

Carbon and climate

We are focusing on taking action today, in line with our ambition of achieving net zero by 2050 or sooner.



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. Several of our businesses have set their own GHG emission reduction commitments.

ABF Sugar, Primark and Twinings Ovaltine each have specific public commitments for reducing their GHG emissions. The reduction targets for these businesses have been validated by the Science Based Targets initiative (SBTi), ensuring they align with the latest climate science. ABF Sugar, Primark and Twinings Ovaltine have published transition plans detailing their strategies for achieving these goals. Achieving our ambition of net zero across the Group will depend on a number of factors that are beyond our control, however, we will aim to deliver on this objective in our businesses while balancing environmental and financial impacts.

Grocery Group UK businesses are signatories to the UK Food and Drink Pact, which outlines an ambitious set of industry-wide targets aligned to the 1.5°C pathway and a commitment to achieve net zero emissions by 2050. These businesses have committed to reduce emissions by 50% across Scope 1, 2, and 3 by 2030 against a 2015 baseline, in line with the UK Food and Drink Pact commitment. In 2025, AB World Foods, also part of Grocery Group, committed to near-term, business-wide emission reductions to 2031 through the Science Based Target Initiative (SBTi), aligned to the 1.5°C pathway.

As climate-related disclosure expectations continue to evolve, our businesses are also preparing to meet emerging regulatory requirements alongside our Group-level TCFD statement. This includes mandatory reporting under Australia's new Climate-Related Financial Disclosure regime, which came into effect on 1 January 2025.

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

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

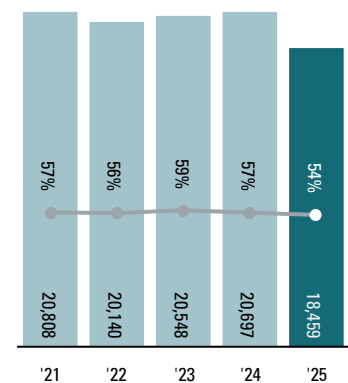
1. improving their understanding and responses to climate-related risks and opportunities;
2. reducing their own GHG emissions (Scope 1 and 2);
3. supporting their suppliers and partners to reduce their GHG emissions (Scope 3); and
4. providing products that help others reduce their GHG emissions.

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



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

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



* Numbers prior to 2025 have been restated to reflect the disposal of AB Sugar China, disposed of in 2024. The adjustment ensures comparability and accuracy in reporting the Group's continuing operations.

Energy and renewables

We remain focused on energy efficiency and transitioning to renewable energy where viable. In 2025 our businesses consumed 18,459 gigawatt hours (GWh) of energy in our operations, which is an 11% decrease compared with last year, largely due to lower production volumes in Sugar and increased efficiencies in our factories.

Of this total energy, 54% was derived from renewable sources, predominantly biomass fuels from by-products generated from production processes. Of the renewable energy we generate, 84% 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.

In 2025 37% of the electricity we bought came from renewable sources, up from 31% last year, with the majority coming from the UK and European renewable energy markets. Some of our businesses also generate and use renewable electricity from site-based solar panels.

Several of our businesses export surplus energy back into national grids. During 2025, 795 GWh of energy generated by our sites was exported, with ABF Sugar contributing 95%.

Scope 1 and 2 GHG emissions

Our Scope 1 and 2 (market-based) GHG emissions decreased by 8% this year, from 2,627kt to 2,410kt of CO₂e. Our Sugar segment is the most significant contributor of Scope 1 and 2 (market-based) GHG emissions within the Group, at 72%. As a result, decreasing the carbon emissions from our Sugar businesses continues to be a priority for the Group.

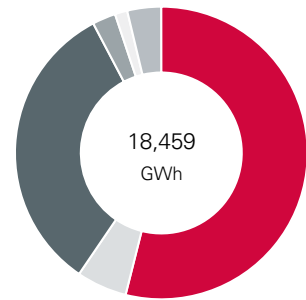
In 2025, Sugar's Scope 1 and 2 (market-based) GHG emissions decreased by 9% compared to the previous year and by 23% against their 2018 baseline by continuously improving how efficiently it produces sugar, investing in new technology, innovating to use less energy and fuel-switching to lower-emission sources.

British Sugar, the largest contributor to the Group's Scope 1 GHG emissions at 715kt CO₂e and 38% of Group, has made significant investment across its sites to reduce GHG emissions. From its 2018 baseline year through to 2025, British Sugar has invested approximately £134m in various initiatives, resulting in a cumulative reduction of above 160 kt of CO₂e. Key initiatives include the energy reduction scheme at its Wissington site, which reduced its annual steam usage by 25%, the recent installation of the Cantley site's new combined heat and power (CHP) plant, 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. In 2025, British Sugar eliminated coal usage in its CHP plants and animal feed combustion operations through fuel switching investments. These efforts have contributed substantially to reducing Scope 1 emissions.

Looking ahead, British Sugar plans to continue its decarbonisation strategy through projects which include a new diffusion heating configuration and evaporator station optimisation at Newark, an animal feed steam drying plant at Wissington and resin separation plant improvements.

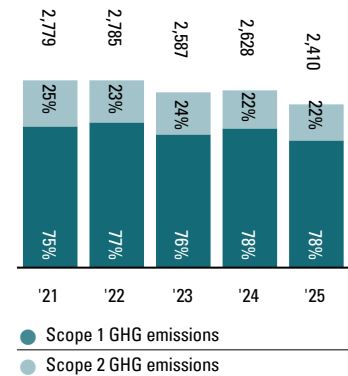
Our Retail and Grocery segments have also reduced their Scope 1 and 2 (market-based) emissions compared with last year, by 39% and 9% respectively. These reductions were driven by reduced energy consumption and increased use of renewable energy sources.

Energy use by source – 2025
(GWh, % of total)

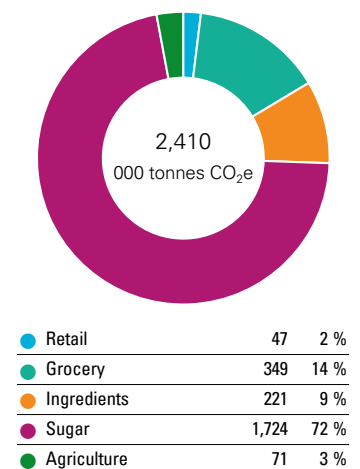


Renewables	9,955	54 %
Electricity – non-renewable source	1,031	6 %
Natural Gas	6,055	33 %
Imported steam	476	3 %
Liquid Fuels	252	1 %
Solid fuels	691	4 %

Scopes 1 and 2 (market-based) GHG emissions*
(000 tonnes CO₂e, % of total)



Scopes 1 and 2 (market-based) GHG emissions by segment – 2025*
(000 tonnes CO₂e, % of Group total)



* Numbers prior to 2025 have been restated to reflect the disposal of AB Sugar China, disposed of in 2024. The adjustment ensures comparability and accuracy in reporting the Group's continuing operations.

