

ESG INVESTOR BRIEFING

1 March 2021

Associated British Foods plc

Associated
British Foods
plc



OUR PURPOSE

**TO PROVIDE SAFE,
NUTRITIOUS, AFFORDABLE
FOOD AND CLOTHING THAT
IS GREAT VALUE FOR MONEY**



2021 ESG BRIEFING SERIES



MARCH

- ◆ ESG Investor Briefing

SUMMER

- ◆ Primark and ESG

AUTUMN

- ◆ Focus on Environmental
- ◆ Annual Report and Corporate Responsibility Report

AGENDA

01

OVERVIEW

02

GOVERNANCE

03

SOCIAL

04

ENVIRONMENTAL

B R E A K

05

Q&A: INVESTORS & ANALYSTS

OVERVIEW

OUR GROCERY BUSINESS



AB SUGAR

- ◆ One of the world's largest sugar producers
- ◆ Our biggest businesses include:
 - Illovo Sugar Africa
 - British Sugar
 - Azucarera



AB AGRI

- ◆ Operating across the food supply chain
- ◆ Producing animal feed
- ◆ Providing nutrition and technology-based products and services



OUR INGREDIENTS BUSINESS

- ◆ Supplying yeast and speciality ingredients for bakers and food producers
- ◆ An important supplier to the pharmaceutical industry



AB | MAURI



PRIMARK

- ◆ Major value fashion retailer
- ◆ Fast-growing
- ◆ Significant presence in Europe
- ◆ Growing presence in the US



