Associated British Foods plc

Our purpose is to provide safe, nutritious and affordable food, and good quality clothing that is great value for money. We live and breathe our values through the work we do every day. They guide our behaviour and help us deliver long-term benefits for our people, suppliers, communities, customers and the environment.

"

As a business we have a clear sense of our social purpose. We work hard to provide safe, nutritious and affordable food and good quality, affordable clothing to millions of customers worldwide every day. Only if we do these things well should we make a profit.

George Weston

Chief Executive
Associated British Foods plc

Our approach

Our ESG agenda is shaped by the leaders within each of our businesses. Environmental and social challenges differ by business and geography, and local knowledge is vital to setting and implementing meaningful programmes and delivering for stakeholders. As such, our reporting reflects the diversity of our five business segments – Retail, Grocery, Ingredients, Sugar and Agriculture.

Our Group ESG governance

All of our businesses operate within a clear governance framework defined by the Group. Our devolved business model gives businesses autonomy to manage their own ESG impacts, risks and opportunities within this framework. We adapt our governance process as required to cover all relevant ESG issues, including climate change.

The ABF Board (the Board) has oversight and overall responsibility for ESG across the Group, including climate-related matters. The Board holds our businesses accountable for their management of ESG impacts, risks and opportunities, which includes an annual review of material ESG matters. The Chief Executive and Finance Director have responsibility for assessing and managing material ESG matters across the Group, including in relation to climate change, and reporting this to the Board.

In carrying out its duties the Board is also supported by:

- our Director of Legal Services and Company Secretary, who reports to the Chief Executive, has responsibility for Group ESG issues and acts as the focal point for communications to the Board and shareholders on ESG matters;
- our Chief People and Performance Officer (CPPO) who reports to the Chief Executive and has responsibility for all employee matters, including safety, mental health, financial wellbeing, employee development, workforce engagement and diversity, equity and inclusion (DEI), the co-ordination of environmental programmes across our own operations, how we ensure security for our people and assets and as well as initiatives within central procurement in our supply chains;
- our Group Corporate Responsibility Director who leads the Group's Corporate Responsibility Hub team; and
- our Group Financial Controller who leads the Finance Transformation Team, which is responsible for all social and environmental data reporting and consolidation at Group level.

The Corporate Responsibility Hub (CR Hub) is a central resource available to all of our businesses, which provides guidance and support on environmental and social issues. It facilitates a network that brings together professionals across the Group working in these areas so that expertise, experience and best practice can be shared.

From this year, the Finance Transformation team which is part of the Group Finance team also oversees all non-financial data reporting, collaborating closely with the CR Hub to ensure timely and accurate reporting. It coordinates with other finance teams within the businesses across the Group to ensure robust and consistent data collection aligned with assurance requirements. Additionally, dedicated teams covering specific areas such as DEI, health, safety, environment and procurement, ensure the businesses have a comprehensive level of support across ESG matters.

The Board receives regular updates each year on material ESG matters, including climate-related matters. This year these included updates on the following:

- strategic decisions taken by the businesses in addressing climate change and wider ESG issues;
- health and safety performance of our operations;
- environmental performance of our operations;
- employee development, workforce engagement and diversity, equity and inclusion;
- TCFD requirements;
- our businesses' continued approach and development of transition plans;
- UK mandatory climate disclosures and which entities are in scope; and
- the EU Corporate Sustainability Reporting Directive (CSRD).

In addition to these regular updates, in October 2023, two Non-Executive Directors Dame Heather Rabbatts and Annie Murphy spent time with our Group Corporate Responsibility Director visiting the Primark Cotton Project in India to see the social and environmental impacts of the programme.

Since 2022, we have included strategic ESG key performance indicators (KPIs) in our short-term incentive plan (STIP) for executive directors. We report to the Remuneration Committee on progress against these KPIs three times each year. The measures that applied this year, and how we assessed progress against them, are disclosed in the Directors' Remuneration Report in our 2024 Annual Report.

This year, we have further strengthened our governance of ESG matters by creating an ESG Policy and Reporting Group. This Group meets regularly and is responsible for overseeing the ESG reporting strategy, for allocating resource, prioritising activities, and reviewing Group ESG reporting or policy as needed. This Group is supported by subject matter experts (SMEs) across the Group as required.

Responsibility within our businesses

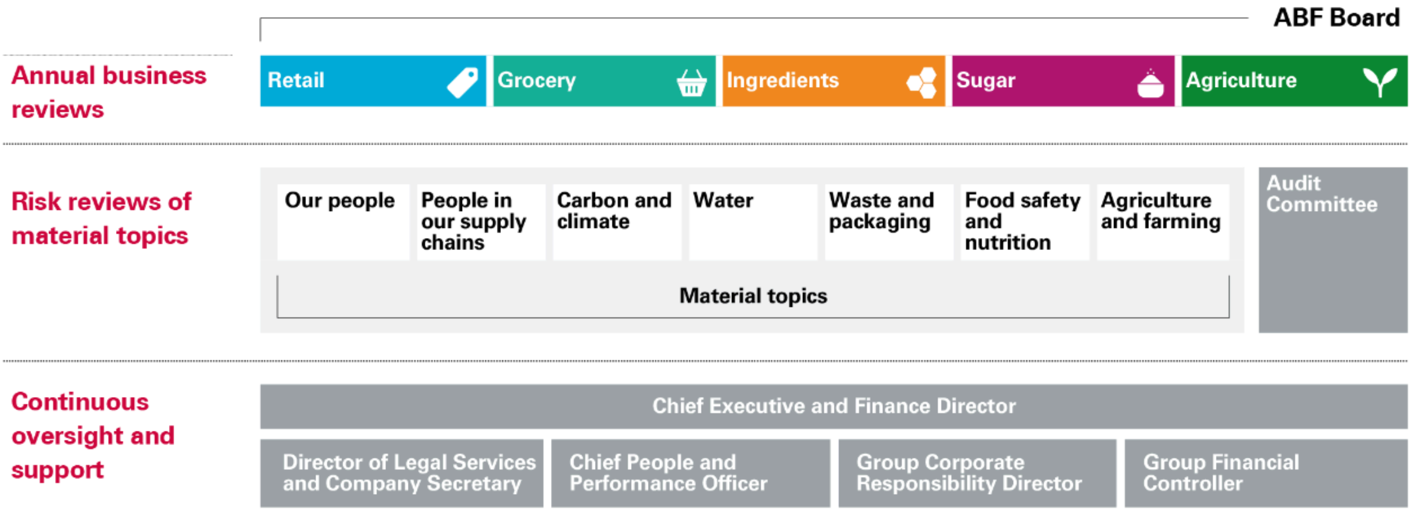
Under ABF's devolved structure, each of our businesses is required to understand its material ESG impacts, risks and opportunities, and is given the independence to put in place the necessary measures and policies that it believes will effectively manage such matters.

In addition to individual business leaders, divisional chief executives are accountable for their businesses taking the appropriate action in relation to ESG impacts, risks and opportunities, including assessing, managing and mitigating the impact of climate change on their businesses.

Across most of our divisions, ESG measures are part of the personal objectives of the divisional chief executives, with appropriate KPIs to reflect the nature of their business. In addition, since the start of this financial year, all Primark directors have ESG measures for a significant part of their short-term incentive performance targets.

Divisional management presents quarterly to the Chief Executive and Finance Director on business performance including relevant material ESG issues and where appropriate on significant climate-related matters. They have also other regular touch points with the Chief Executive where these matters are also discussed as needed. Additionally, the operating businesses periodically present significant ESG matters to the Board.

Our governance framework chart



Management of risks and opportunities

Identifying, assessing, and managing ESG risks and opportunities resides with the business where the risk or opportunity sits. This is the same process for all other business risks. Annually risks are collated and reviewed at the individual business and divisional level.

The Board is accountable for risk management, which includes agreeing the principal risks facing the Group, both existing and emerging, and ensuring these are successfully managed by the businesses. Further details on risk management can be found in our Annual Report.

We recognise that climate change presents a material risk throughout our businesses' operations and supply chains, resulting in challenges as well as opportunities for our businesses. While each business is responsible for identifying and managing its climate risks, we also undertake an annual risk assessment at Group level, which covers climate risk. Individual businesses may also include climate-related matters in their regular updates to the Board. Divisional chief executives are responsible for managing and mitigating the impacts of climate change on their divisions.

Our Task Force on Climate-related Financial Disclosures (TCFD) reporting is overseen by a cross-functional steering committee, which briefs the Board and the Audit Committee. As part of this year's disclosure, we have included a summary of transition plans for the Primark and ABF Sugar businesses, our top contributors to Scope 1, 2 and 3 emissions. For more information on our TCFD reporting, see our 2024 Annual Report.

Our Group-level policies

We maintain and keep under review a series of group-level policies and position statements. Ranging from Health, Safety and Wellbeing, Environmental, Animal Health and Welfare, and Board Diversity (which also applies to the Group approach to DEI) to our Supplier Code of Conduct, our policies and position statements articulate the Group's requirements and set expectations for the actions of our businesses, employees, suppliers and partners. It is the responsibility of the chief executive of each business to ensure that the business is compliant with both relevant legislation and Group policies.

Our Group policies, position statements and Supplier Code of Conduct can be accessed online.

Anti-Bribery and Corruption Policy

Our approach to governance is to respect not simply the letter, but also the spirit, of our Anti-Bribery and Corruption Policy and always act with integrity. To ensure the effective implementation of our policy and procedures, each business has its own designated Anti-Bribery and Corruption Officer and we have monitoring systems in place at various levels within the Group including global risk assessments. In addition, all relevant employees are required to complete an e-learning course on the subject when they join the Group and at regular intervals thereafter, and those who work in higher-risk roles are required to attend regular face-to-face training. A copy of the policy is available online.

Speak Up

We are committed to always acting with integrity. We proudly promote and protect a culture of trust, fairness and accountability. Our Speak Up Policy empowers our people to raise a grievance or tell us whenever they encounter anything inappropriate, improper, dishonest, illegal or dangerous and ensures that their concerns will be handled confidentially and professionally. Speak Up includes both a telephone line and a web reporting device, managed by an independent provider.