Scope 3 GHG emissions

Understanding our 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 in 2025 reported 5,993kt of CO₂e for its Scope 3 emissions, which is a 3% decrease compared with 2024. This represents a 4% decrease against its 2019 baseline. These reductions were achieved through investments in its Environmental Sustainability team, in supplier factory efficiency programmes aimed at supporting GHG emission reductions through targeted training, upskilling, and energy-saving projects and the increased use of primary data. Primark also supports suppliers in switching to renewable energy and requires its key suppliers to set their own carbon reduction targets.

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

Products that help others reduce their GHG emissions

Our businesses provide some products and services that have the potential to assist others in reducing their carbon emissions, often referred to as carbon enablement. This is a key focus for investment and innovation. In particular, ABF Sugar, AB Enzymes and AB Agri help to facilitate the potential reduction of other businesses' emissions.

Carbon and climate – Retail

Reducing its carbon footprint is imperative to Primark meeting its environmental commitments and ensuring it does its part to mitigate the impacts of climate change.



Greenhouse gas (GHG) emissions, energy and renewables

As part of its Primark Cares strategy, Primark has set a target to achieve a 50% reduction in absolute Scope 1, 2 and 3 greenhouse gas (GHG) emissions by 2030, from a 2019 base year.

In addition, the Science Based Targets initiative (SBTi) has validated Primark’s near-term target to reduce absolute Scope 1 and 2 GHG emissions and absolute Scope 3 GHG emissions from purchased goods and services respectively by 50% by 2030 from a 2019 baseline. These targets align with commitments Primark has made through the UNFCCC Fashion Industry Charter for Climate Action (FICCA) and the UK Textiles Pact by WRAP (formerly Textiles 2030).

In 2025, Primark achieved a 4% decrease in emissions across Scope 1, 2 (market-based), and 3 compared to 2024 and a 6% decrease against its 2019 baseline.

For more detail on how Primark aims to achieve its Scope 1, 2 and 3 emissions reduction targets, please see its Transition Plan below.

Scope 1 and 2 GHG emissions, energy and renewables

In 2025, Primark decreased its Scope 1 and 2 market-based GHG emissions by 39% compared to 2024 and by 71% compared with its 2019 baseline. This marks the second consecutive year that these emissions have remained below the threshold of its science-based target. This reduction was achieved mainly in its Scope 2 GHG emissions, through energy efficiency measures in its stores and the procurement of renewable and low-carbon electricity.

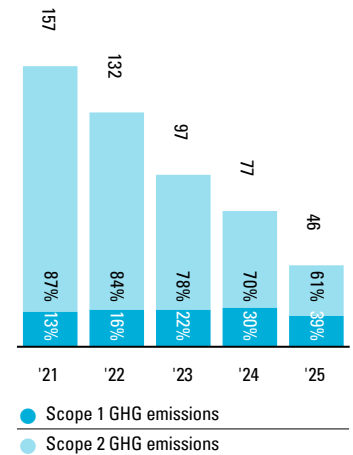
Primark aims to source 100% renewable electricity by 2030, in line with the FICCA. In 2025, 76% of electricity used in Primark operations came from renewable energy sources, up from 64% in the previous year. Most of this electricity was purchased from the grid through renewable energy certificates (RECs) that meet the RE100 criteria. Where possible, Primark is transitioning to power purchase agreements, which help finance new renewable energy capacity. However, this remains challenging in certain regions and may not be possible across its total store estate.



Solar panels on the roof of a Primark supplier factory, Bangladesh

Scope 1 and 2 (market-based) GHG emissions

(000 tonnes of CO₂e, % of total)



Since 2022, Primark has been rolling out a multi-year project to retrofit stores with LED lighting. As of July 2025, the project had covered 323 stores with an average electricity saving of 35% compared to pre-implementation levels. The business continues to identify opportunities to improve energy efficiency and reduce its carbon footprint. A network of Energy Champions operates across its stores, offices and distribution centres to drive energy efficiency. All its stores and distribution centres are certified to ISO 50001 energy management standard.

Scope 3 GHG emissions

Primark is dedicated to minimising the environmental impact of its products throughout the supply chain. Although it does not own manufacturing facilities, Primark works closely with suppliers to align their practices with its environmental goals.

In 2025, Primark’s absolute Scope 3 emissions decreased by 3% compared to 2024 and 4% against its 2019 baseline. Scope 3 emissions from purchased goods and services, which underpin Primark’s science-based target, totalled 4,881tCO₂e in 2025, and decreased by 5% compared to 2024, though these emissions remain 2% above the baseline.

Primark has requested its top 100 suppliers, which together accounted for approximately 79% of its procurement spend for goods for resale in 2025, to set climate targets. This initiative enables Primark to recognise and reward supplier efforts while aiming to accelerate progress for decarbonisation.

To support suppliers in meeting these targets, Primark has been investing in supplier factory efficiency measures through targeted training, upskilling and energy-saving projects under its Primark Resource Efficiency Programme. Delivered in partnership with external consultants, this programme helps suppliers identify opportunities to use energy, water and chemicals more efficiently, reducing both GHG emissions and operating costs across its suppliers’ tier one, two and three factories¹.

Between 2022 and 2025, Primark piloted the programme across 97 factories in Bangladesh, China and India. Recent assessments showed an annual saving of 49,400tCO₂e in GHG emissions and of 822,000 m³ in water usage across 28 participating factories. Building on these results, Primark developed a tailored approach for each factory to maximise efficiency and it is setting long term factory plans for continued progress.

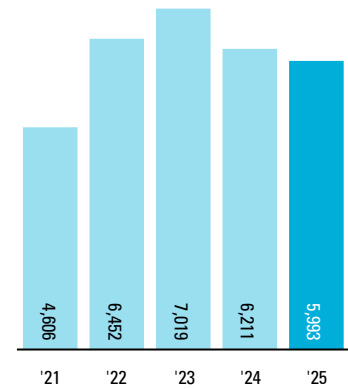
Alongside the work on factory efficiency, Primark is developing initiatives to support suppliers switching to renewable energy. Much of this work focuses on providing suppliers with the information needed to make informed investment decisions and facilitating their participation in third party schemes. For example, in China, Primark partnered with HSBC and the China Climate Fund to sponsor a study under the China National Textile and Apparel Council assessing the feasibility of direct investment into renewable energy projects for textile industry decarbonisation.

Primark is also working to reduce GHG emissions from upstream transportation. The business primarily ships products by sea rather than air, resulting in comparatively lower GHG emissions for the longest leg of transport. Since 2018, Primark has partnered with Maersk to ship its products from factories to depots. Through this partnership, Primark invests in Maersk’s ECO Delivery Ocean product which uses fossil fuel alternatives such as biofuels, which emit approximately 40% less GHG emissions annually than traditional fuel.