PRIMARK®

WE ARE ASSOCIATED BRITISH FOODS

5 BUSINESS SEGMENTS



GROCERY



SUGAR



AGRICULTURE



INGREDIENTS



RETAIL

OPERATING IN

53

COUNTRIES

CUSTOMERS IN

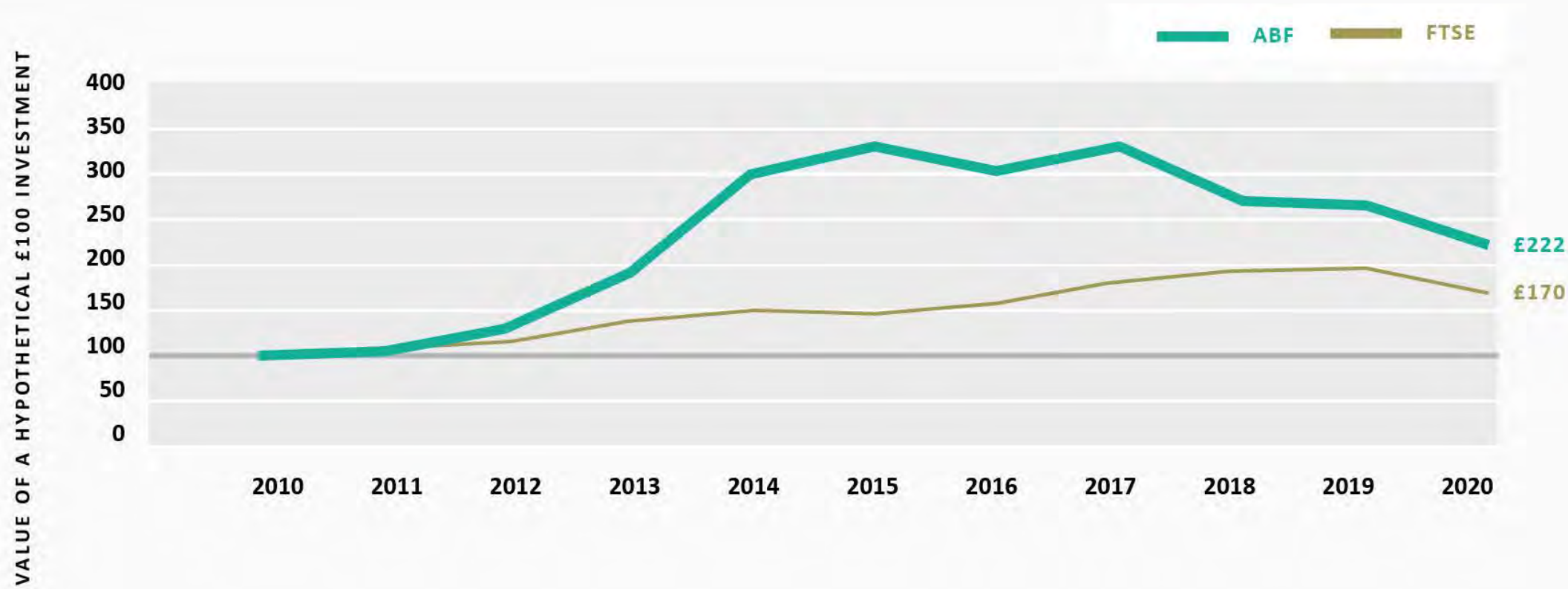
100+

COUNTRIES

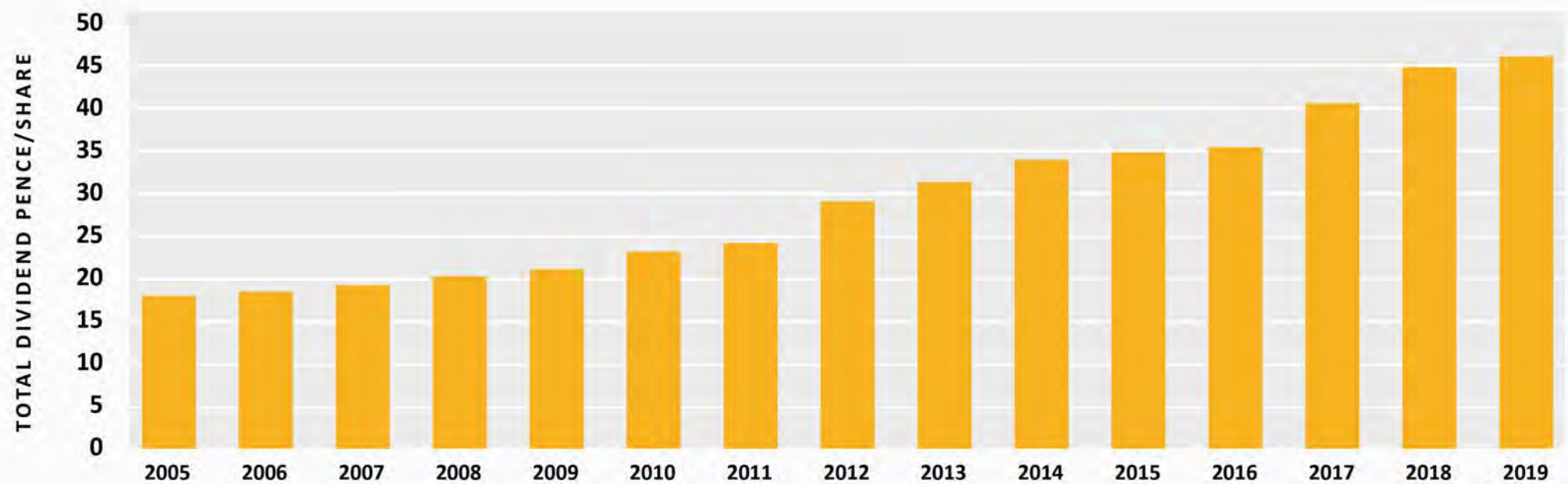
133,000

EMPLOYEES WORLDWIDE

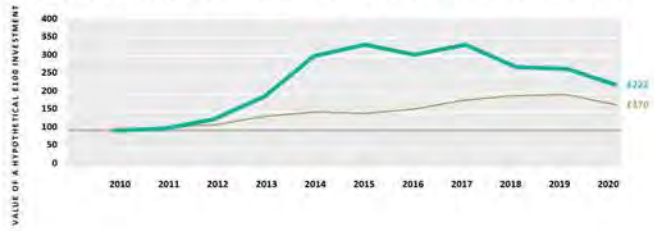
TOTAL SHAREHOLDER RETURN 2010–2020



TOTAL DIVIDEND 2005–2019



TOTAL SHAREHOLDER RETURN 2010–2020



GARFIELD WESTON FOUNDATION

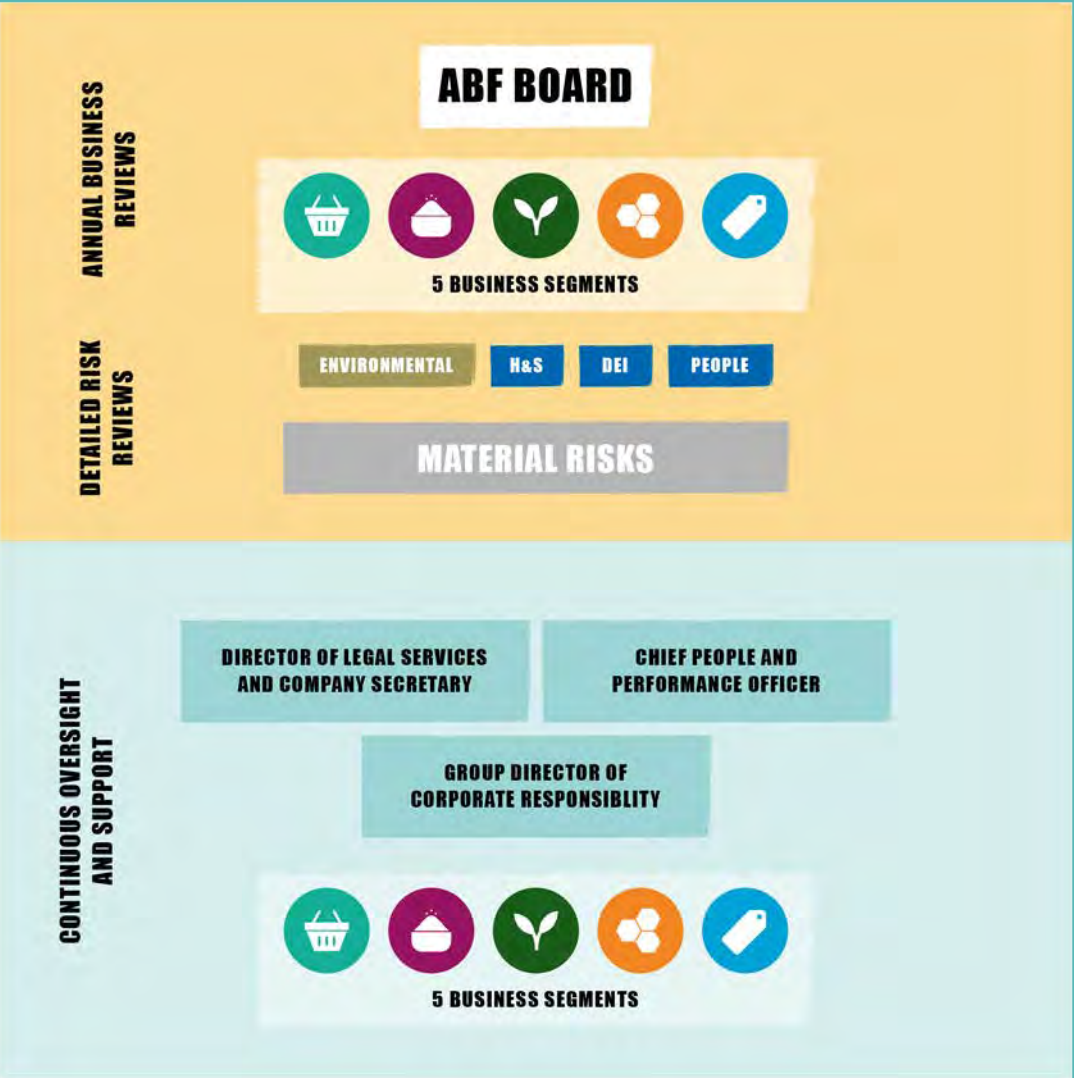
- ◆ More than £80 million donated to 2,000 UK charities in 2020
- ◆ In 62 years, more than £1 billion disbursed
- ◆ Consistent level of funding maintained through Covid





