illovo is Africa's largest sugar producer with agricultural and production facilities in six countries. Typical annual sugar production is 1.7 million tonnes. We operate two beet sugar factories in China, with annual sugar production capacity over 180,000 tonnes.

AB Agri operates at the heart of the agricultural industry as the UK's largest agri-food company and a leader in nutrition, science and technological innovation in animal feed. Our unique breadth and experience enable us to add value along the food, drink and biofuel industry supply chains. AB Agri supplies products and services to farmers, feed and food manufacturers, processors and retailers. We also buy grain from farmers and supply crop inputs through our joint venture arable operation, Frontier Agriculture.

Ingredients comprises businesses that supply a range of ingredients to food and non-food manufacturers. AB Mauri operates globally in yeast and bakery ingredients production, supplying industrial and artisanal bakers and the foodservice and wholesale channels. It is a technology leader in bread improvers, dough conditioners and bakery mixes. ABF Ingredients produces value-added products and services for food and non-food applications. It manufactures and markets enzymes, specialty lipids, yeast extracts, extruded ingredients, pharmaceutical excipients and antacids worldwide with manufacturing facilities in Europe, America and India.

Primark is an international retailer that offers high quality fashion, beauty and homeware at the best value on the high street. Primark employs over 74,000 people in 13 countries across Europe and the US. Primark offers customers value for money clothing in more than 389 stores and 15 million square feet of retail selling space.

We have a decentralised approach to doing business. We aim to achieve strong, sustainable leadership positions in markets that offer potential for profitable growth and deliver quality products and services that are central to people's lives. Operational decisions are made locally because they are most successful when made by the people who have the best understanding of their markets. This culture of setting strategy locally gives our businesses an advantage in being able to swiftly respond to local market, environmental and people issues. The corporate centre provides a framework in which our business leaders have the freedom to pursue opportunities.

At the heart of the way we operate is a principle of 'value together'; the benefit the group gains from each business being part of the larger organisation. Our four groupwide values – acting with integrity, respecting everyone's dignity, progressing through collaboration and pursuing with rigour – are a common thread that ties our businesses together. We live and breathe our values through the work we do every day and reflect the way we conduct ourselves. These values have proved to be critical in determining our responses to the challenges posed by COVID-19. The strong culture of the group, which has been established and then embedded in each of our businesses over many years, provided the firm foundation for the ways in which decisions were implemented.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

 Annual Revenue

 Row 1
 139000000

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP? Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

ISIN country code (2 letters)		ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	GB	0006731235

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member Arcos Dorados

Scope of emissions Scope 1

Allocation level Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%)

5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made As requested, we are providing ABF group level data and therefore no assumptions are made regarding the allocation of data or identification of GHG source.

Requesting member Bayer AG

Scope of emissions Scope 1

Allocation level Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%)

5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made As requested, we are providing ABF group level data and therefore no assumptions are made regarding the allocation of data or identification of GHG source.

Requesting member Diageo Plc

Allocation level Company wide

Allocation level detail <Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%)

5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

As requested, we are providing ABF group level data and therefore no assumptions are made regarding the allocation of data or identification of GHG source.

Requesting member

Diageo Plc

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions data for Illovo Sugar Africa.

Emissions in metric tonnes of CO2e 518944

Uncertainty (±%)

5

Major sources of emissions

Illovo's scope 1 emissions are mainly from the energy generated on-site and from agricultural activities.

Verified

Yes

Allocation method

Other, please specify (Reporting business unit level data for Illovo Sugar Africa)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We are providing business unit level data for Illovo and therefore an allocation method has not been required.

Requesting member Givaudan SA

Scope of emissions Scope 1

Allocation level Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%) 5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member PepsiCo, Inc.

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions data for Azucarera

Emissions in metric tonnes of CO2e 148442

Uncertainty (±%)

5

Major sources of emissions

The main sources of scope 1 emissions for Azucarera are on-site energy and on-site wastewater treatment.

Verified

Yes

Allocation method

Other, please specify (Reporting business unit level data for Azucarera)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We are providing business unit level data for Azucarera and therefore an allocation method has not been required.

Requesting member

PepsiCo, Inc.

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions data for British Sugar

Emissions in metric tonnes of CO2e 969227

Uncertainty (±%)

5

Major sources of emissions

The main sources of scope 1 emissions for British Sugar are on-site energy and on-site wastewater treatment.