In 2025, Primark began working with Maritime Transport in the UK to transition its road freight fuel from diesel to HVO (hydrotreated vegetable oil), which is a lower carbon fuel alternative. During 2025, Primark saved approximately 4,700tCO₂e of Scope 3 emissions in its UK logistics operations.

1. Tier one: factories manufacturing finished goods. Tier two: factories which provide materials and services to Tier one factories. Tier three: producers of raw materials.

Scope 3 GHG emissions
(000 tonnes of CO₂e)



Case study – Retail

Primark's Transition Plan

Governance

A comprehensive governance system has been established at Primark in relation to ESG matters, including the delivery of the commitments related to its Primark Cares strategy (see Strategy, metrics and targets below), which aligns to Primark's transition plan (the "Plan") in the medium term.

There has been no change in this position from last year. The Primark Leadership Team led by the Interim Chief Executive Officer remains responsible and accountable for all decision-making and implementation of the Plan. Effective since the prior reporting year, ESG-associated performance incentives are extended to Primark directors and wider senior leadership. The overall remuneration package includes a percentage tied to ESG performance, including climate. This remuneration element is payable in deferred ABF shares to promote alignment with Primark's commitment to become a more sustainable and circular business. Please refer to Primark's most recent Sustainability and Ethics Progress Report for a more detailed understanding of the ESG governance structure.

Risk management

Over the course of 2025, Primark has launched the development of a climate risk management framework through a cross-functional, multi-stakeholder process that involves representatives of Primark's Leadership Team and wider senior leadership from key areas of the business, as well as the ABF Group. Activities covered:

- a refreshed scenario analysis to assess climate risks across Primark's upstream value chain and own operations, identifying material risks in the relevant time horizons;
- for material risks identified, a review of risk owners and risk controls was initiated to ultimately feed into Primark's risk management process.

Primark plans to continue and expand the above activities into the next financial year.

Strategy, metrics and targets

In 2021, Primark launched its Primark Cares strategy building on the work of its Ethical Trade and Environmental Sustainability ('ETES') programme. Under the strategy, Primark has set out a number of public commitments up to 2030 which are aimed at supporting our transition to a lower-carbon economy¹. As such, in the medium-term Primark's Plan aligns to the Primark Cares strategy. Currently Primark does not include carbon offsets in the Plan. Primark plans to review its ESG strategy in 2026 to make sure it stays focused on the areas where it can make the most meaningful difference.

GHG emissions baseline and targets

Under Primark Cares, the business has set an overarching objective to halve carbon emissions across its value chain by 2030 from a 2019 base year. Within the same timeframe, Primark set Science-Based Targets committing to reduce absolute Scope 1 and 2 GHG emissions¹ by 50% and also reduce absolute Scope 3 GHG emissions from purchased goods and services by 50%. The SBTi has classified Primark's Scope 1 and 2 target ambition as in line with a 1.5-degree trajectory. Under the UNFCCC Fashion Industry Charter for Climate Action ('FICCA'), Primark has pledged to achieve net zero emissions no later than 2050. The organisation is working to define a plan to reach this long-term goal, taking into consideration uncertainties beyond 2030 in technology development and innovation, as well as the political and regulatory global landscape.

Primark's baseline GHG emissions (2019) (tCO₂e, % of total emissions)

Total scope 1, 2 and 3	6.41m
Scope 1 and 2 (location-based)	2.5%
Scope 3	97.5%
Of which:	
Purchased goods and services	76.4%
Capital goods	2.0%
Fuel and energy-related activities	0.6%
Upstream transportation	8.1%
Waste generated in operations	0.1%
Business travel	0.2%
Use of sold products	12.1%
End-of-life treatment of sold products	0.6%

1. As referenced in the TCFD Guidance on Metrics, Targets and Transition Plans.

Case study – Retail

Critical path to 2030

To achieve our 2030 decarbonisation commitments, Primark has developed a critical path aligned with broader business strategy for the same period. The path leverages a series of combined decarbonisation levers to achieve critical reductions in Primark's emissions, focusing on the most material emissions sources for scope 3 as described below.

Supply chain energy procurement and consumption: product manufacturing and related energy consumption represents the biggest contributor to Primark's emissions. However, similar to other clothing retailers, the business does not own any of the factories in its supply chain. To tackle emissions from this source, Primark plans to leverage minimum environmental performance requirements for suppliers and further develop its country-specific programmes. These support key suppliers and factories to improve their energy efficiency performance and transition to renewable energy, for example through on-site energy audits.

Raw materials: extraction of raw materials used in products is the second key contributor to Primark's emissions in the supply chain. Under Primark Cares, the business has pledged:

- to use more regenerative farming practices through its own Primark Cotton Project by 2030;
- that all its clothes will be made from recycled or more sustainably sourced materials by 2030, including cotton from its Primark Cotton Project.

The achievement of the targets above is expected to contribute to the decarbonisation of Primark's material mix.

Distribution mode optimisation and fuel switching: emissions related to transporting goods from suppliers to Primark depots, and from depots to Primark stores, represent the third key contributor to Primark's baseline emissions in the supply chain. Primark already ships most of its products by sea freight, which has a lower environmental impact than air transport.

Primark has launched a partnership with its shipping partner Maersk to use more sustainable fuel alternatives, such as Maersk's Eco Delivery Ocean biofuel, instead of fossil fuel, when shipping Primark products. The biofuel must be certified by a third party to verify that the stated GHG emissions savings are accurate. Once certified, it is blended with conventional fuel and used on Maersk shipping vessels.

Primark's own energy procurement and consumption: emissions from running Primark stores, offices and distribution centres, as well as the corporate fleet, represent a small fraction of Primark's emissions but is also where Primark has the most direct influence and can impact change. Initiatives in this area will continue to focus on energy efficiency improvements, like LED fitting of Primark stores, and scaling low-carbon energy² procurement. Under the UNFCCC FICCA, Primark is committed to secure 100% of electricity from renewable sources with minimal other environmental or social impacts, for owned and operated (Scope 2) emissions by 2030. The business plans to reach this goal in line with RE100³ and GHG Protocol guidelines.

Capital investment

Primark's funding model for the Plan includes various elements. Capital expenditure is allocated to improve the energy efficiency of Primark's assets: for example, the total investment to date in LED retro-fitting of 176 UK stores amounts to approximately £60m. In addition, the company pays a price premium to procure lower impact goods and services, such as raw materials to use in Primark products, and renewable power for stores and transport fuel. For example, to date Primark has invested more than £4m in Maersk's Eco Delivery Ocean biofuel initiative. Lastly, for other initiatives such as supply chain energy procurement and consumption, Primark funds enabling activities, like energy audits.

2. Low-carbon refers to lower carbon dioxide (CO₂) emissions than conventional energy sources. There are four main types of low-carbon energy: wind, solar, hydro or nuclear power.
3. RE100 is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to using 100% renewable electricity.