GOVERNANCE

GOVERNANCE FRAMEWORK





CULTURE & VALUES





Downtown Crossing, Boston



Kings Plaza, Brooklyn

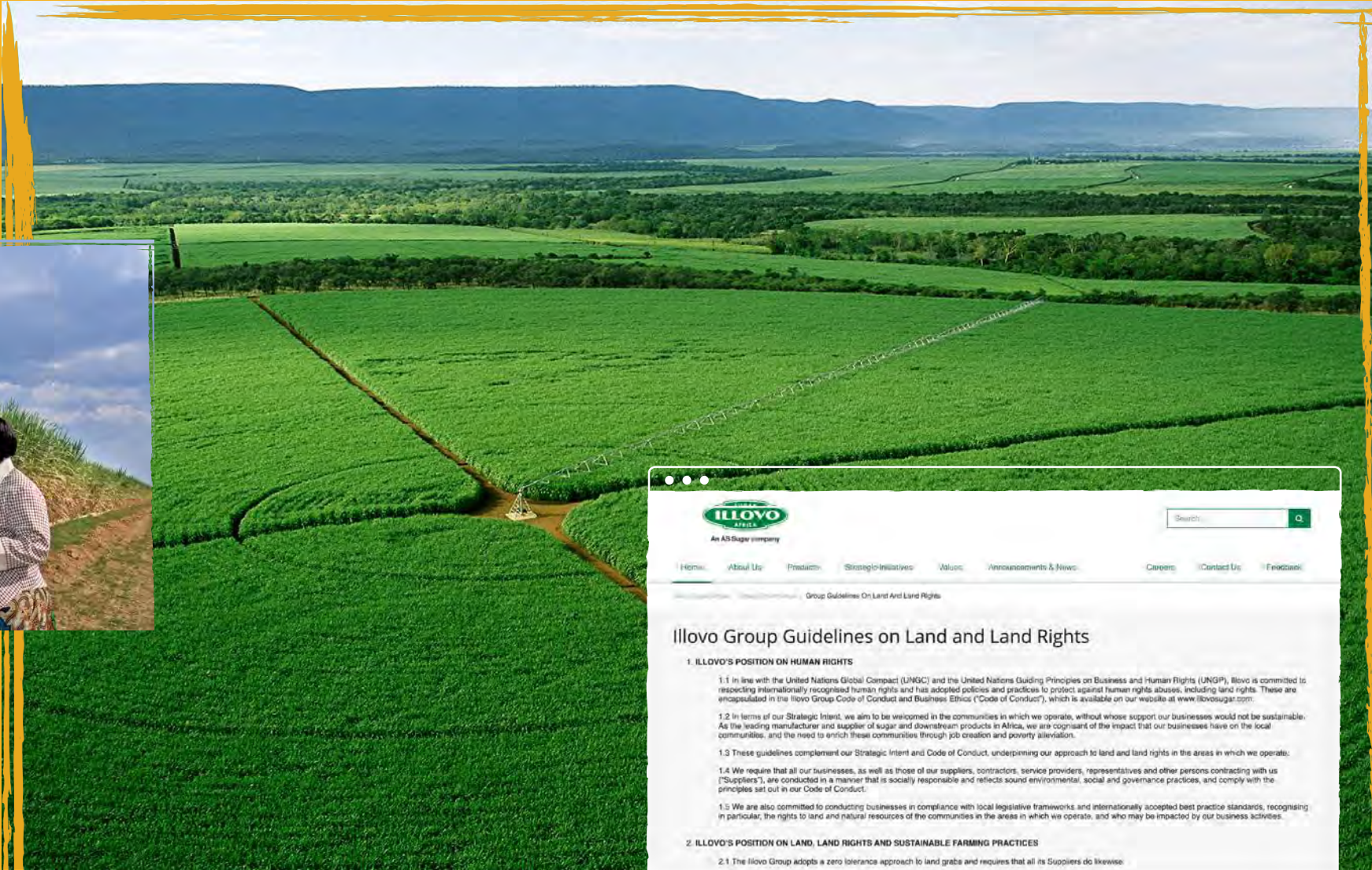


Sawgrass Mills, Miami



SOCIAL

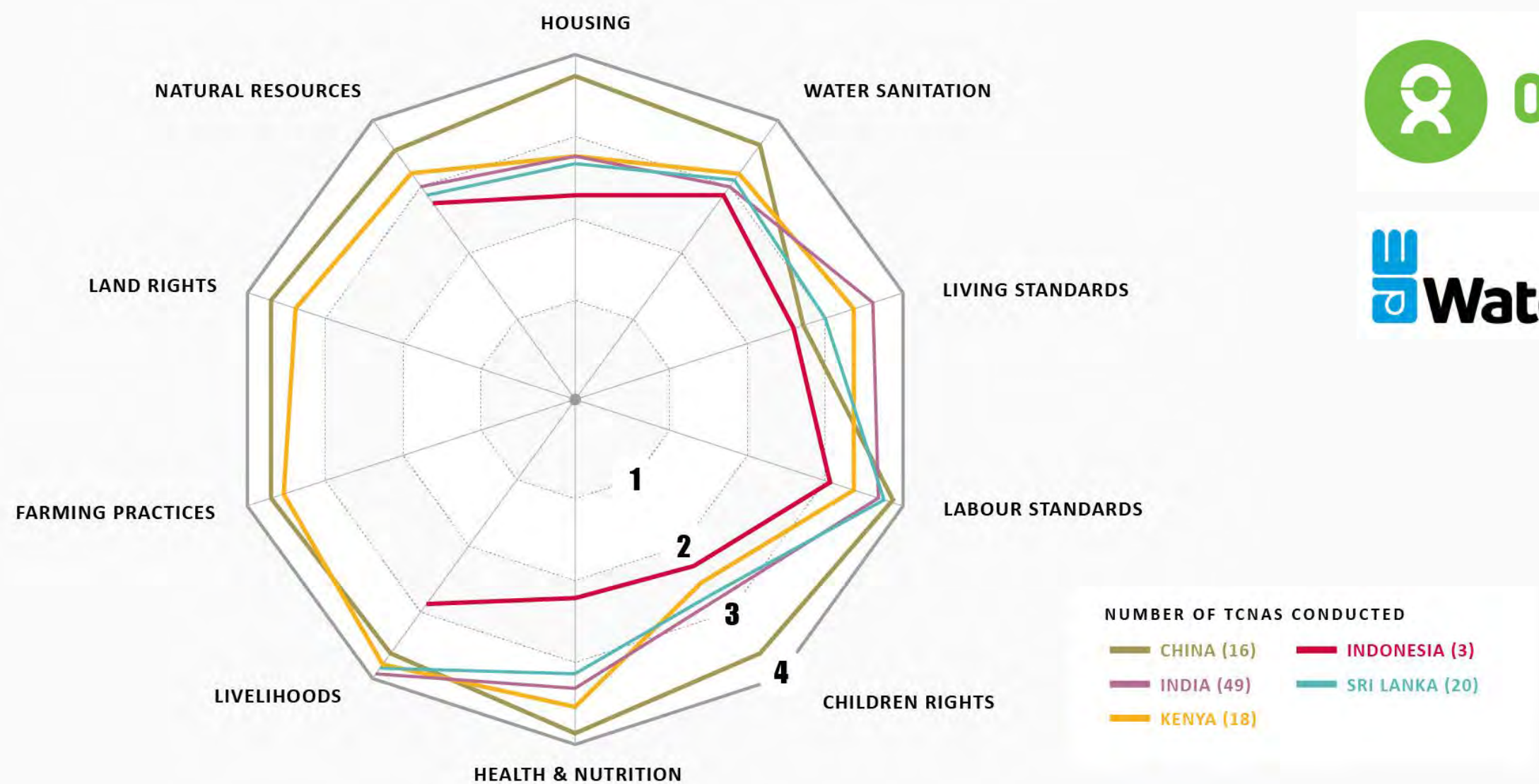
ILLOVO SUGAR AFRICA LAND RIGHTS POLICY



TWININGS OVALTINE HUMAN RIGHTS POLICY



TWININGS COMMUNITY NEEDS ASSESSMENT



A woman with dark hair, wearing a pink and white patterned top and a necklace with a cross, is focused on her work at a sewing machine. She is wearing a ring and a black beaded bracelet. In the background, other workers wearing blue hairnets and green face masks are also working at sewing machines. A yellow paper is hanging from a machine in the background.

THE SUPPLY CHAIN WORKER





SAFE WORKING ENVIRONMENT



DIGNITY AND RESPECT



FREE FROM DISCRIMINATION



FREEDOM TO CHOOSE YOUR EMPLOYER



CHILDREN IN SCHOOLS, NOT FACTORIES



FREEDOM TO ORGANISE



WORKING HOURS THAT ARE NOT EXCESSIVE



WAGES MEET LEGAL REQUIREMENTS OR INDUSTRY BENCHMARKS



THE POWER OF PARTNERSHIPS



120+ STRONG TEAM WORLDWIDE

- ◆ Dedicated ethical trade and environmental sustainability team
- ◆ Based in our 10 major sourcing countries
- ◆ Directly recruited and employed



RIGOROUS GLOBAL AUDIT PROGRAMME

- ◆ 3,000 on-site audits each year
- ◆ Equivalent to 1 inspection every hour of an average working day, 365 days a year
- ◆ Every follow-up audit is unannounced



CONTINUOUS ENGAGEMENT

- ◆ Every supplier factory inspected at least once per year
- ◆ Majority have supplied Primark for more than 6 years
- ◆ Longest-standing relationship more than 22 years





INDUSTRIAL WORKPLACE RISKS



FIRE RISKS



HR SYSTEMS



RIGHT PEOPLE WITH THE RIGHT SKILLS



COVID PANDEMIC – MARCH 2020

- ◆ £650 million loss in net sales
every month stores closed
- ◆ Without precedent
- ◆ Urgent action needed



SUPPORTING EVERYONE AFFECTED



PASHE ACHI SUPPORT PROGRAMME



PRIMARK CODE OF CONDUCT

- ◆ Reflects Ethical Trading Initiative (ETI) Base Code and International Labour Organization (ILO) standards
- ◆ Rated a leader by ETI for last 9 years
- ◆ In the top 5% of ETI member brands globally