We encourage all individuals working for the Group, in any of our businesses, in any country and in any capacity, to use Speak Up, including employees at all levels, directors, officers, part-time and fixed-term workers, casual and agency workers, seconded workers and volunteers. Speak Up also enables issues to be raised by third parties.

In the year to 30 June 2024, 276 notifications were received, of which:

- 20% were resolved, with outcomes ranging from reviews of processes and support for individual employees to, where necessary, disciplinary procedures being followed;
- 52% were investigated as appropriate and required no action; and
- 28% remain under investigation.

A copy of the ABF Speak Up Policy is available online.

Associated British Foods plc

Materiality

In line with our devolved business model, assessing and prioritising material environmental and social impacts, risks and opportunities starts with our businesses. This process builds on their business-level assessments of overall risk and opportunities, including ESG matters.

At Group-level, we aggregate the material ESG topics and risks identified by our businesses and incorporate a Group perspective. This includes considering topics discussed through stakeholder engagement, including with investors.

We are clear on our Group priorities, these are:

- human and labour rights in Primark's supply chain;
- decarbonisation at British Sugar;
- water treatment at AB Mauri;
- employee accommodation and living standards at our sugar businesses in Africa; and
- understanding our wider Scope 3 GHG emissions across our businesses.

We will continue to focus on these Group priorities next year with the additional priority area of human and labour rights in the Twinings and Ovaltine supply chains. The investment and programme of work relating to water treatment and effluent at AB Mauri is almost complete and therefore will be removed as a Group priority in due course. We expect our individual businesses to set their own additional priorities as they see fit.

There will always be a need for the Group to be responsive to new and emerging priorities that may occur at any time. We will seek to ensure that we are able respond when there is something we need to do. The topics presented in the table below have been identified as material for the Group. Most are material for some or all businesses, however the degree to which each topic is material for each business varies.

As part of our ongoing review of our material thematic topics at Group level, we will update the consolidation of topics as necessary. Our current grouping of material topics is detailed below:

- our people;
- people in our supply chains and surrounding communities;
- carbon and climate;
- water;
- waste and packaging;
- food safety and nutrition; and
- agriculture and farming practices.

Our material topics

Our business segments

Retail · Grocery · Ingredients · Sugar · Agriculture

Our value chain

Supply chains · Operations · Products

Our people

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Health, safety and wellbeing	Retail, Grocery, Ingredients, Sugar, Agriculture	Operations	Our businesses' priority is to safeguard the wellbeing, health and safety of our employees, contractors and visitors to our sites.
Diversity, equity and inclusion	Retail, Grocery, Ingredients, Sugar, Agriculture	Operations	Fostering inclusive cultures and providing tailored support makes the most of all employees' unique backgrounds and characteristics.
Engagement and development	Retail, Grocery, Ingredients, Sugar, Agriculture	Operations	We support our people to develop skills and capabilities through training, and we create opportunities for professional and personal development.

People in our supply chain and surrounding communities

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Human and labour rights in our supply chains			The risk of human rights and labour issues occurring across our businesses' supply chains.
Supporting communities			Contributing to the development of the communities in which we work protects our licence to operate, supports job creation and builds public trust.

Carbon and climate

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
GHG emissions			Our businesses and supply chains operate in many areas subject to climate risks and opportunities as we transition to a lower carbon world. Our success depends on mitigating these risks and making the most of the opportunities. We need to cut greenhouse gas (GHG) emissions and build resilience to secure a net zero future.
Energy and renewables			Efficient energy use and switching to renewables in our operations and supply chain are vital to reducing emissions and costs and increasing energy security.

Water

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Water use			Our suppliers and our operations use water, and the communities and environment around them need it too. We recognise water as a very valuable, shared resource that is becoming increasingly scarce in some parts of the world.
Water treatment			Water treatment is essential for our businesses to minimise environmental impact, ensure legal compliance, and manage water risks at our production sites. It also enables some of our sites to reuse water and recover valuable co-products.

Waste and packaging

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Waste and circularity			A shift towards a circular economy, focusing on waste reduction and sustainable material use, presents significant opportunities and urgent challenges for our businesses.
Plastic and packaging			Packaging has an important role to play in ensuring the safety and quality of food products. Less plastic and using plastic which contains more recycled materials and is recyclable, contributes to reducing waste and moving towards circularity.

Food safety and nutrition

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Nutrition and health			Governments and consumers are increasingly focused on healthier lifestyles. We want to support consumers' preferences and governments to achieve their wider health and wellbeing goals.
Food safety			As a leading food manufacturer and retailer, it is vital that we manage the safety and quality of our products throughout our operations and value chain.

Agriculture and farming practices

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
Responsible agriculture			Our businesses depend upon agricultural systems for most of the raw materials we use in our products.
Biodiversity and land use			Our products are made from agricultural commodities, which are dependent on biodiversity and healthy natural ecosystems.
Animal health and welfare			A number of our businesses have direct involvement with animals. Several also purchase ingredients derived from animals and some sell products into the livestock industry.

Double materiality and CSRD

With divisions operating across the EU, one of our areas of focus this year has been preparing for the upcoming disclosure requirements under the EU Corporate Sustainability Reporting Directive (CSRD). In 2025/26 some of our European entities will be required to report under CSRD.

At Group level, we are working to support those businesses in scope to ensure they are prepared for the requirements of CSRD. Over the past year we have held briefings and training sessions to outline the requirements, with a specific focus on the double materiality assessment, which will inform the disclosure requirements for each reporting entity.

At Group level, as part of this focus, we have worked closely with internal and external stakeholders to create guidance to assist the businesses as they undertake their double materiality assessments.

This is aligned with the guidance of EFRAG[1] and aims to ensure that the businesses are equipped to conduct their assessments in compliance with the required standard and that the analysis is conducted consistently, in preparation for our groupwide reporting, which will be required in 2028/29.

Our impact on the Sustainable Development Goals

We understand the potential to contribute towards certain Sustainable Development Goals (SDGs) through the ESG programmes of some of our businesses. Click here for more information.

1. European Financial Reporting Advisory Group

Associated British Foods plc

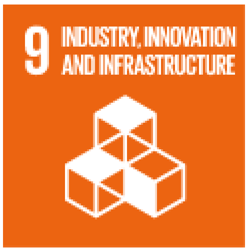
Our impact on the Sustainable Development Goals

We understand the potential to contribute towards certain Sustainable Development Goals (SDGs) through the ESG programmes of some of our businesses.

SDG 2: Zero Hunger

Several businesses donating surplus products to food banks and other organisations that support vulnerable people in need. Some of them are involved in initiatives to increase the yields and incomes of smallholder farmers or improve their resilience to the impacts of climate change.

SDG 9: Industry, Innovation and Infrastructure



Across the Group, our businesses continue to invest in upgrading facilities and systems to improve the efficiency of their manufacturing and agriculture operations. These range from the irrigation technology used on our sugar estates to energy reduction programmes at our production sites.

SDG 3: Good Health and Wellbeing

A number of our businesses implement initiatives to improve the physical and emotional health and wellbeing of their people and some, for example our sugar businesses in Africa, provide a wide range of healthcare benefits for their workforce and their families such as health clinics and vaccination programmes.

SDG 10: Reduced Inequalities

Several programmes across our Group are designed to promote inclusion, including initiatives to empower women and people with disabilities. For example, Primark has worked with ILGA World to promote LGBTQIA+ rights and has amended its recruitment process to remove any barriers to candidates with a disability.

SDG 5: Gender Equality

Across our Group’s operations and supply chains, there are many initiatives to support the development of women. For example, Illovo Sugar Malawi's Illovo Women in Leadership Forum, which aims to help businesses attract and retail female employees.

SDG 12: Responsible Consumption and Production

We have many programmes aiming to support a more efficient use of natural resources in manufacturing, agricultural and sourcing processes. Broader initiatives are also in place to reduce waste generation, including single-use plastics, and increase recycling.

SDG 6: Clean Water

Assessing water-scarcity risks at a site level and building partnerships in water-stressed areas, our businesses seek to improve water quality and water management by reducing pollution, treating waste water and reusing or recycling more water in their operations.

SDG 13: Climate Action

There are many projects that seek to mitigate our contribution to climate change and assess and improve our capacity for adaptation. These include process developments to reduce GHG emissions through a mix of energy efficiency, lower-carbon fuels and renewables.

SDG 7: Affordable and Clean Energy		SDG 15: Life on Land	
	Seeking to improve energy efficiency through energy management systems is considered to be 'business as usual' across the Group, and several businesses self-generate or procure renewable energy for their operations. Renewable energy is mainly generated on our sites from biogenic sources.		Many projects aim to protect the ecosystems surrounding our operations and supply chains, and minimise deforestation associated with the sourcing of key commodities such as palm oil and soya. With urgent action needed to reduce habitat and biodiversity loss, we support nature and wildlife habitats through projects to protect and restore nature reserves surrounding our operations and within supply chains.
SDG 8: Decent Work and Economic Growth			
	Our businesses offer programmes to encourage inclusive working practices, fulfilling employment and fair rewards within our businesses and supply chains. All of our businesses follow the Group Supplier Code of Conduct and have initiatives in place to promote labour rights and maintain safe working conditions.		

Associated British Foods plc

Stakeholder engagement

At business and Group levels, we engage directly with many different stakeholder groups, including our shareholders, customers, consumers, employees, suppliers and their workers, communities, NGOs, industry and trade associations, trade unions, institutional investors and governments.

We believe that ongoing dialogue with stakeholders across the Group's businesses is fundamental to our success. ESG is a part of our conversation with different stakeholder groups, and we consider their views and priorities in our materiality assessments. Read more about stakeholder engagement and decision-making in our Annual Report.