Case study – Retail

Progress to date

This year, the business saw a 6% reduction in total emissions (market-based) compared to base year and a 3%⁴ reduction compared to previous year. Please refer to pages 63 to 64 of the ABF Annual Report for more detailed commentary.

Target: Halve carbon emissions across our value chain by 2030 from a 2019 base year

KPI		Base Year*	Previous Year*	Current Year*	Current Year vs Baseline	Methodology
Decarbonisation levers		5.2	5.2	5.0	(4)%	We have developed detailed reporting guidance in line with the GHG Protocol, covering estimations, calculation methodologies and assumptions. Annual emission calculations are in scope of EY limited assurance.
Supply chain energy procurement and consumption	Scope 3 emissions from purchased goods and services – Tier 1, 2, 3	3.6	3.8	3.4	(7)%	
Raw materials	Scope 3 emissions from purchased goods and services – Tier 4	0.9	1.0	1.2	37%	
Distribution mode optimisation and fuel switching	Scope 3 emissions from upstream transportation	0.5	0.3	0.3	(39)%	
Primark's energy procurement and consumption	Scope 1 and 2 emissions (market-based)**	0.2	0.1	0.0	(71)%	
Other Scope 3 categories		1.2	1.1	1.1	(13)%	
Total value chain emissions (Scope 1, 2 and 3 market-based)**		6.4	6.3	6.0	(6)%	

* Expressed in mln tCO₂e.

** Scope 2 figures for 2019 to 2022 represent location-based emissions. For the purpose of reporting against targets, Primark has been tracking Scope 2 (market-based) since 2023.

4. Post-publication correction: 4%

Assumptions, uncertainties and challenges

- **Data availability:** as mentioned, the majority of Primark's emissions occur in our wider value chain. Sourcing and collating data on these impacts is evolving as the business progresses its decarbonisation programme and improves data around product traceability. Primark is increasing the amount of data sourced from suppliers, which is incorporated into the scope 3 calculation, but it still also relies on industry average data for many of the impacts assessed as part of this calculation. These data limitations should be considered when reading and interpreting the results and critical path presented above.
- **Supply chain management:** Primark's supply chain is global and complex, and this can affect the success rate and scaling potential of Primark's decarbonisation programme. The business is working to rationalise its supplier base while also tackling supply chain emissions, which might result in progress variability in the immediate term but ultimately will enable more effective deployment of projects and programmes in the medium term.
- **Regulatory landscape:** Primark is aware of the ever-changing complexity of the national, regional and global regulatory landscapes in which it operates. Dedicated personnel across the business, centrally and regionally, monitor the regulatory landscape to incorporate any relevant developments and their impacts into the Plan as and when needed.
- **Innovation gap:** in addition to the decarbonisation levers currently included in this Plan, Primark continues to explore the decarbonisation potential of other initiatives under the Primark Cares strategy, including circular design and extending the durability of our clothes. Moreover, Primark recognises that innovations will be needed to meet its decarbonisation targets, and Primark acknowledges it has a role to play to support the development of these from pilot to scale.

Carbon and climate – Grocery

Our Grocery businesses are addressing the risks associated with climate change by focusing on reducing energy use and emissions while also preparing for regulatory changes.



GHG emissions, energy and renewables

Our Grocery businesses are improving energy efficiency and increasing their use of renewable energy to reduce greenhouse gas emissions and costs.

In 2025, across our Grocery businesses, energy consumption decreased by 10% and Scope 1 and 2 market-based GHG emissions decreased by 9% compared to 2024.

Grocery Group

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


In 2024, AB World Foods committed to near-term, business-wide absolute emission reductions to 2031 through the Science Based Target Initiative (SBTi), aligned to the 1.5°C pathway.

The Grocery Group’s total energy consumption for 2025 was 416GWh, a decrease of 7% compared with 448GWh in 2024. Of the total energy consumed, 10% came from renewable sources. In 2024, the Acetum business in Italy installed 694 photovoltaic panels at the San Felice site, significantly increasing the share of energy generated from renewable sources. The system is expected to produce between 150-200MWh annually, supporting one of the division’s most energy-intensive sites, where vinegar fermenters operate continuously.

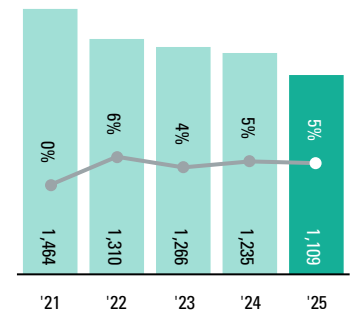
Grocery Group Scope 1 emissions decreased by 19% compared to 2024, primarily due to energy efficiency projects, and total Scope 1 and 2 market-based GHG emissions decreased by 7%.

Grocery Group’s UK businesses achieved a decrease of 50% in their total Scope 1 and 2 market-based GHG emissions compared to the 2015 baseline. These reductions have been driven by operational structure changes, investment in renewable energy and ongoing capital investment in more efficient equipment.

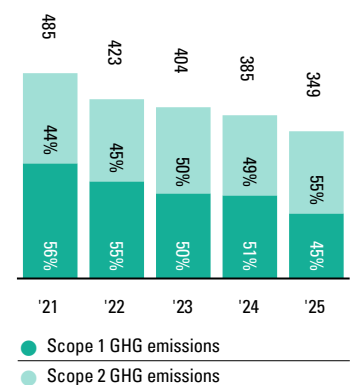
All Grocery Group businesses have started work to map and calculate their Scope 3 emissions.

 Solar panels, George Weston Foods, Australia

Total energy consumed highlighting percentage from a renewable source
(GWh, % of total)



Scope 1 and 2 (market-based) GHG emissions
(000 tonnes of CO₂e, % of total)



Twinnings Ovaltine

Twinnings Ovaltine recognises the risk climate change poses to its business and supply chains and has set near and long-term science-based targets, with a commitment to reach net zero by 2050. These targets and this commitment are in line with limiting global warming to within 1.5°C, and have been validated by the Science Based Targets initiative (SBTi).

Addressing climate change is particularly important for the gardens, farms and communities that grow its raw materials, as extreme weather and natural disasters like heat waves, irregular rainfall, flooding and drought, continue to affect the growing of healthy crops and the livelihoods of communities who rely on them.

In 2025, Twinnings Ovaltine's total energy consumption was 153GWh, reflecting a 4% increase from 2024. Of this total, 7% was sourced from renewable energy sources. The division's Scope 1 and 2 market-based GHG emissions decreased by 3% compared to 2024. This was driven by more efficient use of electricity as well as the purchase of greener electricity.

Twinnings Ovaltine has started work to map and verify its Scope 3 emissions. Further information about Twinnings is available on its Sourced with Care website.