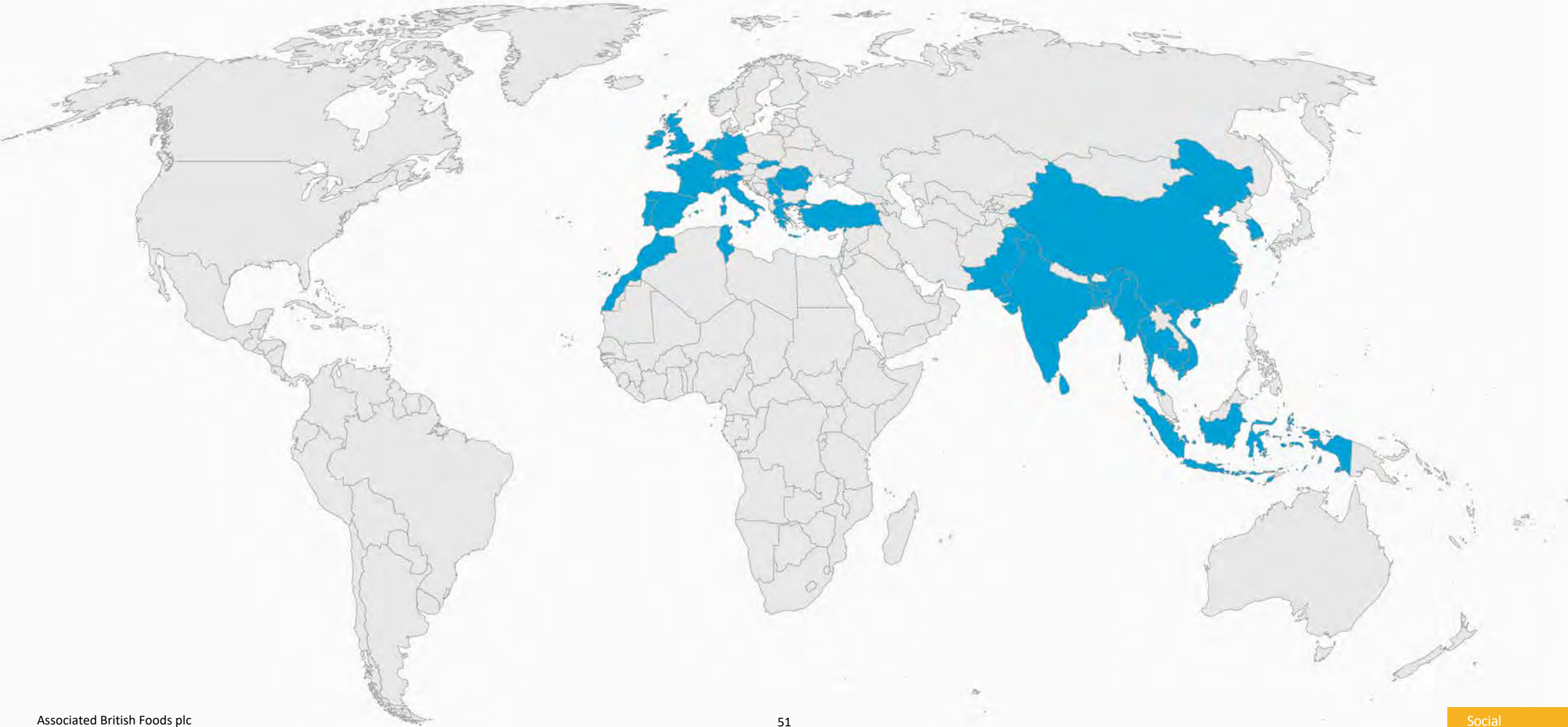


ABF SUPPLIER CODE OF CONDUCT

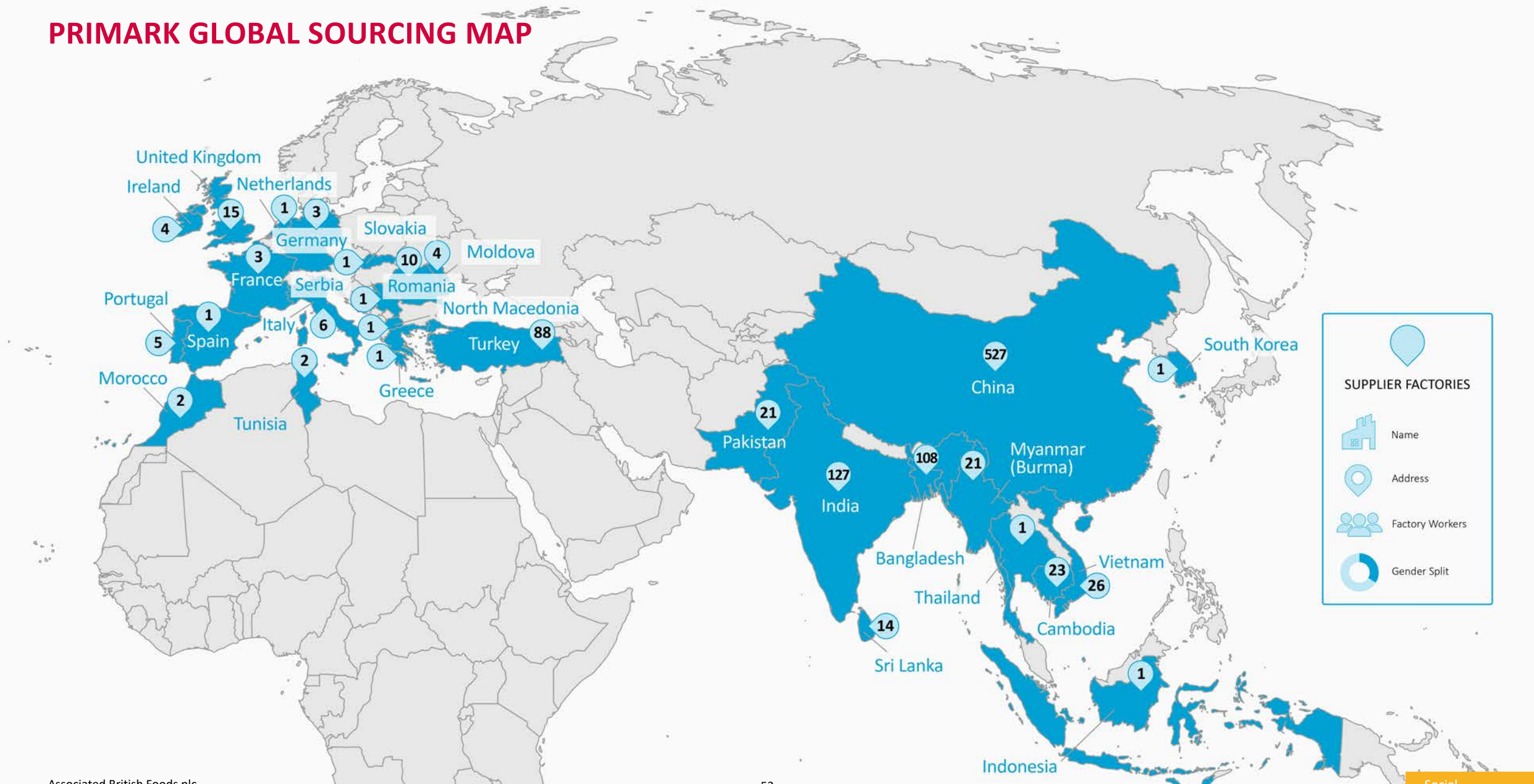
- ◆ ILO standards
- ◆ Land acquisition and community access
- ◆ Bribery and corruption and other ethical risks
- ◆ Our businesses continually learn from each other