Our stakeholders

1. Customers and consumers
2. Investors and shareholders
3. Employees
4. Suppliers and workers in supply chains
5. Communities
6. Governments

Stakeholder	Why our businesses engage	Key matters	How the businesses engage with this stakeholder group
Employees	We employ approximately 138,000 people. Our people are central to our success.	• Health, safety and wellbeing • Diversity, equity and inclusion • Cost of living • Culture • Engagement • Development	• Day-to-day engagement • Email • Town halls • Surveys • Health and safety programmes • Training • Notice boards • Newsletters • Intranet
Suppliers and workers in supply chains	As a diversified international Group, we have many complex supply chains.	• Responsible sourcing • Supply chain sustainability • Payment practices • Human and labour rights in our supply chains • Transparency in supply chains	• Conversations (face-to-face or virtual) • Training • Communication sessions • Correspondence • Audits • Engagement with supplier representatives and NGOs
Customers and consumers	The buyers of our safe, nutritious and affordable food, and clothing that is great value for money.	• Healthy and safe products • Value for money • Availability of products • Customer relations • Social and environmental impact • Store environment	• In-store signage (Primark) • Face-to-face interactions with staff • Customer surveys • Websites • Labelling • Social media • Customer/consumer contact lines • Market data analysis

Communities and the environment	Supporting society and respecting the environment are two of the key ways we live our values and make a difference.	• Climate change mitigation and adaptation • Natural resources and circular economy • Social impact – including employment opportunities • Agriculture and farming practices	• Various environmental programmes • Dealings with NGOs and other expert programmes and schemes • Coaching and training programmes • Community programmes and schemes
Shareholders and institutional investors	The Company has a mix of individual and institutional shareholders, including bondholders, whose views are valued.	• Strategic updates • Business and financial performance • Return on investment • ESG • Remuneration	• Results announcements • Press releases • Annual general meeting • Annual Report • Website • Meetings • Registrar
Governments	The Group is impacted by changes in laws and public policy.	• Climate and environment-related matters • Tax and business rates • Agricultural and trade policy • Public health • Support of businesses and workers • Energy support schemes	• Meetings, calls and correspondence • Responding to consultations and calls for evidence • Providing data/insights (e.g. supply challenges) • Participation in government schemes • Parliamentary events • Industry forums • Site visits • Attendance at conferences

Our people

We employ more than 138,000 people and have operations in 56 countries across Europe, Africa, the Americas, Asia and Australia. The people across our businesses are united by our purpose, culture and passion for delivering for our customers. We empower them to innovate and support them to grow and develop.

A senior engineer at Allied Mills, Manchester, UK

Health, safety and wellbeing

Our businesses strive to safeguard our people when they are working or travelling for business, including contractors and visitors to our sites. We have cultures, processes and programmes to ensure their safety and wellbeing at all times.

Loss of life in our operations is unacceptable and we expect all colleagues to return home after work as well as when they arrived. As such, we are deeply saddened to report one employee and five contractor fatalities this year. An employee died from drowning in a water canal in Malawi. A contractor was fatally injured during an off-site weather-related traffic accident in Brazil. In Tanzania, a contractor driver was fatally injured by a moving vehicle. In Zambia, a contractor was electrocuted during electric works and in South Africa, a contractor was fatally injured during tree felling. In Malawi, a security contractor died as a result of responding to criminal activity.

Following these tragic events, our priority was to ensure the families and colleagues of those who died were supported. Thorough root cause investigations were conducted by the businesses, and the learnings shared with all our operations. Remedial actions, including a review of our safety culture and training expectations with our contractors, have been implemented to minimise the likelihood of such events from recurring. All of our businesses must comply with our Group Health, Safety and Wellbeing Policy. Many of them supplement this with additional local and business specific policies. Responsibility for ensuring compliance with these policies sits with the chief executives of the various businesses. Each business also has a nominated director with specific accountability for health, safety and wellbeing.

In line with the Group Policy, our businesses focus their safety efforts in five key areas:

- providing strong and visable safety leadership from senior management;
- identifying and managing activities with the highest risk of fatal and serious injuries;
- supporting line managers accountable for workplace safety with safety specialists and training approaches;
- actively involving employees in their own health, safety and wellbeing; and
- reporting against both leading and lagging indicators and implementing continuous improvements programmes and activities, taking learnings from other businesses where relevant.

Across the Group, we have identified the following key on-site and off-site safety risks:

- harm from moving vehicles;
- falls from height;
- machinery safeguarding;
- the storage and handling of hazardous materials;
- working in confined spaces;
- electrical risks; and
- the management of contractors.

On-site employee Lost Time Injury (LTI) rate has increased this year from 0.35% in 2023 to 0.38%. The number of on-site employee LTIs has also increased by 13% from 347 to 392. In Retail there has been increase of its on-site employee LTI rate this year by 9% from 0.34% to 0.37%. However, the LTIs cover a broad range of situations and over 60% of the LTIs are less severe on average than last year.

The on-site contractor LTI rate this year has increased from 0.32% to 0.34% and the number of on-site contractor LTIs has increased by 20% from 74 to 89. Our Retail and Sugar segments made up 81% of these LTIs .

We are pleased to report that 67% of our factories and retail stores have operated for over a year without an onsite employee injury. This demonstrates that despite the risks involved in our activities, such as using powerful machinery or working in fast-paced environments, safety remains our top priority with processes and programmes in place to safeguard our people.

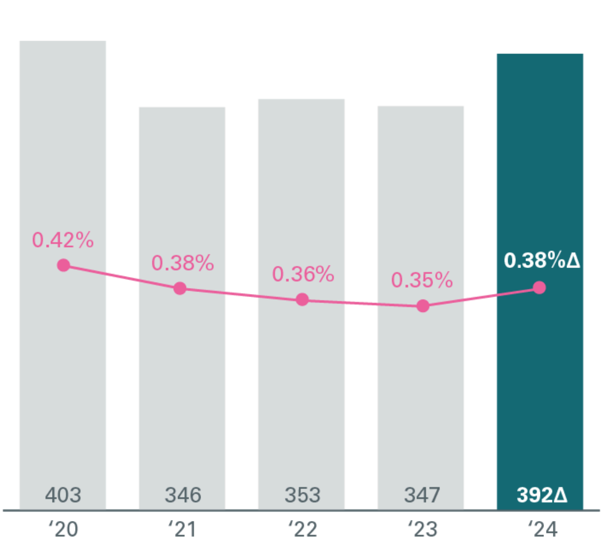
The Group's increase in LTI rate is disappointing, however we are clear on the details of the issues and action plans have been put in place to address them. The businesses continue to place even more focus on their safety culture, governance approach and processes to keep their people safe. The majority of businesses have increased or improved the number and quality of safety observations, with additional focus on line manager initiatives to increase their involvement and direct ownership. All businesses have improved their reporting of near misses and have placed increasing focus on reporting and investigating significant events linked to our critical risks.

We acknowledge that our safety performance this year has not met the high standards we expect, demonstrating a year-on-year improvement in performance. Our businesses maintain a strong focus on fostering a safety-first culture, with programmes continuously reviewed and updated to ensure they align with our commitment to maintaining the highest standards. Our businesses put into action safety practices that are shared by our employees, contractors, regulators and industry experts. We believe that continuously exploring new approaches to safety is essential to protecting our people. A number of our businesses are operating innovative behavioural safety programmes.

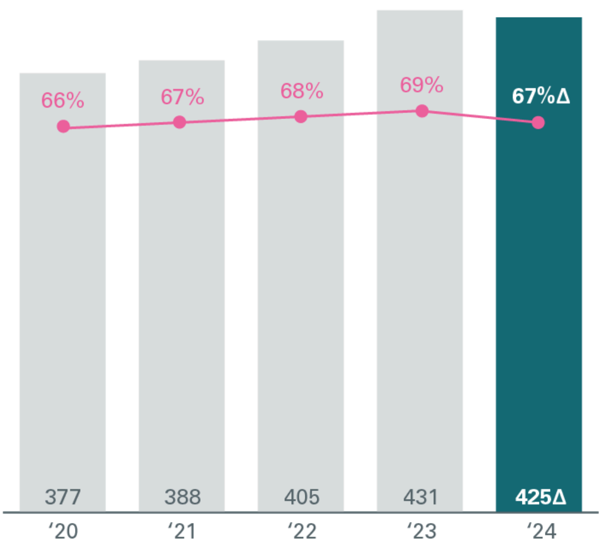
This year, we received 242 visits from health and safety regulators which related mostly to incidents, fire department checks, routine boiler and electrical inspections, or shared best practices. We value these visits as learning opportunities and a way to promptly address any needed changes.

See our Data page for more details on our health and safety data.

Employee on-site Lost Time Injuries and Lost Time Injury Rate (%)



Number and percentage of factories and retail operations without on-site employee LTIs



Across our businesses, there are many examples of programmes, initiatives and training dedicated to improving safety performance. For instance, health and safety is a fundamental pillar of AB Agri's Target Zero programme, which also covers feed safety, and site environmental compliance and security. AB Mauri's safety training addresses technical requirements around critical risks and behavioural safety to develop the capability of its frontline managers and safety champions to help deliver safety targets. Twinings Ovaltine has continued delivering its Beyond Zero initiative, which links neuroscience understanding with individual behaviours to promote health and safety-conscious behaviours among employees.

Wellbeing

Supporting our people's mental health and their sense of general wellbeing is evermore important. We continue to invest in support across the Group, including programmes designed to raise awareness and provide practical assistance across all areas of wellbeing, including financial. Our businesses provide wellbeing tools and resources across our operations. We continue to provide financial wellbeing tools and resources, easy access to employee assistance programmes and information across a range of topics to support our people internationally.

Many of our businesses also have formal wellbeing activities in place for their people, like AB Mauri's 'Thrive' health and wellbeing programme, ABFI's employee networks and Primark's 'Spark' wellbeing programme. The focus on mental health was recognised in 2024 when the Group was rated tier 2 in the 2024 CCLA Corporate Mental Health Benchmark UK 100.

Diversity, equity and inclusion (DEI)

We believe that engaging diverse talent is a competitive advantage and strengthens the Group's ability to deliver long-term success. Our businesses are dedicated to ensuring we attract and develop diverse talent and establishing meaningful connections with the varied communities we serve.

Our Board Diversity Policy details our approach for all our businesses in the Group and is often enhanced by local diversity policies, DEI teams and dedicated programmes. These initiatives aim to support every employee, including women, ethnic minorities, individuals with disabilities, and members of the LGBTQIA+ community, ensuring equitable access to employment, training, career development and promotion opportunities.