George Weston Foods

George Weston Foods recognises the importance of contributing to the transition to a low-carbon economy and managing its climate risks and impacts. It is also preparing to meet regulatory requirements under Australia's new Climate-Related Financial Disclosure regime, which came into effect on 1 January 2025.

In 2025, Scope 1 and 2 market-based GHG emissions totalled 179kt CO₂e, a 1% decrease from the previous year. This reduction was driven by site-level energy efficiency initiatives and equipment upgrades implemented across the division, as well as an increase in use of renewable energy.

Tip Top continues to install solar arrays at its bakeries across Australia. The business has already installed solar panels at its Townsville, Bendigo, Dry Creek, Carrara, and Chullora bakeries. In New Zealand, Tip Top has replaced gas ovens with new electric ovens in its gluten-free bakery, resulting in a 64% reduction in CO₂ emissions for bread production.

ACH

ACH's total energy consumption for 2025 was 14GWh and the business reported 5kt of Scope 1 and 2 market-based GHG emissions.

Case study – Grocery



Twinnings Ovaltine SBTi validated target

Overall net-zero target

Twinnings Ovaltine commits to reach net-zero greenhouse gas emissions across the value chain by 2050.

Near-term targets

Energy & Industry: Twinnings Ovaltine commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2020 base year. Twinnings Ovaltine also commits to reduce absolute Scope 3 GHG emissions by 42% within the same timeframe.

FLAG: Twinnings Ovaltine commits to reduce absolute Forest, Land and Agriculture (FLAG) Scope 3 GHG emissions by 30.3% by 2030 from a 2020 base year*. Twinnings Ovaltine commits to no deforestation across its primary deforestation-linked commodities, with a target date of 31 December 2025.

Long-term targets

Energy & Industry: Twinnings Ovaltine commits to reduce absolute Scope 1 and 2 GHG emissions by 90% by 2050 from a 2020 base year. Twinnings Ovaltine also commits to reduce absolute Scope 3 GHG emissions by 90% within the same timeframe.

FLAG*: Twinnings Ovaltine commits to reduce absolute FLAG Scope 3 GHG emissions by 72% by 2050 from a 2020 base year*.

* Target includes FLAG emissions and removals.



Solar panels on the roof at the Twinnings manufacturing facility in Swarzędz, Poland



AB World Foods SBTi validated target

Near-term targets

Energy & Industry: AB World Foods commits to reduce absolute Scope 1 and 2 GHG emissions by 46.2% by 2031 from a 2021 base year. AB World Foods also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services, fuel and energy-related activities, and upstream transportation and distribution by 27.5% within the same timeframe.

FLAG: AB World Foods commits to reduce absolute Scope 3 Forest, Land and Agriculture (FLAG) GHG emissions by 33.3% by 2031 from a 2021 base year*. AB World Foods also commits to no deforestation across its primary deforestation-linked commodities with a target date of 31 December 2025.

* Target includes FLAG emissions and removals.



Blue Dragon Original Sweet Chili Sauce produced by AB World Foods

Case study – Grocery

Twinnings Ovaltine Transition Plan

Governance

The overall accountability for Twinnings Ovaltine's transition plan lies with the Twinnings Ovaltine Chief Executive and the Chief Financial Officer. Implementation is the responsibility of the Environmental Steering Committee, a cross-functional project management team including the five business leaders who represent the five main contributors to Twinnings Ovaltine's carbon emissions: its manufacturing facilities, packaging, logistics, tea, herbs and the raw materials and ingredients for Ovaltine.

Individuals responsible for delivering the ESG strategy are incentivised through their annual personal objectives and contributions.

Risk Management

Twinnings Ovaltine meets periodically with ABF to discuss material climate-related topics. The Twinnings Ovaltine Chief Executive and Chief Financial Officer are responsible for effective risk management of climate-related risks, opportunities, overall strategy and transition plans.

To ensure oversight and progress against plans, the business has a formal governance process for managing ESG risk through quarterly ESG Governance meetings, supported by outputs of the Environmental Steering Committee. The business leaders who are accountable for identifying, assessing and managing risks to deliver the transition plan, form part of the Environmental Steering Committee and attend its quarterly meetings.

These meetings focus on the implementation of the climate-related strategy and are a formal opportunity to discuss progress and challenges. This provides a forum to raise concerns around pertinent emerging climate-related risks, identified and assessed through horizon scanning, salient risk reviews, third-party research and insights, and internal expertise, particularly from procurement.

In 2022, the Group impact of climate risks relating to Twinnings Ovaltine was assessed as being low by the ABF centre following scenario analysis performed in line with TCFD guidelines. In 2025, Twinnings Ovaltine completed a double materiality assessment, in line with the European Sustainability Reporting Standards, for several companies and their value chains, which confirmed that climate change is a material risk at the individual company level. No new material climate impacts and risks were identified in the process. Financial materiality risk assessment, including new legislation or taxes, are completed locally every quarter and built into the overall business risk review.

Strategy, metrics and targets

Addressing climate change is a key pillar of Twinnings Ovaltine's ESG strategy. The SBTi has approved and independently validated Twinnings Ovaltine's near-and long-term science-based emissions targets and the business' commitment to achieve net zero across its value chain by 2050. It has also validated the near-term commitment to an absolute reduction in their Scope 1 and 2 GHG emissions of 42% by 2030.

To achieve its Scope 1 and 2 commitment, Twinnings Ovaltine has categorised its plans and projects into three focus areas of renewable energy sourcing, energy usage reduction and energy shifts through technology.

Case study – Grocery

Emissions reduction plan

Looking forward there are several projects that Twinings Ovaltine has in the pipeline as shown in the figure below.

IMPACT FROM TODAY

Completed or in implementation

- Renewable energy sourcing: photovoltaic panels installation, purchase renewably generated energy
- Energy reduction: tri-generation system, energy and building management systems, air compressor and boiler improvements
- Energy shift: manufacturing improvements

MOVING TOWARDS 2030

Planning and scoping

- Renewable energy sourcing: photovoltaic panel further phases, purchase renewably generated energy
- Energy reduction: heat recovery, energy management systems

BEYOND 2030

New technology

- Renewable energy sourcing
- Energy reduction: manufacturing technologies

Progress to target

Twinings Ovaltine's Scope 1 and 2 emissions represent 2% of total Group emissions. Since its baseline financial year 2020, Twinings Ovaltine has implemented projects to achieve a 21% reduction, 50% of its 2030 target. Investment in transition projects to date are £10.4m, through:

Renewable energy sourcing:

- Photovoltaic panel installation in the largest three of six main sites
- Renewable energy sourcing in Switzerland, Poland, Australia and the UK

Energy reduction:

- Energy management system in China
- Building management system in the UK
- Tri-generation system in Poland
- Air-compressor optimisation in Poland and Australia
- Boiler upgrades in China

Energy shift:

- Manufacturing improvements in Thailand to reduce steam usage, shifting to supply of lower CO₂ energy supply



Solar panels on the roof at the Twinings manufacturing facility in Swarzędz, Poland

Case study – Grocery

Projects supporting carbon reduction towards 2030 target

Project	Renewable Energy: photovoltaic panels in the manufacturing facilities (Phase 1, 2, 3)	Energy Reduction: Tri-generation	Energy Shift: System technology change	Energy Reduction: Energy management systems	Renewable Energy: Purchased energy from renewably generated sources	Energy Reduction: LED light bulbs
GHG improvement Sites	6%	5%	8%	2%	8%	< 1%
	UK, Poland, Thailand, Switzerland and Australia	Poland	Thailand	China and the UK	Switzerland, Poland and Australia	Poland, the UK Thailand and Switzerland
Start year	2023	2022	2024	2023	2024	2024
Description	Installation of photovoltaic system for solar energy generation onto site roofing across all major production sites	Installation of turbines producing electricity from natural gas, which is less carbon intensive than fossil fuels	Technology and equipment change in key production stages to remove steam usage and improve use of condensers, shifting from LPG to lower CO ₂ energy source	Technology and equipment measuring real time data to support improved building energy management and performance (data on energy intake and CO ₂ emission)	Shifting energy provider to renewably generated sources. Switzerland shifted to hydropower in 2024, expected 3% savings. Poland wind power and Australia shifted late 2025	Essential replacement of light bulbs in the manufacturing facilities combined with installation of movement sensors to reduce unnecessary energy usage
Total tCO₂e savings (annual)	2808	2430	3973	1022	3871	No visible CO ₂ benefits
Underlying uncertainties, challenges and assumptions	Risk – Weather reliance on solar energy source. Expected savings based on analysis at time of implementation, subject to production volume and weather fluctuations each year. These changes will be assessed with actual consumption tracking each year	Risk in the increased exposure to natural gas prices. Opportunities are in alternative fuel use for higher efficiency	Expected savings based on production process and volumes at time of implementation	Real-time monitoring enables early identification of issues, resulting in increased efficiencies (e.g. identifying equipment failures through the system to prevent water wastage and gas leakage). Ongoing monitoring by a qualified production and energy management team	Cost of renewable energy fluctuates depending on renewable generation variability and seasonal demand	
Progress to date (narrative)	Completed phases 1 and 2. Phase 3 in progress	Completed	Completed	Completed	Completed in Switzerland, Poland and Australia. The UK is in progress	Completed in Poland, the UK and Thailand; in delivery in Switzerland
Project close out date	September 2026	October 2023	May 2025	February 2024	December 2025	December 2025

Carbon and climate – Ingredients

AB Mauri and ABFI recognise that climate change poses risks to their operations and supply chains, while the transition to a low-carbon economy brings potential opportunities.



GHG emissions, energy and renewables

AB Mauri and ABFI are looking to improve the efficiency and resilience of their operations by producing more, while using less energy and switching to renewable energy sources. They also seek to help customers reduce their GHG emissions.

In 2025, the Ingredients businesses consumed 1,238GWh of energy, a 7% increase compared to 2024, driven largely by higher production volumes. Scope 1 and 2 (market-based) GHG emissions increased by 5% compared with 2024, reflecting the energy demand associated with operational growth. Of the total energy consumed, 27% came from renewable energy sources including biogas, wood and on-site solar generation. Six sites within the Ingredients segment operate on-site solar installations, accounting for 13% of the total self-generated renewable energy across the ABF Group.

AB Mauri

AB Mauri's approach to GHG emissions is governed by its Environment Policy, which requires its businesses to identify opportunities to reduce GHG emissions and share best practice across the division. While AB Mauri does not have division-wide GHG targets, all its businesses are required to assess the carbon impact of major capital investments, specifically those affecting Scope 1 or 2 emissions, as part of the investment approval process.

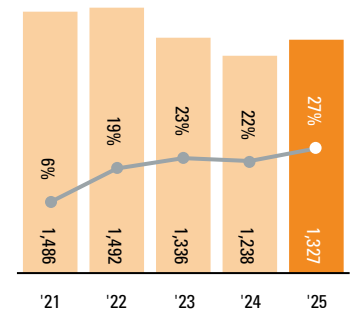
To support this, AB Mauri has developed an internal tool to forecast GHG emissions through to 2030. It uses five-year capital plans to model the impact of initiatives on emission levels, changes in production volumes and shifts in electricity grid carbon intensity where data is available. Results are reviewed twice a year by the global leadership team, led by the Head of Environment and regional managing directors.

In 2025, AB Mauri used 1,048GWh of energy, a 2% increase compared to 2024. The increase is less than the increase in production, due to energy savings projects across its businesses. Renewable energy sources, including biogas, wood and on-site solar, accounted for 27% of the total energy consumed, an increase compared to 24% in the previous year. Scope 1 and 2 GHG emissions increased by 4% compared with 2024. This is largely due to increased production volumes.

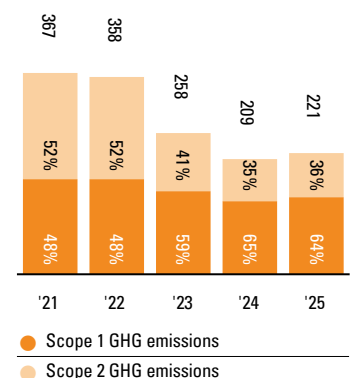


The anaerobic digestion facility at AB Mauri's yeast plant in Hull, UK

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



Scope 1 and 2 (market-based) GHG emissions (000 tonnes of CO₂e, % of total)



AB Mauri focuses on reducing energy use and GHG emissions by investing in energy efficiency and increasing the use of renewable energy. Sites have access to a wealth of energy efficiency tools and a shared database of proven carbon reduction initiatives from across the division. A network of regional Energy Champions, with engineering and operational expertise, helps evaluate and implement the most impactful technologies.

Opportunities already identified to reduce both GHG emissions and costs have been successfully implemented at several sites, including on-site renewable energy generation, long-term power purchase agreements with renewable energy suppliers and a range of energy efficiency upgrades. These will be further expanded across the businesses.

During 2025, a number of AB Mauri sites purchased renewable energy from external suppliers, with manufacturing sites in Brazil, Colombia and Spain all using 100% renewable electricity. AB Mauri businesses in Mexico and India purchased approximately 87% and 56% renewable electricity respectively, as a percentage of their total electricity consumption during 2025. AB Mauri sites in Argentina now purchase 38% of their electricity directly from a renewable supplier. Five sites in Italy, Spain, the US and Mexico also have on-site solar installations. At six of AB Mauri's yeast plants, biogas created from biological waste water treatment is turned into a source of heat and/or power for operations where feasible.