Verified

Yes

Allocation method

Other, please specify (Reporting business-unit level data for British Sugar)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made. We are providing business unit level data for British Sugar and therefore an allocation method has not been required.

Requesting member Wal Mart de Mexico

Scope of emissions

Scope 1

Allocation level Company wide

Allocation level detail

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%) 5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

Walmart, Inc.

Allocation level Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%)

5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member J Sainsbury Plc

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions for ABF Grain Products Limited

Emissions in metric tonnes of CO2e 89576

Uncertainty (±%)

5

Major sources of emissions

The main sources of scope 1 emissions for ABF Grain Products Limited are on-site energy consumption and owned transport.

Verified Yes

Allocation method

Other, please specify (Reporting business unit level data for ABF Grain Products Limited)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made We are providing business unit level data for ABF Grain Products Limited and therefore an allocation method has not been required.

Requesting member J Sainsbury Plc

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions for Allied Bakeries

Emissions in metric tonnes of CO2e 67950

Uncertainty (±%)

5

Major sources of emissions

The main sources of scope 1 emissions for Allied Bakeries are on-site energy consumption and owned transport.

Verified

Yes

Allocation method

Other, please specify (Reporting business unit level data for Allied Bakeries)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made. We are providing business unit level data for Allied Bakeries and therefore an allocation method has not been required.

Requesting member

Kellogg Company

Allocation level Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e 2796993

Uncertainty (±%)

5

Major sources of emissions

ABF's scope 1 emissions are mainly from the energy we generate, agriculture, owned transport and the on-site treatment of wastewater. Also included are the emissions from our production processes such as bread baking, fermentation to make yeast and ethanol production.

Verified

Yes

Allocation method

Other, please specify (We are providing ABF group level data and therefore no allocation of emissions.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member

The Coca-Cola Company

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions for Illovo Sugar Africa

Emissions in metric tonnes of CO2e 518944

Uncertainty (±%)

Major sources of emissions

Illovo's scope 1 emissions are mainly from the energy generated on-site and from agricultural activities.

Verified Yes

Allocation method

Other, please specify (Reporting business unit level data for Illovo Sugar Africa)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made. We are providing business unit level data for Illovo and therefore an allocation method has not been required.

Requesting member The Coca-Cola Company

Scope of emissions Scope 1

Allocation level Business unit (subsidiary company)

Allocation level detail Scope 1 emissions for British Sugar

Emissions in metric tonnes of CO2e 969227

Uncertainty (±%)

5

Major sources of emissions

The main sources of scope 1 emissions for British Sugar are on-site energy and on-site wastewater treatment.

Verified

Yes

Allocation method

Other, please specify (Reporting business unit level data for British Sugar)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made. We are providing business unit level data for British Sugar and therefore an allocation method has not been required.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

ABF's scope 1 emissions are reported in our 2020 Annual Report and Accounts page 80, Responsibility Report page 43 and ESG Appendix page 12. Within our ESG Appendix, we provide further detailed data at the business segment level page 13.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges		
accurately accounting for each	Some of our businesses and sites are able to allocate emissions to different customers. In these cases, they work with their customers to identify the relevant emissions and provide information which is considered valuable to the commercial relationship. To conduct this approach across all of the group's businesses, customers, geographies and product lines would be very costly and therefore it is managed on a case-by-case basis depending on the nature of the commercial relationship.		

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future? Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

To conduct this approach across all of the group's customers and product lines would be very cost ineffective and therefore it is managed on a case-by-case basis.

Some of our businesses and sites are able to allocate emissions to different customers. In these cases, they work with their customers to identify the relevant emissions and provide information which is considered valuable to the commercial relationship. Increasing requests for emissions data are best sought via the commercial teams, who will then engage with the relevant personnel in the businesses to calculate correctly allocated data.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member J Sainsbury Plc

Group type of project Other, please specify (UK supply chain collaboration)

Type of project Other, please specify

Emissions targeted Please select

Estimated timeframe for carbon reductions to be realized Other, please specify (As required following discussion)

Estimated lifetime CO2e savings

Estimated payback Other, please specify (As required following discusssion)

Details of proposal

Allied Bakeries is open to discuss potential UK supply chain collaboration.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives? No

SC4.1

Submit your response

In which language are you submitting your response? English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors	Public	Yes, I will submit the Supply Chain questions now
	Customers		

Please confirm below

I have read and accept the applicable Terms