Production colleagues at Westmill's noodle factory in Trafford, UK

Our Group DEI Network brings together people from across our businesses to share knowledge, best practices and ideas, celebrating diversity in all its forms. We have almost 500 DEI advocates across the Group and provide access to training and thought leadership from expert external partners across the full range of DEI topics. All our businesses have access to materials and training they can use to raise awareness of unconscious bias and cultural inclusion. The materials are provided in eight of our key business languages and we have 110 trained facilitators across the Group.

In the last few years a number of our businesses have used the Develop Diverse software to support the consistent use of inclusive language, with over 120 people using the system to refresh policies, job adverts, job descriptions and interview questions. The insights around the importance of inclusive language has also been adopted in line manager training, such as Primark's Hiring Inclusively programme. We continue to raise awareness and educate our people, advocates and leaders on the evolving field of diversity, equity and inclusion. We partner with external experts to provide robust and thorough materials on a range of topics that include disability inclusion, female careers and leadership, gender identity and expression, racial and ethnic diversity, neurodiversity inclusion and LGBTQIA+ inclusion.

We utilise our dedicated internal website to connect everyone across the Group with our DEI corporate partners, easy to use resources, training materials and internal case studies highlighting great practice and learnings including British Sugar's 'conscious inclusion in action', Silver Spoon's 'creating a culture of allyship' and Twinings' health and wellbeing agenda. We foster active communities of advocates and leaders who are driving their local plans and where synergies could be helpful. Over recent years our most active communities have been Wellbeing, Menopause & Menstruation, and Disability & Neurodiversity.

For almost 15 years our Women in ABF network has helped women develop skills, build business awareness and grow connections that enhance their current performance and future careers prospects. Women across the Group have access to virtual events featuring both internal and external speakers as well as valuable networking opportunities. This year this network achieved The Stellar Standard, a new industry benchmark to evaluate the impact of employee network groups. We continue to prioritise attracting and developing a broader range of talent, maintaining our focus on gender and ethnicity imbalances through identifying and removing barriers that could discourage talent from being attracted to or joining ABF, or from advancing to leadership positions.

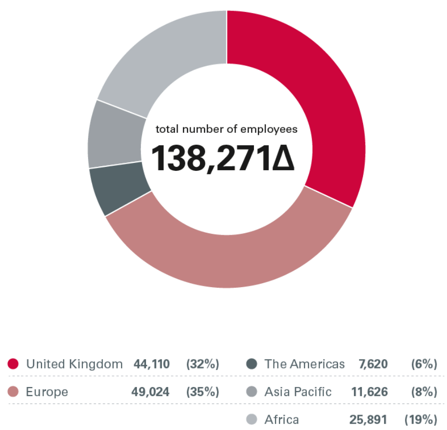
Overall the gender balance of the Group is fairly equal, with women making up 57% of our total global workforce, increased from 53% in 2019/20. Women also account for an increasing number of our senior management roles, currently at 38% across the Group, with three of our divisions having senior management and leadership populations of well over 40% women. Considering the most senior levels to be those reporting to the divisional chief executives and Group functional directors, our gender balance as reported to the FTSE Women Leaders has improved to 30% from 28% last year and 22% in 2019/20. It is pleasing to see the outcome from the focus we have given to addressing gender imbalances. We commit to a continued focus on ensuring women are represented in our most senior roles.

Our leadership teams are increasingly multicultural and ethnically diverse, with 30 nationalities in our leadership group reporting to the divisional chief executives, business managing directors and group functional directors. We are pleased with the progress that we are making on ethnic diversity in this most senior population. Globally, 14.5% of these roles are held by leaders from minority ethnic backgrounds, up from 12.4% last year. In the UK, while those of minority ethnic backgrounds are under-represented in our most senior leadership positions, we are pleased to have increased their representation from just over 8% in 2023 to just over 9% this year. We commit to a continued focus on ensuring women and those from ethnic minorities are represented in our most senior roles.

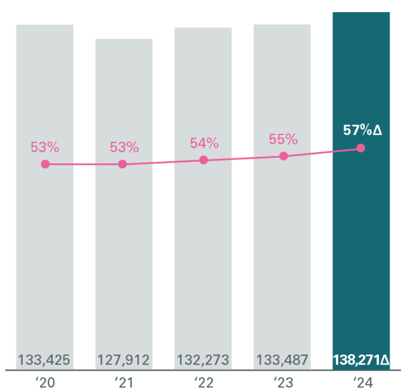
We voluntarily report on our overall gender and ethnicity pay gaps for employees in Great Britain (GB) in our Annual Report. Each of our GB-based businesses with over 250 employees also reports on its own gender pay gap, with these reports published on their websites.

These reports share some inspirational business-level insights about the actions being taken to enable all employees to successfully grow their careers with us. This is our first year of reporting on our ethnicity pay gap and we are pleased that so many of our GB-based employees have chosen to share their ethnicity with us to enable this.

Location of employees
(number, %)



Number of employees and percentage of women in workforce



Engagement and development

A lab technician at SPI Pharma in Grand Haven, MI, United States

We believe the engagement and development of our people is directly linked to the performance and long-term sustainability of our businesses. A highly engaged workforce drives productivity, innovation, and operational excellence, while robust development programmes ensure we have the talent pipeline necessary to meet future challenges. By investing in our people, we foster a culture of continuous improvement, which translates into stronger financial outcomes, enhanced customer satisfaction, and a competitive edge.

Our businesses encourage employee involvement in their performance, with many offering incentives to employees based on the performance of the business where they work.

Engagement

Our businesses engage with their people in a variety of ways to ensure employees across the Group can share their views and opinions openly, and know businesses will listen and act on their suggestions. Mechanisms include engagement surveys, social platforms like Zing in Primark, listening groups, town hall events and local events. At present 94% of our businesses are using engagement surveys, provided by experts in the field including WTW, Mercer, Peakon, Great Place to Work and Korn Ferry. The small proportion of businesses not utilising engagement surveys include some newly acquired businesses.

The frequency of engagement surveys varies from business to business and region to region. 76% of those using engagement surveys ran one in the last financial year, inviting 88% of their people to participate with an 81% response rate. Across the Group all of our businesses are focused on increasing the proportion of their people they invite and choose to participate in engagement surveys. A great example of a mechanism used to increase participation included the use of QR codes so more of our factory, field or retail employees can join in despite not having laptops or desk-based computers.

Themes and action plans from the feedback are identified and developed at a local level, however we see strong, positive themes emerging for the Group overall, such as the quality of line management, presence of inspirational leadership, opportunity for learning and growth, positive team environments, focus on colleague wellbeing, and benefits of autonomy and accountability in our business model.

Development

We offer learning and development initiatives aimed at equipping our people with the skills they need to achieve in their current role and to develop a fulfilling career in their current business or across the wider Group. These initiatives support our people to identify their own aspirations and include skills programmes encompassing skills training, personal development, apprenticeships, and mentoring. For example, Primark's Early Careers programme is creating a talent pipeline for the future, our sugar businesses in Africa have a Leadership Development Programme, created in partnership with the Gordon Institute of Business Science in South Africa, and AB Mauri has a Global Technology Centre to deliver technical bakery training. The Group provides an Executive Leadership Programme for those in senior roles, and functional development programmes to support Finance excellence and enhanced business acumen within our People and Performance community. We run an induction programme for new colleagues in senior roles across the Group to enable them to form networks and understand the purpose, culture and values of the Group and how we operate at our best.

Our groupwide Career Conversations site gives people in all our businesses access to advice, guidance, resources and templates to plan their careers, as well as job adverts for opportunities across the Group. Our recent relaunch of this site with updates, materials and videos for colleagues speaking about their career experiences in ABF has seen traffic increase by 50%.

Δ EY has provided limited independent assurance over the 2024 metrics. See our data page for the assurance statement.

People in our supply chains and surrounding communities

Our businesses work with a diverse range of suppliers from large businesses to smallholder farmers. They recognise the importance of the United Nations Guiding Principles on Business and Human Rights (UNGPs) and their guidance on human rights due diligence processes.

A rice farmer growing Hom Mali rice for Westmill using the Sustainable Rice Platform Standard, Ubon Ratchathani, Thailand

Human and labour rights in our supply chains

Our Group Supplier Code of Conduct is an essential requirement of the responsible business conduct of our businesses. This Code is based on the core conventions of the International Labour Organization (ILO) and on the Base Code of the Ethical Trading Initiative.

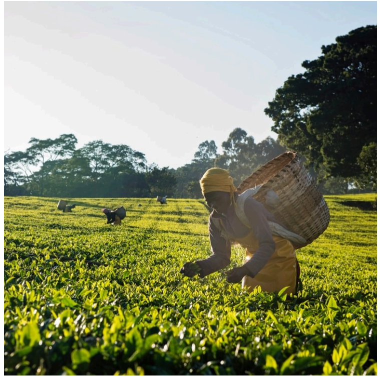
Human rights due diligence across our Group

In their application of the Group Supplier Code of Conduct, our businesses continue to develop and improve human rights due diligence processes. Some of them are guided by the UNGPs, the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidelines for Responsible Business Conduct, and the ILO Decent Work Agenda.

Our devolved business model enables each of our businesses to adopt tailored risk-based approaches based on their specific supply chains and the nature of their supplier relationships. Assessing where potential negative human rights impacts might exist, combined with supply chain mapping, helps some of our businesses to identify, monitor and where they can address actual issues, to seek remedies, or even anticipate and prevent issues before they arise, prioritising those that are most salient.

Risk management and monitoring

Our businesses use a number of data platforms to assess and monitor potential human rights risks. For example, most of our Grocery businesses monitor their supply chains and engage suppliers through the Sedex (Supplier Ethical Data Exchange) online database. In some of our businesses, risk monitoring is conducted through audits carried out by internal teams or third parties. Some businesses also engage workers and their representatives directly outside of the audit process to understand what issues they face. For example, Primark's Ethical Trade and Environmental Sustainability (ETES) programme is one of the key elements of how human rights due diligence is implemented in its product supply chains. Through this programme, Primark conducted over 2,000 social audits over the last year. Primark carries the full cost of these audits, which include rigorous checks for human rights issues and against the requirements of the Primark Supplier Code of Conduct, based on first-hand assessment of the working environment, reviews of relevant documentation and confidential worker interviews. At the end of each audit, supplier factories are issued with a time-bound corrective action plan that outlines any areas for improvement. Primark uses these audits in the approval process for all new tier one factories. Any potential new factories are audited and only if the outcome of the audit is satisfactory can any orders be placed.