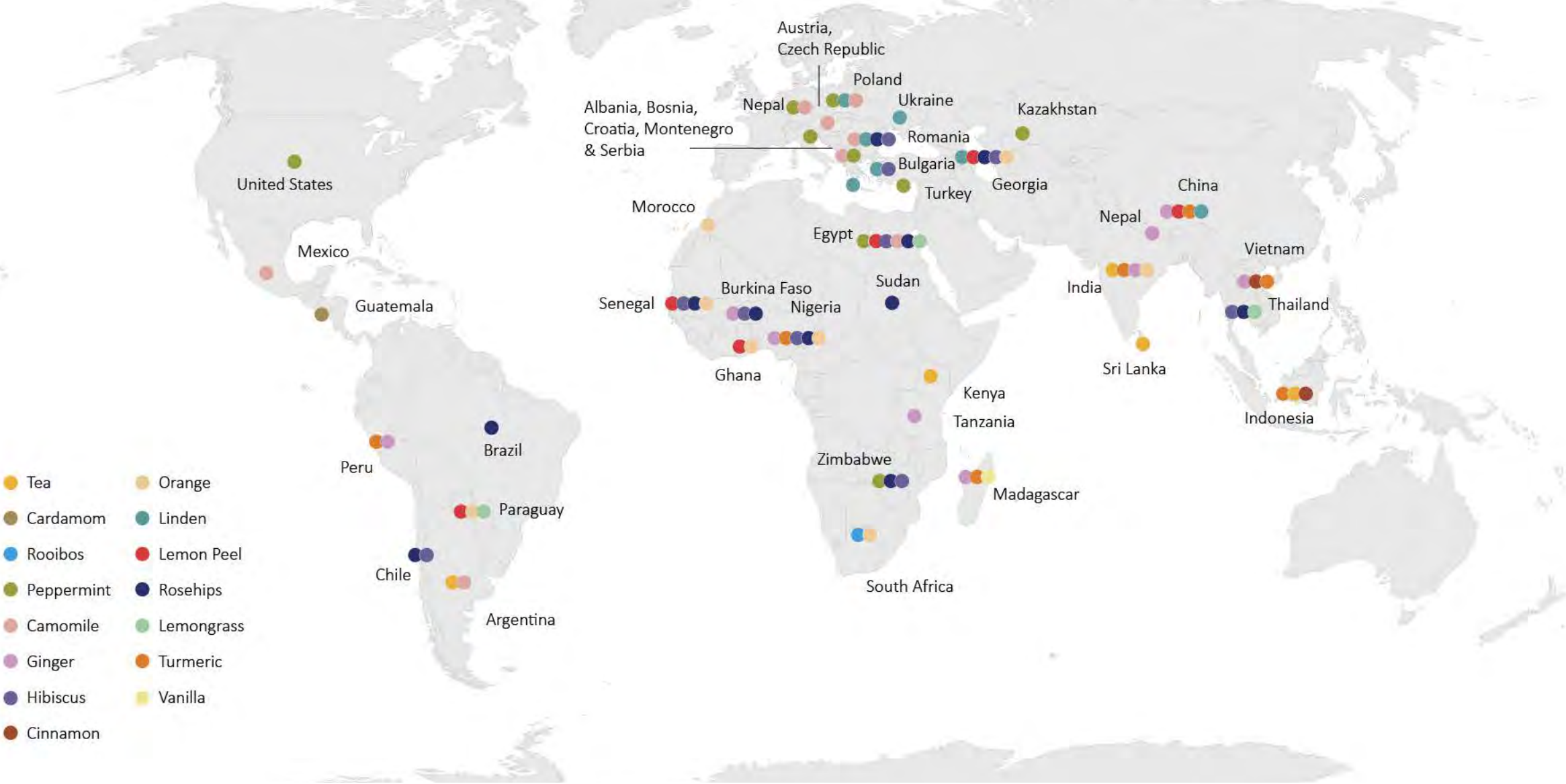
PRIMARK GLOBAL SOURCING MAP



PRIMARK GLOBAL SOURCING MAP



TWININGS GLOBAL SOURCING MAP



AMBITION: ZERO HARM



SAFETY IN THE WORKPLACE

- ◆ 2005: average LTI 1 in 42
- ◆ 2020: average LTI 1 in 300
- ◆ 7x lower



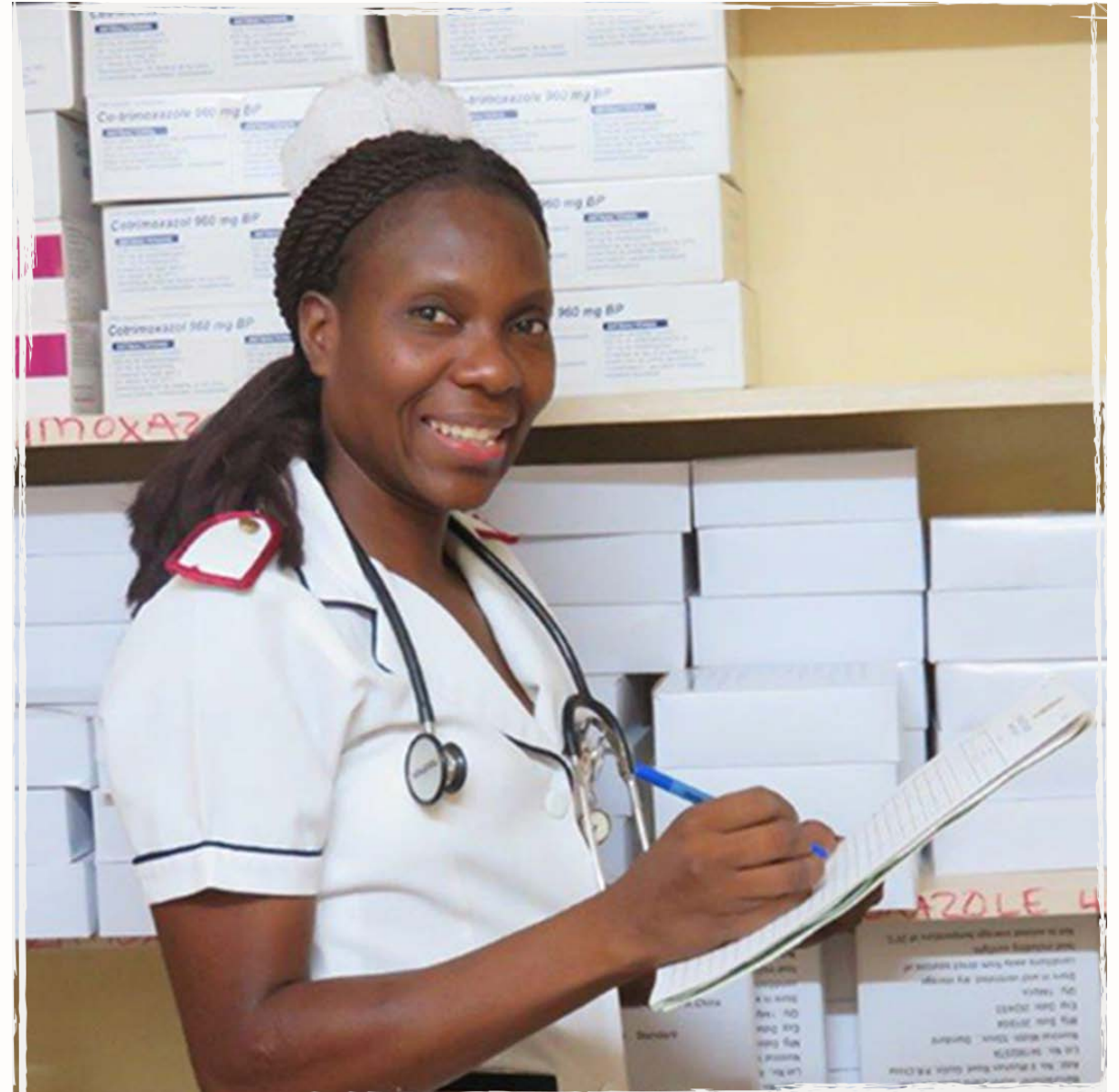
COVID RESPONSE

PRIMARK®



ILLOVO HEALTHCARE

- ◆ Access to healthcare for >100,000 people
- ◆ Across 6 countries
- ◆ Only health service available
- ◆ Around 500k outpatient visits last year