AB Mauri has undertaken a number of projects to decarbonise operations across its businesses and geographies. Its yeast plants are focused on energy efficiency, in particular advanced fermentation aeration technology, new highly efficient natural gas boilers, steam distribution optimisation and new heat recovery technologies. In 2025, its plant in Casteggio, Italy introduced a new heat recovery setup to pre-heat process air in one of its yeast driers by recovering heat from exhaust gases, reducing steam production needs and natural gas consumption. This initiative, part of a long-term strategy to improve energy efficiency, is expected to reduce GHG emissions by over 400tCO₂e per year.

In addition, AB Mauri's LaSalle plant in Canada has successfully completed an upgrade of a ventilation system for its dryers' area. The new installation draws pre-heated air from within the dryer building to feed the dryers themselves. As a result, the plant has reduced its natural gas consumption, leading to a reduction in GHG emissions by 259tCO₂e per year.

In 2025, AB Mauri has started work to map and calculate its Scope 3 emissions.

ABFI

ABFI's approach to energy management, GHG emission reduction and renewable energy transition is guided by its Environmental Policy, which promotes energy efficiency and continual efforts to minimise environmental impacts.

In 2025, ABFI consumed 279GWh of total energy and reported 44kt Scope 1 and 2 market-based GHG emissions. Of the total energy used, 24% came from renewable sources, up from 11% in the previous year.

While there is no ABFI target for GHG emissions reduction, each business develops its own roadmap to reduce energy consumption and emissions, tailored to its operations, supply chain and local context. Its businesses are also promoting awareness and education with employees on decarbonisation. The transition to renewable energy is progressing across the division, with four sites operating entirely on renewable electricity.

At its Hamburg site in Germany, Ohly has transitioned from natural gas to renewable electricity and invested in new fermentation and spray drying facilities. These investments continue to improve efficiency in manufacturing processes through lowering thermal energy usage, reducing packaging use and water consumption. The site has also introduced electric vehicle and bicycle charging infrastructure to support low-carbon commuting.

AB Enzymes has implemented a heat recovery system at its Finland facility, capturing waste heat for use in heating and hot water. This initiative has reduced steam consumption by 9,500MWh and avoided approximately 380tCO₂e a year. The site also sources its electricity from wind power, supported by certified Renewable Energy Guarantees of Origin under the European Energy Certificate System.

In 2025, some of the businesses in ABFI have started work to map and calculate their Scope 3 emissions.

Carbon enablement

Some Ingredients businesses provide products and services that have the potential to assist others in reducing their carbon emissions, often referred to as carbon enablement. Carbon enablement is integral to these businesses' customer proposition and a key focus for investment and innovation.

AB Enzymes, an industrial biotech business that specialises in the development of enzymes used in multiple industries for various applications, has enablement at the core of its purpose. Enzymes are biological catalysts that accelerate biochemical reactions, making them a very effective alternative to petrochemical-based products.

AB Enzymes has developed a number of innovative products such as ECOPULP® that enable emissions reductions in comparison to using traditional products, with no impact on product performance.

Case study – Ingredients



Helping customers with climate change resilience

AB Mauri is developing solutions which aim to help its customers adapt to the challenges posed by climate change. A key example of this effort is the development of yeast strains for bioethanol production that can perform efficiently at higher temperatures. Fermentation typically takes place in temperatures between 30-34°C.

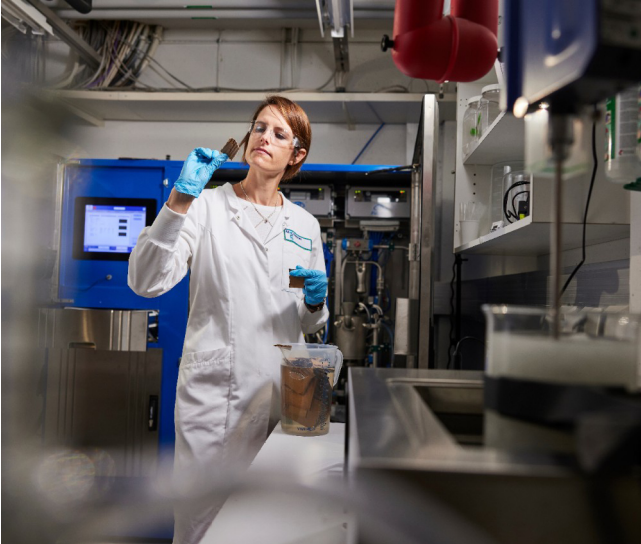
Temperatures higher than this can cause heat stress to yeast cells, which reduces fermentation efficiency and impacts overall yield (i.e. the amount of bioethanol produced for a given quantity of input). As ambient summer temperatures rise with climate change, bioethanol producers require increasing amounts of energy to cool the fermentation process to ensure decent yields.

To address this issue, AB Mauri has launched a new product called Summit Olympus in Europe, India and other markets which operates at higher temperatures, reducing costs for cooling compared with traditional methods while maintaining optimal yields.



An AB Mauri colleague at the Global Strain Development Centre in St. Louis, United States

Case study – Ingredients



Enzyme carbon enablement ECOPULP®

The pulp and paper industry faces numerous challenges in resource usage and efficiency, as well as reducing emissions. Cellulase enzymes, including AB Enzymes' ECOPULP®, are seen as part of the solution to these and many other challenges.

Cellulase enzymes are responsible for the degradation of cellulose structures, which are a major component of plant cell walls and thus wood pulp, the primary material in paper making. Cellulase enzymes impact paper and pulp milling in three key ways:

- fibre modification: cellulase enzymes can help modify the cellulose fibres in wood pulp, allowing for efficiency in the mechanical refining processes;
- reduced refining time: by breaking down cellulose fibres, cellulase enzymes may reduce the time needed for refining; and
- improved drainage: cellulase enzymes may improve the drainage of water from the pulp during the refining process, meaning less energy is needed for water removal and drying processes.

Findings show that the addition of AB Enzymes' ECOPULP® cellulase enzymes to non-integrated paper mill production over a 72-hour period had immediate production benefits. This included a 20% reduction in the refining energy required, which equates to a potential emissions reduction of 15.6kg CO₂e/kWh for one tonne of enzyme-treated pulp compared to untreated pulp in a paper refining process¹.

1. AB Enzymes' calculations focus on the potential emission savings from reduced energy consumption. Based on real-time experience, the business observed an average energy saving of 20% after using its enzyme in refining processes in a paper mill. AB Enzymes then looked into the country specific average CO₂e emissions for a given year which depends on the energy mix of the country. Taking this number for the European market AB Enzymes could equate a potential carbon saving of 15.6kg CO₂e /kWh for one tonne of enzyme-treated pulp compared to unrelated pulp in a paper refining process.



Lab colleague testing enzymes for pulp and paper at AB Enzymes, Finland

Enzyme carbon enablement – BIOTOUCH® and ECOSTONE®

Enzymes are biological catalysts that accelerate biochemical reactions, making them a very effective alternative to petrochemical-based products. AB Enzymes has developed a number of innovative products that enable emissions reductions with no impact on product performance.