Tea workers on a tea estate in Kenya

Governance and policies

The chief executives and senior leaders of each business are accountable for managing risks related to human and labour rights in their businesses' supply chains.

The Group Supplier Code of Conduct underpins any relevant policies that our businesses may choose to follow. Twinings Ovaltine and Primark have also developed their own human rights policies, and our sugar businesses in Africa have their own Code of Conduct and Business Ethics policy.

Grievance mechanisms and remedy

Our businesses seek to use the leverage they have with their suppliers to cease, prevent or mitigate the risk of negative human rights impacts on workers in their supply chains. Some of our businesses have or are developing grievance mechanisms to give workers a voice on the issues they face in the workplace. Primark has multiple approaches to achieving effective grievance mechanisms. As a result, in Bangladesh, India, Turkey and Pakistan, workers' grievances are routed to specific grievance mechanisms run by local implementation partners such as NGOs or unions. For example, the Amader Kotha Helpline in Bangladesh provides workers in garment factories with a confidential and accessible means to raise concerns. Where issues are raised through grievance mechanisms linked to our businesses they will endeavour to follow up and investigate accordingly with the interests of those affected front of mind.

Stakeholder consultation and transparency

Different stakeholders including NGOs, trade unions, governments, other businesses (subject to relevant competition and anti-trust laws) and industry bodies provide inputs into the approach adopted by some of our businesses on human rights due diligence. They work with these organisations due to their expert knowledge and we acknowledge the value that their contribution brings.

Transparency about who and where our businesses source from is essential to our understanding of human rights risks and, where necessary, enables collaboration to resolve issues both locally and across our industry.

Twinings and Primark both publish sourcing maps to help their customers understand their supply chains better.

Supporting communities

Alongside our work to respect human and labour rights, some of our businesses aim to positively contribute to the communities in which they operate. For instance, our sugar businesses in Africa recognise that their sugar estates are a key part of the communities where they operate. This is reflected in their activities to support those communities, such as providing clinics, schools and local services to support their workforce, and in some cases their communities and surrounding neighbours. This year, our sugar businesses in Africa invested in several community support projects across their operational areas. These initiatives focused on providing access to potable water, offering natural disaster relief, improving healthcare, advancing education, and developing infrastructure.

Carbon and climate

As a Group, we have an ambition to achieve net zero by 2050 or sooner. Beyond that broad ambition, we do not set groupwide climate-related plans or commitments. In line with our devolved business model, our businesses set plans and commitments appropriate to their operations and supply chains regarding Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and several of our businesses have set their own GHG emissions reduction commitments.

A British Sugar engineer inspecting an evaporator at our factory in Wissington, UK

ABF Sugar and Primark each have specific public targets for reducing their GHG emissions. Their reduction targets have been validated by the Science Based Targets initiative (SBTi), ensuring they align with the latest climate science. This year Primark and ABF Sugar have also published transition plans detailing their strategies for achieving these goals.

AB World Foods has also submitted a target to the SBTi for validation, and Twinings has committed to setting near and long-term emissions reduction targets in consultation with the SBTi in the coming financial year.

Grocery Group UK businesses are signatories to the Courtauld Commitment 2030, which outlines an ambitious set of industry-wide targets aligned to a 1.5°C pathway and a commitment to achieve net zero emissions by 2050. Grocery Group UK businesses have committed to reduce emissions by 50% across Scope 1, 2 and 3 by 2030 against a 2015 baseline, in line with the Courtauld Commitment 2030.

Achieving net zero across the Group will depend on a number of factors that are beyond our control, however, we will do our upmost to deliver on this objective in our operations.

Our businesses are addressing the challenge of climate change in four ways:

1. improving their understanding and responses to climate-related risks and opportunities;
2. reducing their own GHG emissions (Scope 1 and 2);
3. supporting their suppliers and partners to reduce their GHG emissions (Scope 3); and
4. providing products that help others reduce their GHG emissions.

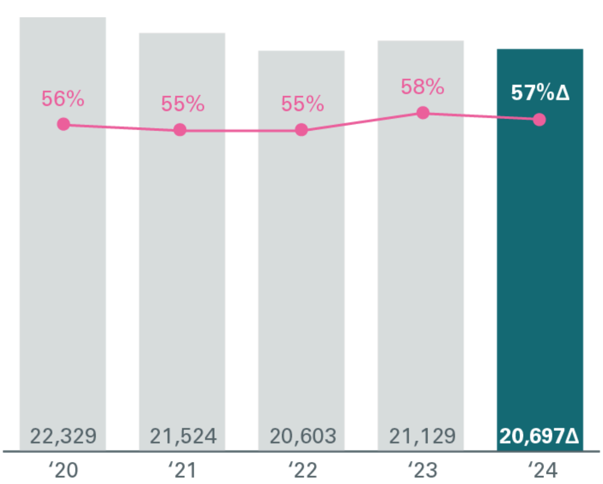
We regularly review our methodologies for monitoring our carbon footprint, including calculations and estimations where relevant. To ensure we align with latest protocols, we use the best data available and continually work to improve the accuracy of our reporting.

Energy and renewables

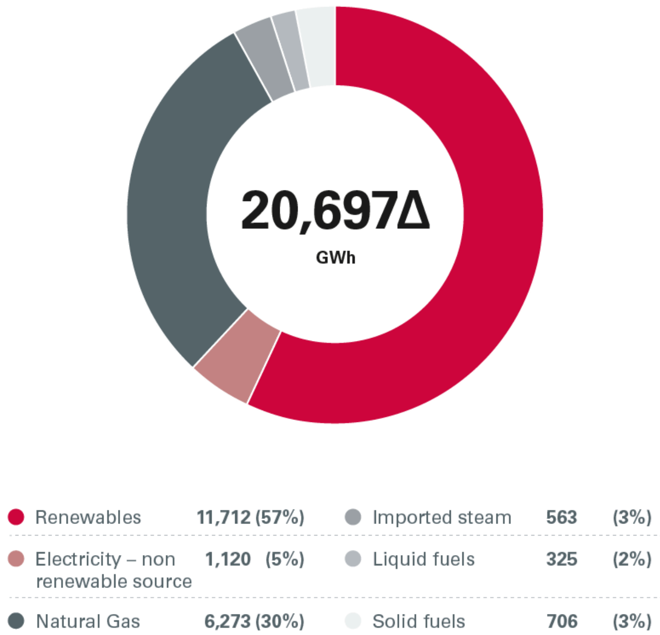
We remain focused on energy efficiency and transitioning to renewable energy where viable. In 2023/24, our businesses consumed 20,697 gigawatt hours (GWh) of energy in our operations, which is a 2% decrease compared with the previous year. Of this total energy, 57% was derived from renewable sources, predominantly biomass fuels from by-products generated as part of the production process within our agricultural businesses. During the same period 31% of the electricity we bought came from renewable sources, with the majority coming from the UK and European energy markets.

Several of our businesses also export surplus renewable energy back into national grids. During 2023/24 887 GWh of renewable energy generated by our sites was exported, with ABF Sugar contributing 96%. Of the renewable energy we generate, 87% comes from bagasse, the plant-based fibre that remains after the extraction of juice from the crushed stalks of sugar cane. Some renewable energy is also derived from the anaerobic digestion of a range of waste materials.

Total energy consumed and percentage from a renewable source
(GWh)



Energy use by source
(%)



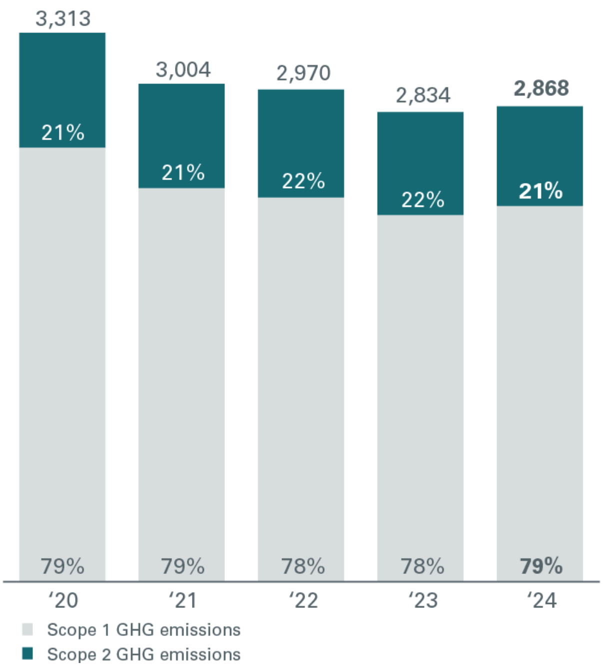
Scope 1 and 2 GHG emissions

Our Scope 1 and 2 (location-based) GHG emissions increased by 1% this year from 2,834 kt of CO_2e to 2,868 kt of CO_2e. Unless otherwise stated, all Scope 2 GHG emissions are location-based figures.