GENDER DIVERSITY

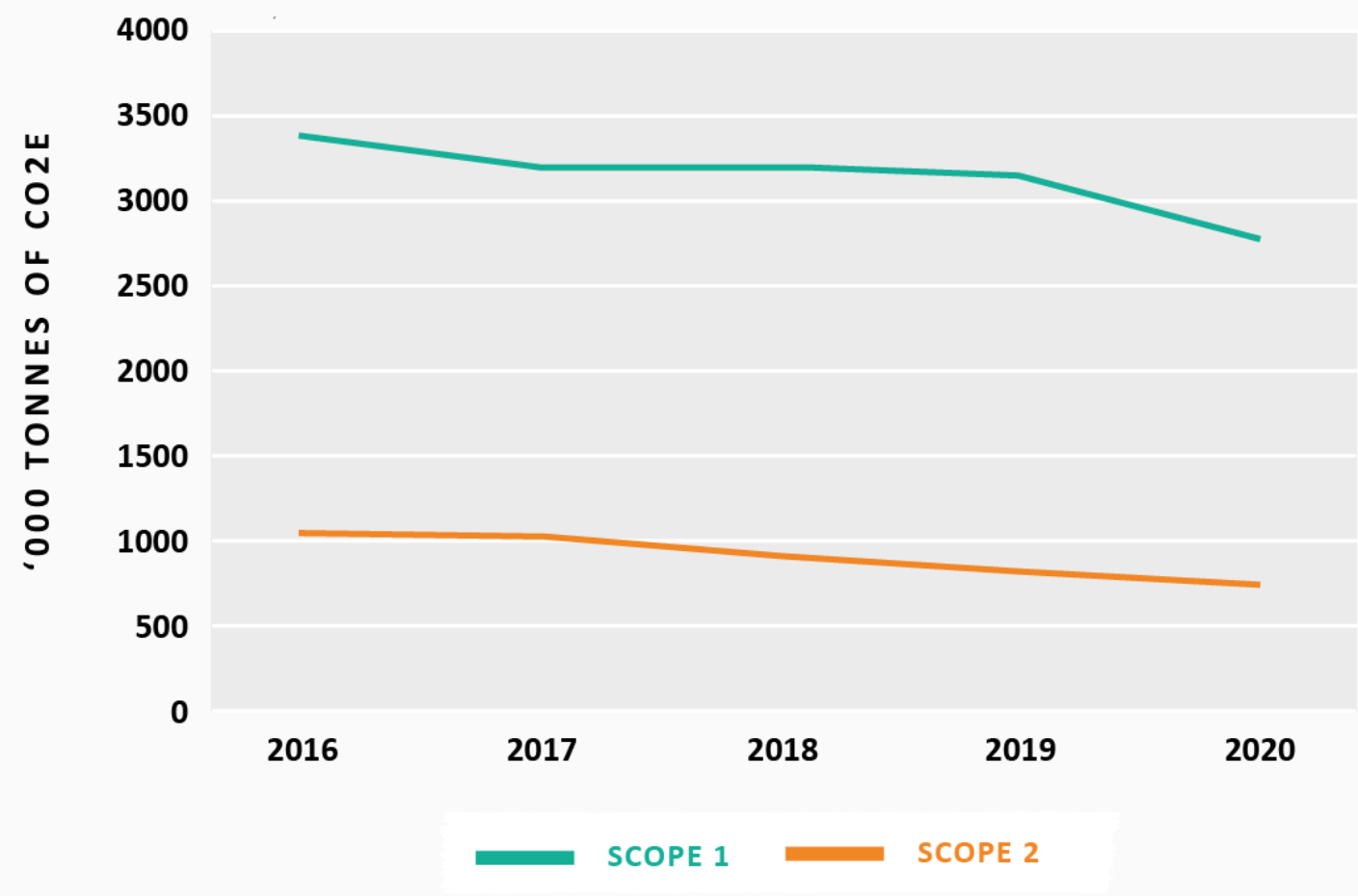
- ◆ 53% of all roles are held by woman
- ◆ 37% of top 2,400 senior managers are women
- ◆ Primark: 73% of all roles and 54% of senior management roles are held by women



A close-up photograph of a person's hands holding a large, knobby, light-brown root vegetable, possibly a rutabaga, which is covered in dark soil. The person is wearing a red and white plaid shirt and khaki trousers. The background is a lush field of green leafy plants, likely chard or similar, under natural light.