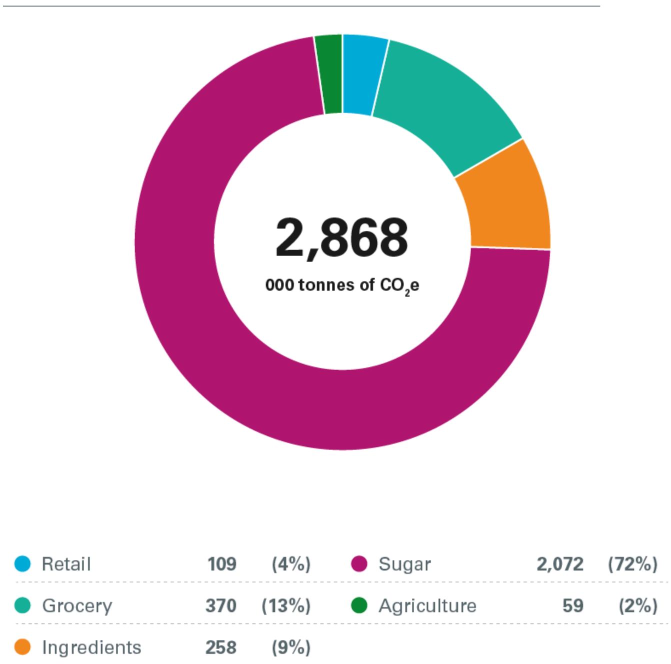
Our Sugar segment is the most significant contributor of Scope 1 and 2 emissions within the Group at 72%. As a result this has been a priority for the Group over many years. ABF Sugar's Scope 1 and 2 emissions had an increase of 5% this year. The drivers for the increase are as a result of Vivergo (our bio-ethanol plant) returning to near full operating capacity, British Sugar contending with the operational challenges due to difficult wet weather conditions and Azucarera processing more sugar beet. Despite the short-term increase, ABF Sugar has reduced its Scope 1 and 2 emissions by 18% against its 2018 baseline by continuously improving how efficiently it produces sugar, investing in new technology, innovating to use less energy and reducing its use of fossil fuels. British Sugar, the largest contributor to Group's Scope 1 GHG emissions at 36%, has made significant investment across its sites to reduce GHG emissions. From the 2017/18 baseline through to 2023/24, British Sugar invested approximately £96 million in various initiatives, resulting in a cumulative reduction of around 162 kt of CO_2e. Key initiatives include the energy reduction scheme at the Wissington site, which targets a 25% reduction in steam usage, and ongoing improvements in pulp pressing processes across multiple sites. Additionally, British Sugar is improving factory performance and efficiency by upgrading heaters, evaporators, and dryers to save energy and reduce coal and gas consumption. These efforts have contributed substantially to lowering Scope 1 emissions.

Our Retail, Grocery, Ingredients and Agriculture segments have reduced their Scope 1 and 2 emissions compared with last year which has been driven by decreases in imported electricity, changes to the fuels used as well as investment in on-site renewable generation and purchased power and in more efficient equipment which reduces overall energy use.

Scope 1 and 2 (location-based) GHG emissions
(000 tonnes of CO_2e)



Scope 1 and 2 (location-based) GHG emissions by segment
(000 tonnes of CO_2e and % of Group total)



Scope 3 GHG emissions

Understanding our total Group GHG emissions will be an important step towards achieving our ambition to meet net zero by 2050. At a Group level, we are supporting the divisions in the process of calculating their material Scope 3 GHG emissions, which will help us identify where to focus our priorities. Most of our divisions have either published or are in the process of calculating their Scope 3 GHG emissions from across their value chains.

Primark first completed this process in 2021 and this year reported 6,211 kt of CO_2e for their Scope 3 emissions, which is a 12% decrease compared with 2023. This represents a 0.6% decrease against its 2018/19 baseline, despite the significant increase in volumes. This reduction was achieved through investments in its Environmental Sustainability team and in supplier factory efficiency programmes aimed at supporting GHG emission reductions through targeted training, upskilling, and energy-saving projects.

See our data page for more details on our Scope 3 emissions.

Products that help others reduce their GHG emissions

We provide products and services that have the potential to assist others in reducing their carbon emissions, often referred to as carbon enablement. This has always been integral to our businesses, and a key focus for investment and innovation. ABF businesses, including ABF Sugar, AB Enzymes and AB Agri help to facilitate the potential reduction of other businesses' emissions.

Δ EY has provided limited independent assurance over the 2024 metrics. See our data page for the assurance statement.

Water

Our businesses aim to reduce the amount of water they abstract for their own operations, reuse process water as much as possible, and return treated wastewater to the environment after ensuring it meets or exceeds local and national water regulations and standards.

Solar irrigation project, Azucarera, Spain

In 2023/24, businesses across the Group collectively abstracted 880 million m^3 of water for use in their operations, a 2% increase compared with last year. While this aligns with the increase in production tonnage, the main driver was increased irrigation demand due to drought impacting our sugar businesses in Africa. ABF Sugar is responsible for 98% of the Group's total water use. Water is used carefully and extensively throughout the sugar manufacturing operation, from the processing stage to extract and refine the sugar, to generating steam in the boilers, through to cleaning the equipment. A significant portion of the water abstracted across ABF is used for crop irrigation by our sugar cane sites in our African operations.

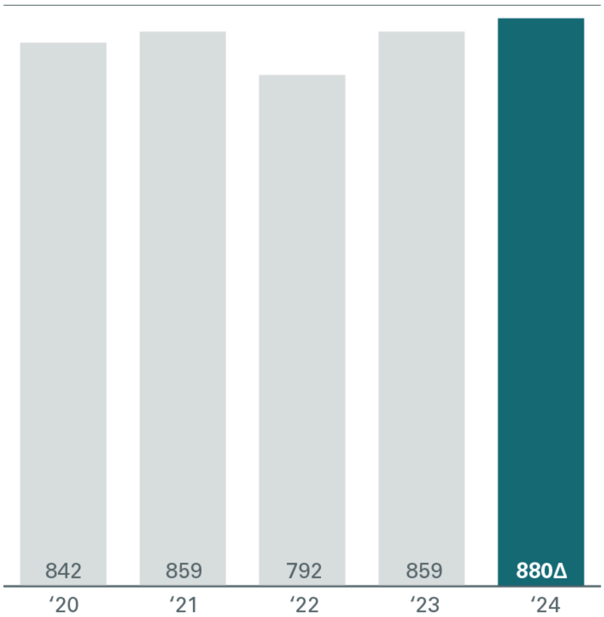
ABF Sugar has set a 2030 commitment to reduce its water footprint by 30% from its 2018 baseline. In 2023/24, the business has focused its activities in two main areas: improving the accuracy of water measurement and investing in irrigation efficiency so that every drop of water can reach the crop.

Of the water used by our businesses, 97% comes from surface water, such as rivers and lakes, as well as man-made dams. Our businesses' sites are regulated by water permits or licences, and they withdraw water within their agreed limits. In 2023/24, across the Group 24% of the water abstracted was reused before being returned to the environment. This is both a cost and resource efficient way of managing water. Our sites reuse the water for irrigation, land spreading, cleaning machinery, and horticultural purposes.

To identify and manage potential risks to our operations in areas facing water scarcity, we have carried out a high-level water risk assessment for our Group operations using internationally recognised methodologies to identify sites operating in water-stressed areas. We provide a more detailed picture of water-stress risk in our CDP submission.

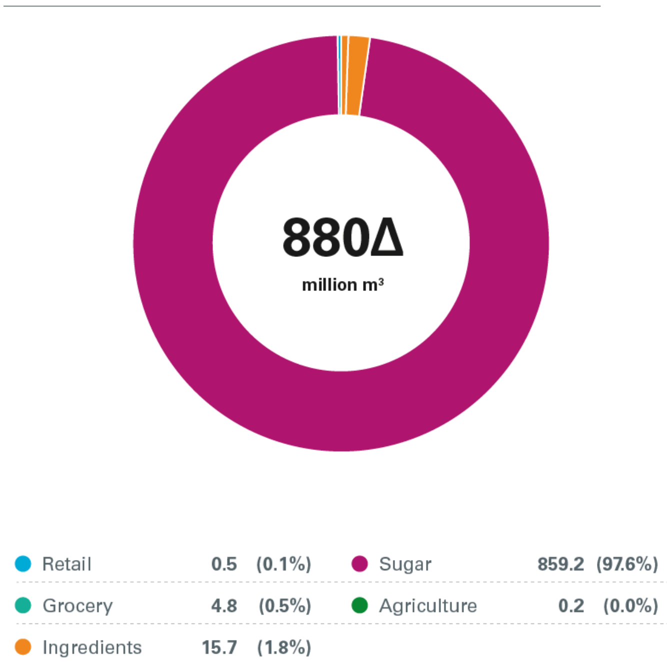
Total water abstracted

(million m^3)



Total water abstracted 2024, by segment

(million m^3)



Water treatment

Our businesses' sites return as much water as possible to the environment by treating the wastewater on-site or by using municipal treatment plants.

Water treatment at AB Mauri is a priority for the Group. The business carefully assesses water risks affecting each of its sites, and manages any water returned to the environment as safely as possible and to meet legal requirements. To support this approach, AB Mauri has built significant in-house capability in water use and wastewater management. Since 2010, it has invested $120m in wastewater treatment. Many of its production facilities have complex on-site effluent treatment plants that include biological processes, evaporators and reverse osmosis membrane systems that can produce reusable water and useful co-products. The selection of

Wastewater treatment at AB Mauri Maya's yeast plant in Bandrima, Turkey technologies addresses the local aquatic sensitivities and water quality objectives. As a minimum, sites equalise their flow so as not to disrupt any downstream municipal processes.

Water in our supply chain

Water is an essential input for clothing and food production. It is used throughout the Group's value chain, at our operations, by independent farmers and in suppliers' processing facilities. Ensuring efficient water use in agriculture has become increasingly crucial, especially under changing climate conditions.

Some of the farm management standards supported by our businesses incorporate water management strategies which aim to address this challenge. For instance, Westmill aims to promote the standards of the Sustainable Rice Platform (SRP) Standard, the Primark Cotton Project trains farmers to reduce water use, and ABF Sugar, through the use of the SAI Platform FSA 3.0 tool, works closely with its growers to enhance water efficiency.

In 2023/24, Primark has developed a 2030 Water Impact and Stewardship Strategy. This strategy aims to enhance water management practices, reduce water footprints, and mitigate adverse effects on hydrological systems, ecosystems, and human health. The strategy includes mapping basin-level risks and evaluating operational water dependencies to identify suppliers and basins most vulnerable to water-related challenge.

Δ EY has provided limited independent assurance over the 2024 metrics. See our data page for the assurance statement.

Waste and packaging

We have a long history of finding ways to make more from less and maximise the use of by-products and co-products from our operations. We believe that waste materials are simply products for which we have not yet found a use. With that in mind, our businesses are implementing practices to reuse, recycle or reduce food, plastic and textile waste.

Pressed sugar beet pulp, which is a by-product from sugar production, and dried animal feed, which British Sugar manufactures from the pulp, Wissington, UK

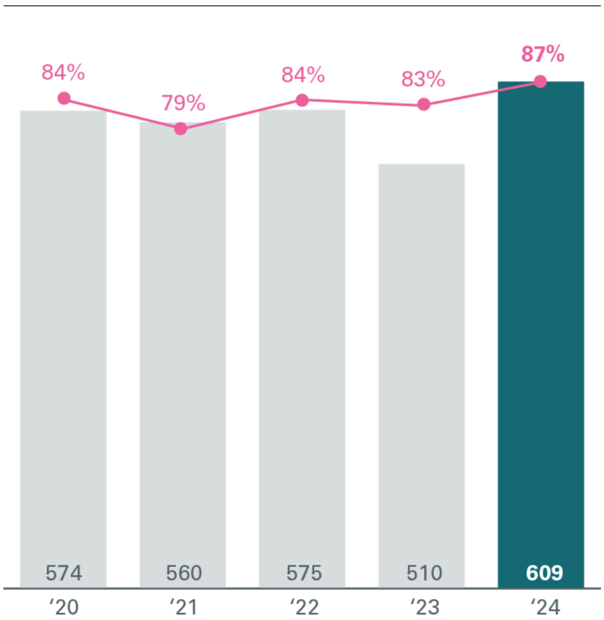
Waste and circularity

Our businesses produce many commercially viable products from sources potentially considered waste. For example, our sugar businesses have become a major supplier of raw materials for animal feed, an important feedstock source for many different sectors, and is a supplier of raffinate and betaine for use in the petrochemical and pharmaceutical sectors.

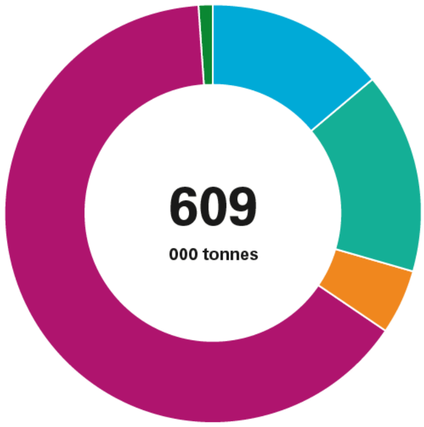
Across the Group, we generated 609 kt of waste in 2024 which is a 19% increase compared with the 510 kt tonnes generated in 2023. This increase is primarily due to our sugar business in Spain operating longer campaigns and processing larger quantities of sugar beet, as well as management of settlement ponds to maintain efficient operations. The soil from the settlement ponds is sent off-site for agricultural purposes as fertiliser and soil conditioning.

Of the total waste generated, 87% was sent for recycling or other beneficial use. In 2023/24, we registered a 9% annual decrease of waste sent to landfill from 88kt to 80kt which reflects the efforts of our businesses to reduce waste streams and find alternative uses for the materials. In 2023/24, 16% of all factories achieved zero waste to landfill and 38% recycled or reused 95% or more of their total generated waste. See our data page for more details on our waste data.

Total waste generated and the percentage sent for recycling or other beneficial use
(000 tonnes)



Total waste generated 2024, by segment
(000 tonnes)



Retail	86	(14%)
Grocery	94	(15%)
Ingredients	31	(5%)
Sugar	392	(64%)
Agriculture	6	(1%)

Our food businesses are highly efficient and aim to avoid products going to waste by donating surpluses to food banks, community groups and charities. Once no longer fit for human consumption, food waste can be used as animal feed or in energy generation.

Some businesses use on-site anaerobic digesters to generate biogas from our waste streams. For example, our sugar businesses in Africa use bagasse, the dry fibrous material that remains after crushing sugar cane as feedstock to generate up to 87% of the annual power requirements of their own factories and to export surplus electricity into national grids.

In Retail, Primark has worked with the Ellen MacArthur Foundation since 2018 as part of its 'Make Fashion Circular' initiative. In 2021, it became a Network Partner of the Foundation and joined its Advisory Board for Fashion. Primark utilised the Foundation's design principles to create its Circular Product Standard, a framework for how it intends to design products now and in the future. Primark has committed to strengthening the durability of its clothes by 2025 and to make more clothes that are recycled by design by 2027. It is focused on scaling circular design in certain categories, creating specific product guidelines and engaging and training colleagues and suppliers on progressing and scaling circular design.

Plastic and packaging

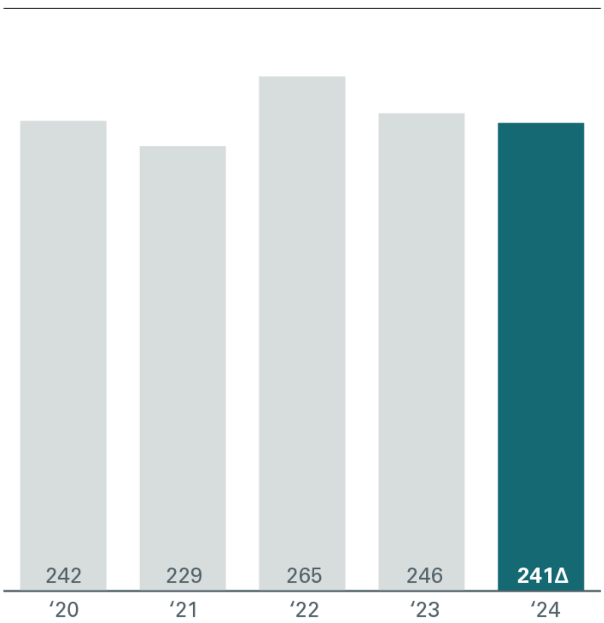
As a leading provider of food, ingredients and clothing, packaging contributes significantly to our groupwide environmental footprint. Paper is the main packaging material used across the Group, followed by plastic and glass. Our businesses also use wood, steel, aluminium and a number of other materials.

Though we fully recognise the harmful effects of plastic waste on ecosystems, plastic currently plays a vital role in both ensuring the safety and quality of products and reducing food waste by extending the shelf life of food. Our challenge is to use plastic materials responsibly and find solutions that balance the needs of our customers and our desire to reduce the impact of plastics on ecosystems. Where viable, our businesses are doing this by removing unnecessary packaging, switching to more easily recyclable types of plastic and increasing the use of recycled content in the plastics we use.

Our businesses also demonstrate their commitment to tackling plastic and packaging challenges by involvement with and support for a number of collaborative industry pacts and programmes, including the WRAP UK Plastics Pact and the Soft Plastic Recycling Scheme in New Zealand.

In 2024, our businesses used 241 kt of packaging compared with 246 kt used in 2023, marking a 2% decrease year-on-year. See our data page for more details on plastic and packaging. Our food businesses have contributed to this decrease by reducing packaging, improving recyclability and replacing plastic with alternative materials such as cardboard. For example, AB World Foods reduced the weight of Patak's glass packaging for a sauce range, eliminating approximately 192 tonnes of glass and 6.1 tonnes of steel. Twinings is removing plastic overwraps across its markets and switching to 100% recyclable paper envelopes on individual tea bags, and 97% of sugar packaging from our sugr businesses in Africa is now recyclable. As one of its main sources of non-clothing waste, product packaging is a priority focus area for Primark. The business has committed to removing all single-use plastic by 2027, and has developed short, medium and long-term packaging roadmaps to achieve this objective.

Quantity of packaging used
(000 tonnes)



Cardboard hangers on Primark's baby clothes range

Δ EY has provided limited independent assurance over the 2024 metrics. See our data page for the assurance statement.

Associated British Foods plc

Food safety and nutrition

Our businesses are united by our purpose to provide safe, nutritious and affordable food. Providing safe food and enabling customers to make healthier choices have both been central to our approach for a long time.

Quality assurance inspection, Allied Mills, Manchester, UK

Food safety

Our food and drink businesses operate quality management systems based on the WHO Codex Alimentarius Hazard Analysis Critical Control Point (HACCP) principles and the Global Food Safety Initiative (GFSI) range of standards, with most retailer-facing businesses required to seek formal GFSI certification, typically via unannounced audit schemes. Additionally, each division, as a minimum, sets and monitors a range of KPIs for each of its sites, including in relation to recalls and withdrawals, incidents and complaints.

These KPIs are reported to the Board on an annual basis, and any themes identified are relayed to the ABF Product Risk Reduction Group for review and resolution. To help navigate the ever-changing legal landscape pertinent to food law, all divisions have access to a food law specialist within the Group legal team.

Each division employs staff at divisional and site level to assure the safety, quality, legality, integrity and authenticity (Vulnerability Assessment and Critical Control Points – VACCP) of both raw materials and

finished products. Raw material approval format is dependent on the risk posed but will typically comprise vendor assessment by audit or questionnaire, supplier certification review and product testing.
At site level, HACCP outcomes and Good Manufacturing Practice determine the scope of quality assurance and quality control regimes. To continually improve site practices, structured Food Safety and Quality Culture programmes are in place. Threat Assessment and Critical Control Points (TACCP) protocols covering supply chains and site activities to counter malicious intent are also in place. All of the above regimes are subject to ongoing verification and validation activities.

Nutrition

Relevant businesses take nutritional factors into account across their product portfolio. Many of our food products already support healthier choices, from high-fibre breakfast cereals, wholemeal bread and crispbreads to specialist sports nutrition products. Product reformulation can also help to gradually shift consumer tastes towards foods that support better long-term nutrition, and our food businesses actively review their portfolios with this in mind.

Making Sense of Sugar is ABF Sugar's global platform for providing access to information based on robust science and helping to find collaborative solutions to health challenges as part of its commitment to thriving and healthy communities. In the UK, it partners with the British Nutrition Foundation and draws from the UK Government's Eatwell Guide to aid consumer understanding. Guidance includes practical suggestions for estimating portion sizes that are easy to follow at home and examples of alternative healthy options to reduce consumption. Consumers are encouraged to engage with and remember these learnings across a number of channels.