ENVIRONMENTAL

ABF TOTAL SCOPE 1 & SCOPE 2 EMISSIONS

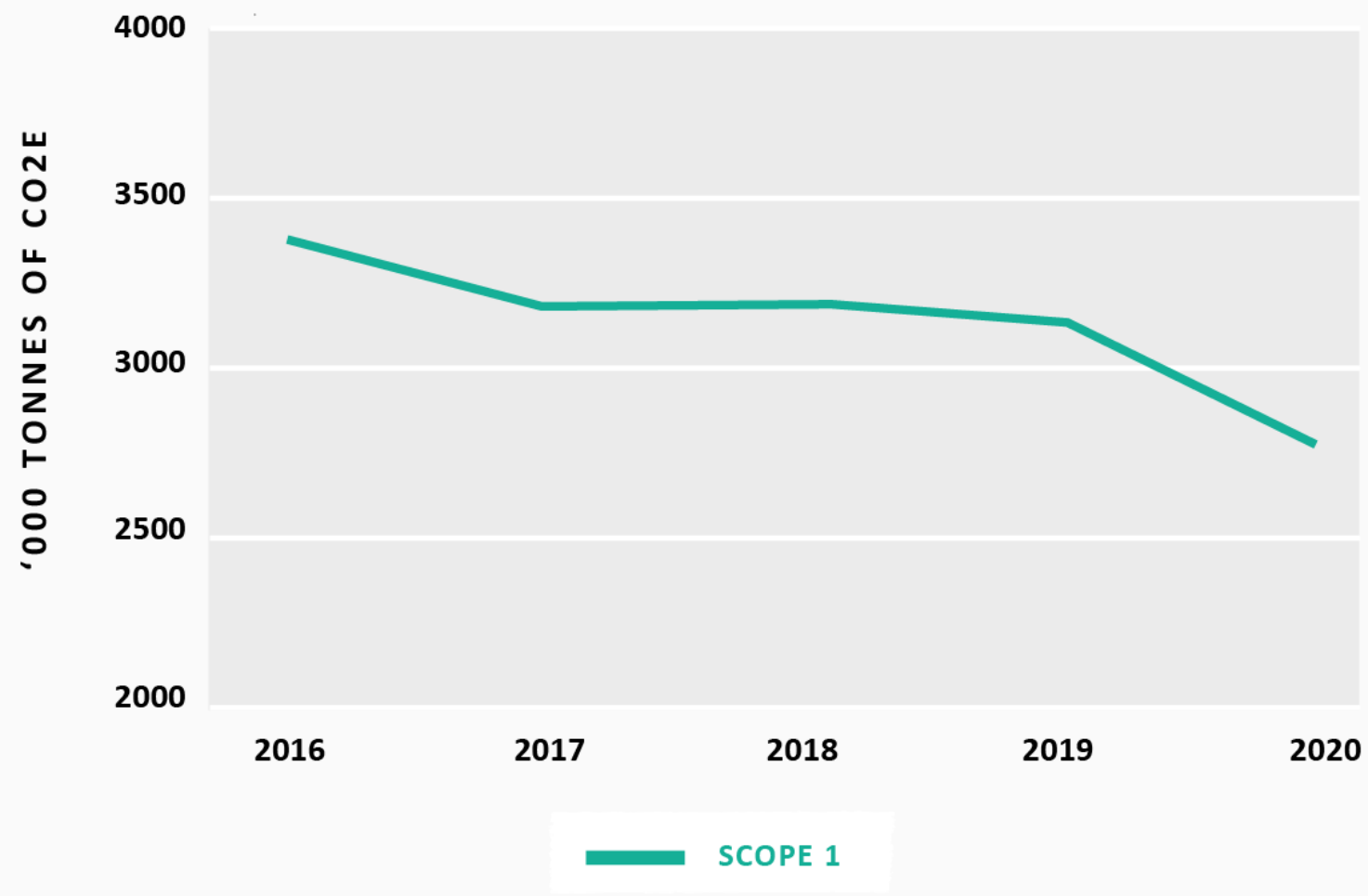


SUGAR AND ENERGY

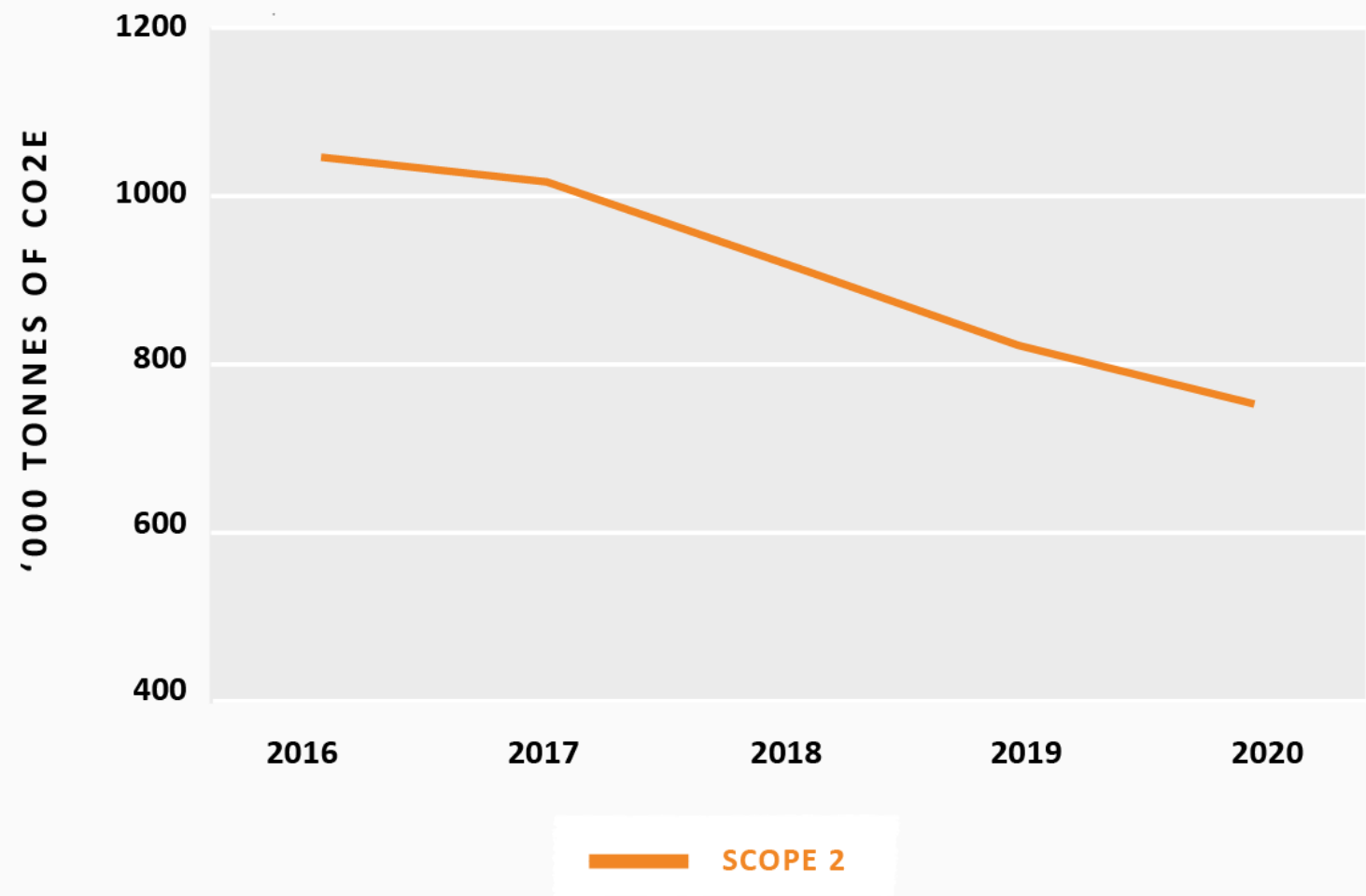
- ◆ 83% of ABF's total annual energy consumption
- ◆ 55% of ABF's total energy consumption from renewable sources