The majority of the food products we sell to consumers in Europe, Australia and New Zealand do not contain Genetically Modified (GM) ingredients. We have a Group policy laying out our approach to GM ingredients, including compliance with local regulations on their use and labelling of GM ingredients.

Seven separate ABF brands, including Ryvita, Jordans Cereals and Kingsmill, are among 24 signatories to the UK Food and Drink Federation's Action on Fibre pledge, to increase fibre consumption in the UK. The UK businesses of our Grocery Group, and British Sugar are also members of the British Nutrition Foundation.

In Australia and New Zealand, GWF businesses Tip Top and Yumi's actively participate in the governments' Health Star Rating system, a voluntary front-of-pack labelling system that empowers consumers to make informed choices about the healthiness of their products. The Yumi's brand is committed to displaying the Health Star Rating on its entire range, making it easier for consumers to understand their nutritional value. Tip Top Bakeries was the first bakery brand to adopt the Health Star Rating system in Australia. Today, 100% of Tip Top products display a Health Star Rating, with 95% of its portfolio achieving a Health Star Rating of 3.5 or higher.

Agriculture and farming practices

Our businesses depend on agricultural systems for the majority of the raw materials and ingredients used in our products. Global supply chains need to move towards sustainable farming and crop production, and not just sustainable land use, in order to meet a growing population's need for food and clothing. We therefore recognise the need to support more sustainable farm management practices and address the most material biodiversity-related impacts, risks and opportunities.

A Jordans Farm Partnership farm in Hampshire, UK

We have a strong association with the UK agricultural sector. Globally, we are a significant purchaser of cotton, sugar beet, sugar cane, tea and cereals.

We expect our businesses to go further than legal compliance by continuously considering and implementing activities, voluntary commitments and internationally recognised management systems to reduce their environmental and social impacts and risks.

This encompasses the responsible stewardship of our environment in line with the following requirements as a minimum:

- Group Environment Policy;
- Group Animal Health and Welfare Position Statement; and
- Group Supplier Code of Conduct.

Responsible agriculture, biodiversity and land use

Our businesses support a wide range of social and environmental interventions at the agricultural and farm level. These involve a number of farm management models, including certified organic production, standards to promote wildlife biodiversity, engagement with smallholder growers in developing markets, and adoption of farm management systems built on driving more sustainable farm productivity.

Many of the farm management standards of our businesses align with the core principles of Integrated Farm Management (IFM). They require the incorporation of a range of management practices across a number of designated criteria to improve overall supply chain efficiency and drive more sustainable farm productivity. Requirements typically include the safe handling of agrochemicals, improving soil structure and land management practices to sustain habitats for wildlife biodiversity.
While it is not possible for our businesses to intervene in every farm supply chain linked to our products, collectively we support many farm-focused intervention programmes. The objective of these is to shape management practices to promote systemic commercial, social and environmental resilience for the long term. Science, technology and data are essential to achieving this aim.

ABF Sugar promotes more sustainable farming practices across both sugar beet and sugar cane production, implementing regenerative agriculture approaches in some of its operations. It works with growers across its agricultural supply chains to support access to the necessary expertise for successful sugar cultivation, increasing the resilience of its value chain.

Some of our Grocery businesses source cereals, including wheat, oats and rye, from UK farmers. All the UK wheat sourced by Allied Mills is Red Tractor / TASCC (Trade Assurance Scheme for Combinable Crops) assured, while Jordans Cereals sources its grains through the Jordans Farm Partnership, which offers farmers a premium for their produce in exchange for their commitment to sustainable land management practices. Another Grocery business, Westmill, a leading supplier of food products to the Indian, Chinese and Thai foodservice sectors within the UK, aims to promote the standards of the Sustainable Rice Platform, a multi-stakeholder partnership set up by the United Nations Environment Programme, of which Westmill is a founding member. The UN Sustainable Rice Platform Standard, for example, requires Alternate Wet and Dry farm management techniques to reduce water use and GHG emissions in the rice sector.

Primark launched its Primark Cotton Project in 2013 which aims to equip smallholder farmers with essential knowledge and skills to drive the adoption of more sustainable agriculture practices. These include techniques to improve yields, reduce chemical inputs such as pesticides and fertilisers, and improve farmer incomes. As at the end of July 2024, 309,394 farmers have received training through the Primark Cotton Project.

Across the Group we support the responsible use of precision science and technology to maximise efficiency, reduce GHG emissions and limit biodiversity losses while maintaining commercially productive agricultural outputs. For example, British Sugar is testing the use of autonomous robots to improve sugar beet cultivation. The Robotti robot is being deployed for planting and weeding crops, with the aim to help reduce reliance on chemical treatments, increase yields and enhance quality. British Sugar has also invested in a collaborative project with agriculture biotechnology company Tropic to explore how gene editing can be used to specifically target yellowing viruses.

To address commodity-specific environmental risks, for example in the supply chains for tea, soy and palm oil, several of our businesses use third-party certifications. Certifications from organisations such as the Rainforest Alliance, Fairtrade and the Roundtable for Sustainable Palm Oil (RSPO) support responsible sourcing practices and help reduce potential impacts on biodiversity and forests.

Products and services for efficient farm management

Our businesses supply a range of products and services to the agricultural sector that facilitate efficient farm management and regenerative approaches, such as cover cropping to improve soil structure and water retention. AB Agri is the UK's largest supplier of animal feed and nutrition products to the dairy, poultry and pig sectors, providing a range of technology and consultancy services to promote efficiency.

Supporting customers in achieving more sustainable farm ecosystems has become an essential part of AB Agri's service offering. Its 'Farm Footprints' on-farm carbon footprint assessment service, launched in 2007, helps major international food producers to measure their supply chain emissions. Additionally, AB Agri's dairy consultancy business, Kite Consulting, provides practical guidance on emissions reduction and nutrient conservation to individual farm operations.

Deforestation

Some of our businesses source commodities that are linked with potential risks related to deforestation and biodiversity loss, such as palm oil. ABF has been a member of the RSPO since 2010. We are committed to increasing our use of sustainably sourced palm oil and for 100% of our palm-related ingredients to be sourced through one of the RSPO's four recognised supply chain models.

AB Agri is a division in which the risk of deforestation is particularly material, as the business uses palm oil and soy for its animal feed products. AB Agri has committed that all palm oil and soya usage will be certificated by 2025, supporting zero deforestation responsible sourcing schemes. In the reporting year, 100% of AB Agri's palm oil was RSPO certified using a combination of book and claim and mass balance. For the reporting year, 74% of the soya products AB Agri bought worldwide were certificated to schemes meeting the European Feed Manufacturers' Federation (FEFAC) benchmark for responsibly sourced soya.

AB Agri is an active member of the FEFAC Sustainability Committee (which introduced soya sourcing guidelines in 2015), the Agricultural Industries Confederation Sustainability Committee and the UK Roundtable on Sustainable Soy, all of whom are working on achieving supply chain solutions.

Primark uses man-made cellulosic fibres such as viscose, as well as natural raw materials such as cotton, to make its products. The business also purchases packaging, paper and solid wood, and published its policy for the responsible sourcing of wood and wood-derived fibres in 2022.

A number of our businesses will be impacted by the upcoming EU Deforestation Regulation (EUDR). Those in scope of this regulation are working to address the new requirements, including by working with external bodies, suppliers and customers.

Animal health and welfare

At ABF, we believe in the importance of maintaining appropriate animal health and welfare standards, and the Animal Health and Welfare Position Statement sets out how we expect our businesses to approach this issue.

Within the ABF Group, only AB Agri in Europe and DON in Australia have direct involvement with the farming of animals. Where the farming of animals is or may become relevant to any of our businesses, or when any of them conduct animal feed trials1, we expect their approach to be governed by policies or procedures which are guided by internationally recognised standards such as the Five Domains Model of animal welfare assessment. Many of our businesses purchase ingredients derived from animals, such as eggs and dairy products, or materials derived from animals, such as leather and wool. We expect our businesses to develop their own appropriate animal health and welfare sourcing standards and requirements in relation to the ingredients and materials they source, and to require their suppliers and representatives to comply with those standards and requirements. For more information, find our Animal Health and Welfare Position Statement here.

The small number of our businesses that purchase eggs are either already sourcing from cage-free hens or have a cage-free commitment in progress. In 2022 we made a commitment that by 2025, all our businesses that purchase eggs will be cage-free, except those in Brazil, which will be cage-free by 2028. Learn more about our commitment on cage-free eggs.

1. Animal feed trials refers to nutritional evaluation trials with animals, based on what an animal would be expected to experience either in its natural environment or in a typical domestic or farmed situation.

Associated British Foods plc

Our commitment on cage-free eggs

The small number of our businesses that purchase eggs are either already sourcing cage-free eggs or have a cage-free commitment in progress. In 2022 we made a commitment that by the end of 2025, all our businesses that purchase eggs would be cage-free, except those in Brazil, which would be cage-free by 2028.

Since 2022, our businesses have made progress towards increasing the number of cage-free eggs they purchase, collectively reaching 26% globally in 2023/24. Regionally, by volume, 44% of the eggs purchased in Europe were cage-free, 23% in the Americas and 42% in Australia and New Zealand. Several of our businesses which purchase eggs, including ABF Sugar and Westmill Foods, purchased 100% cage-free eggs in the reporting year. Allied Bakeries and George Weston Foods have increased the volumes of cage-free eggs they buy and are on track to reach the 100% target by the end of 2025.

AB Mauri is a significant purchaser of eggs within the Group. In Europe, AB Mauri businesses have either reached 100% cage-free already or aim to do so by the end of 2025. In the Americas AB Mauri aims to reach 100% cage-free status by 2030. In Brazil, where the cage-free egg industry is less advanced, we are realistic that the transition to 100% cage-free will take significantly longer than initially expected. AB Mauri is now targeting a more realistic 50% cage-free egg purchasing in Brazil by 2028 and 100% by 2030. We are setting these goals but we recognise that unexpected events, such as the current avian flu epidemic, make meeting long-term targets challenging.