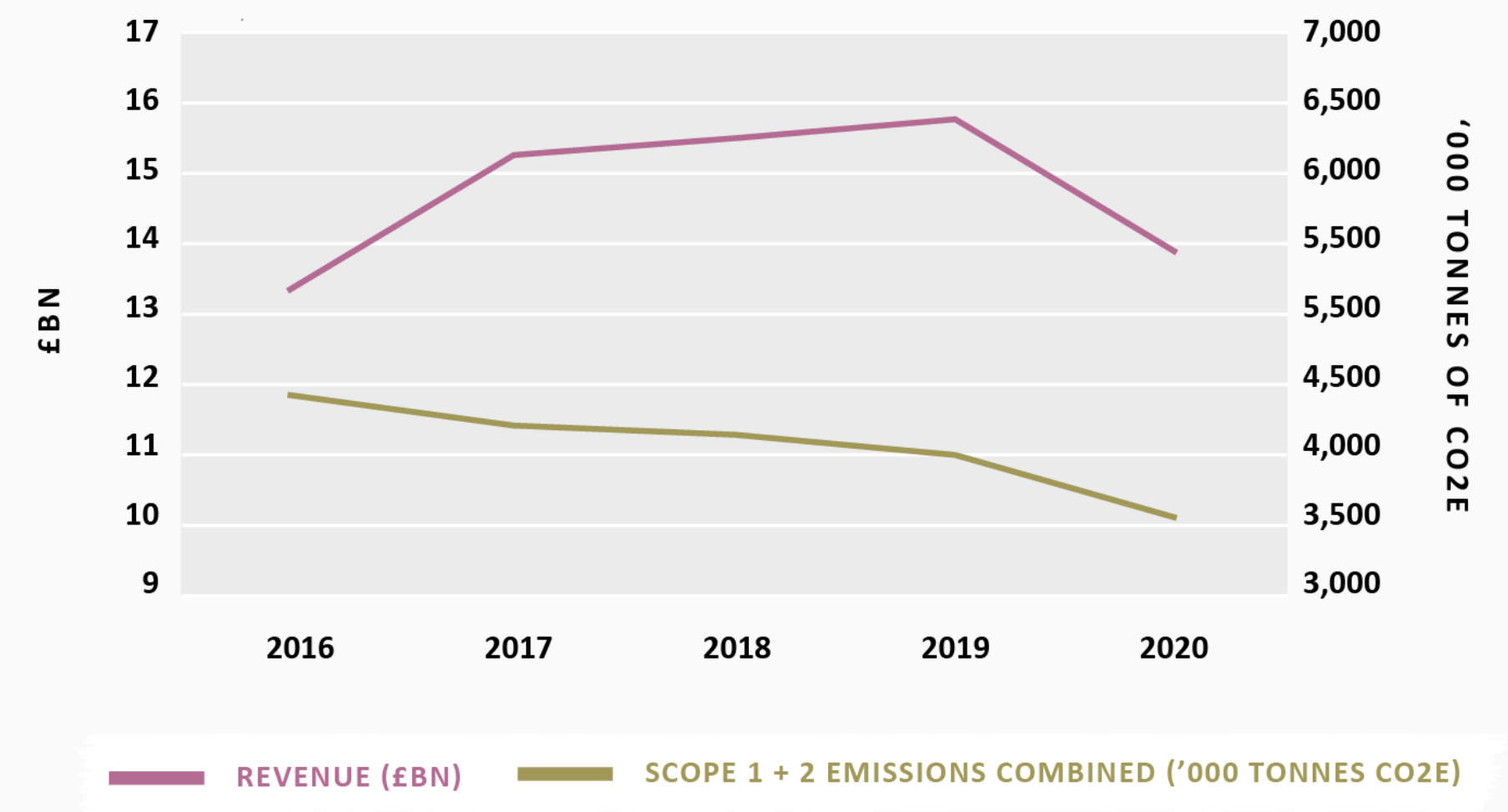
ABF TOTAL SCOPE 1 EMISSIONS



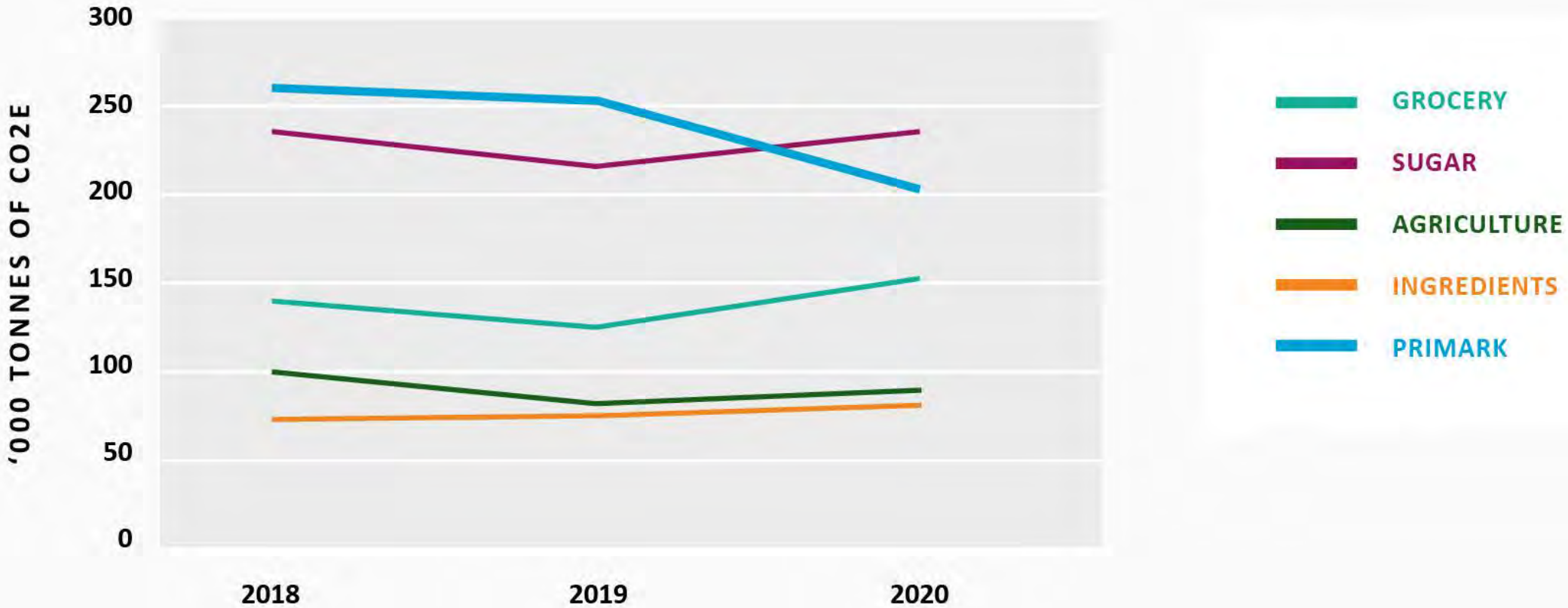
ABF TOTAL SCOPE 2 EMISSIONS



ABF TOTAL SCOPE 1 + SCOPE 2 EMISSIONS



ABF TOTAL REPORTED SCOPE 3 EMISSIONS



AB SUGAR: 58% OF ABF TOTAL SCOPE 1 + 2 EMISSIONS IN 2020





AB SUGAR: 30% GHG REDUCTION BY 2030

- ◆ End-to-end across supply chain in absolute terms against 2017/18 baseline
- ◆ Further efficiency measures: around 50% of planned reduction
- ◆ Innovation in energy sourcing mix: around 50% of planned reduction

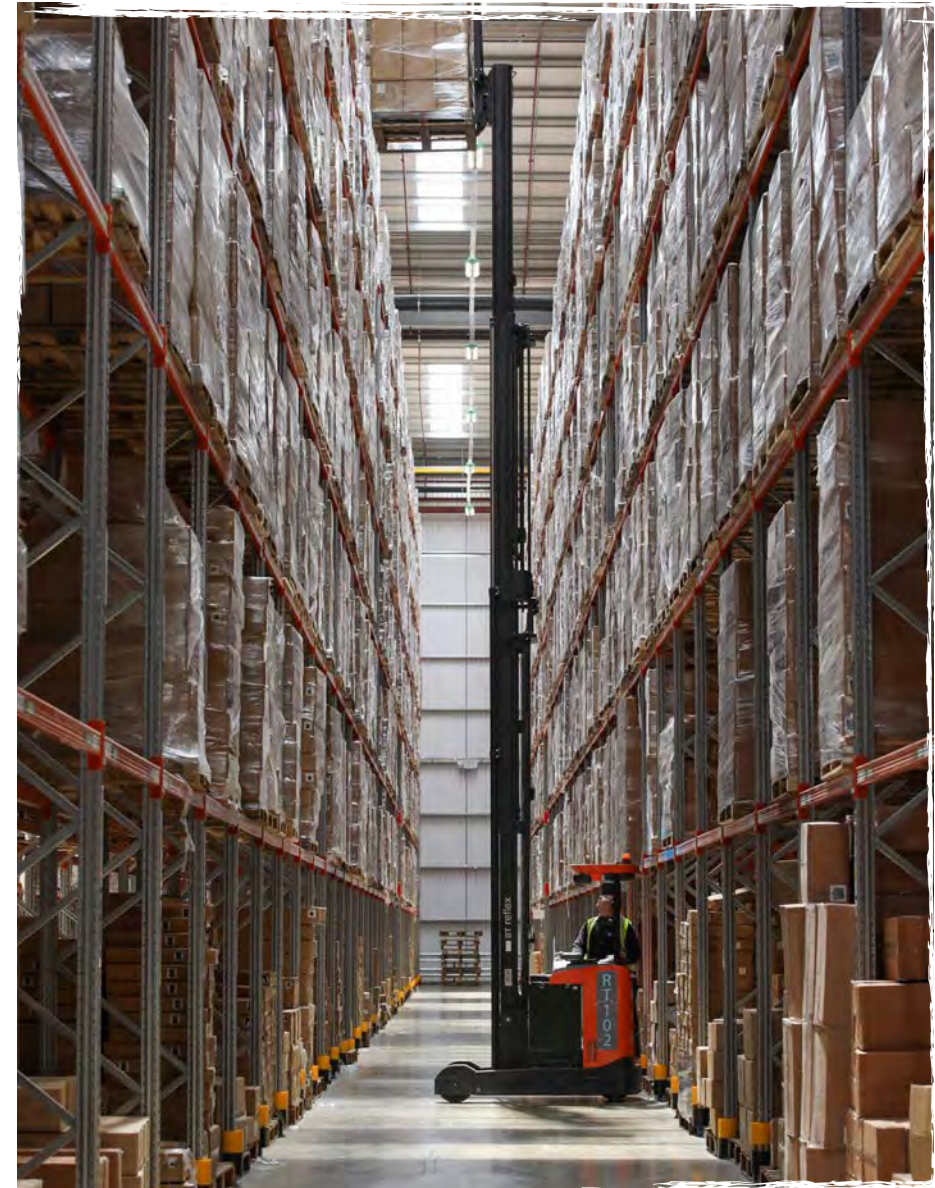


PRIMARK: >30% GHG REDUCTION BY 2030



PRIMARK: DOWNSTREAM SCOPE 3

- ◆ Vast majority of stock transported by sea
- ◆ In store model: no direct-to-consumer fulfilment network, no last-mile distribution, significantly lower customer returns



SINGLE-USE PLASTIC



NEXT UP: Q&A