For example, BIOTOUCH® is a washing powder incorporating a specialist enzyme developed by the business, that allows the average washing temperature to be decreased by 13°C. This can potentially lower electricity consumption by about 260kWh or 120kg of CO₂e per 1,000 washes¹.

Another product, ECOSTONE®, reduces the water temperature needed for biopolishing cotton textiles, a process that cleans the surface and removes fluff, from 50°C to 30°C. This can result in energy savings of approximately 350kWh or 360kg of CO₂e for every tonne of cotton processed, a significant reduction given the carbon intensive nature of textile processing².



1. Calculations are based on the emissions saving from the reduced energy consumption when using an average detergent and washing machine type with 164 cycles per household in Central Europe. The use of the enzyme results in an average reduction of 13°C in washing temperature compared to when using an average detergent, which equates to a reduction of 258kWh electricity and 119kg avoided emissions per 1,000 washing cycles.
2. Calculations are based on the emissions savings from the reduced energy consumption in the South East Asia region, which is the largest cotton producing region. The use of the enzymes results in an average reduction of 20°C in water temperature, which equates to a reduction of 350kWh and 360 kg avoided emissions for every tonne of fabric processed compared to untreated biopolishing processes.



Testing of washing liquid made using enzymes that enable effective washing at cooler temperatures, Finland

Carbon and climate – Sugar

ABF Sugar aims to reach net zero greenhouse gas emissions across its entire value chain by 2050.



Climate change is affecting ABF Sugar, with changing weather patterns, extreme events and an increasing lack of water security. To address these challenges, the division is seeking solutions to reduce its carbon footprint, understand its GHG emissions across Scope 1, 2 and 3, and drive innovation in agriculture, transportation and its manufacturing sites.

GHG emissions, energy and renewables

ABF Sugar aims to reach net zero greenhouse gas emissions across its entire value chain by 2050. To reach this goal, it has set ambitious targets to reduce Scope 1, 2 and 3 and FLAG (Forest, Land and Agriculture) GHG emissions by 2030. These targets, including its net zero commitment, have been validated by the Science Based Targets initiative (SBTi).

Each ABF Sugar business has developed a carbon reduction plan as part of its five-year strategy. Progress is monitored through the ABF Sugar decarbonisation dashboard, which consolidates all the plans and aligns them with the science-based targets that have been set. The dashboard enables teams to focus on priority areas, monitor progress and make informed decisions on resource allocation and capital investment in each business.

ABF Sugar consumed 15,340GWh of energy in 2025, a 13% reduction compared to 2024, largely due to lower production volumes in some businesses and increased efficiencies across its factories. Of this total energy, 60% came from renewable sources, primarily from bagasse, the plant-based fibre that remains after the juice is extracted from crushed sugar cane stalks.

ABF Sugar remains focused on reducing Scope 1 and 2 market-based GHG emissions, achieving a 23% decrease against its 2018 baseline. British Sugar, the largest contributor to ABF Sugar's Scope 1 and 2 GHG emissions, has reduced its Scope 1 and 2 market-based GHG emissions by 31% from the 2018 baseline year.

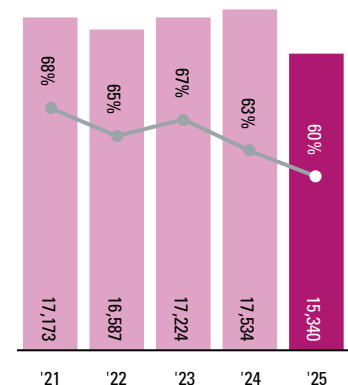
In 2025, ABF Sugar's Scope 1 and 2 market-based GHG emissions decreased by 9% compared to the previous year. Overall efficiency management and innovation across its businesses have contributed to the reduction.

ABF Sugar is continuing to work on projects to support the transition to a low-carbon economy, focusing on energy efficiency, switching to renewable energy and implementing process improvements. Initiatives that have already been implemented include mechanical cane harvesting, heat recovery, steam reduction and renewable energy power purchase agreements. Further action will focus on efficient drying processes, fuel switches and implementation of new farming systems. Beyond 2030, ABF Sugar plans to explore hydrogen use and further develop biomethane production, electrification and anaerobic digestion technologies.



British Sugar engineers with the boilers for the animal feed dryers at our factory in Wissington, UK.

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



* Numbers prior to 2025 have been restated to reflect the disposal of AB Sugar China, disposed of in 2024. The adjustment ensures comparability and accuracy in reporting the Group's continuing operations.

Combined heat and power (CHP) plants are used across many of ABF Sugar's sites to provide the necessary steam and electricity required throughout the sugar-making process. By efficiently generating its own heat and electrical energy, the business is reducing its GHG emissions and impact on the environment. The surplus electricity produced is fed back to the national grids in the UK, Spain and Eswatini.

British Sugar (UK), Azucarera (Spain), and Illovo South Africa are businesses critical to delivery of ABF Sugar's carbon reduction targets. A crucial component of ABF Sugar's decarbonisation strategy is supporting these businesses in transitioning from fossil fuels to lower-carbon alternatives. ABF Sugar's other African operations primarily use bagasse as their main energy source.

British Sugar has reduced its Scope 1 emissions by 30% from the 2018 baseline. This reduction has been achieved through a series of targeted initiatives. At its Wissington site, the energy reduction scheme commissioned for the 2024 sugar beet campaign reduced steam demand by 25% in its first year. The business has also eliminated coal as a fuel source and installed a new CHP plant at Cantley. At Bury St Edmunds, an energy reduction project aims to cut CO₂e emissions by 20,000 tonnes a year. In addition, ongoing investments in pulp pressing improvement processes are being implemented across multiple sites.

At Azucarera's Jerez site in Spain, the installation of two second-hand pre-scalders and the implementation of a refurbished evaporator in 2024 have resulted in a reduction in the factory's energy consumption. The new evaporation configuration is designed to positively impact the heating steam system for several heat exchangers. This setup enables a 5% reduction in steam demand, leading to lower natural gas consumption and CO₂ emissions, as well as reduced pulp losses.

Illovo South Africa has implemented a series of projects to decrease its carbon emissions, focused primarily on improving plant reliability and efficiency, and as a result reducing the instances of interrupting operations, which negatively impacts its performance. The Sezela and Noodsberg factories have reduced coal use in boilers by optimising the use of bagasse, steam usage and operational efficiencies. Projects at the Noodsberg Mill and Eston Mill have driven approximately 30kt of carbon savings. Its five-year plan includes a coal-reduction roadmap to further reduce coal usage, with projects focusing on the modification of boilers, new technologies deployed and further efficiencies on steam usage.

Scope 1 and 3 GHG emissions from forest, land and agriculture (FLAG)

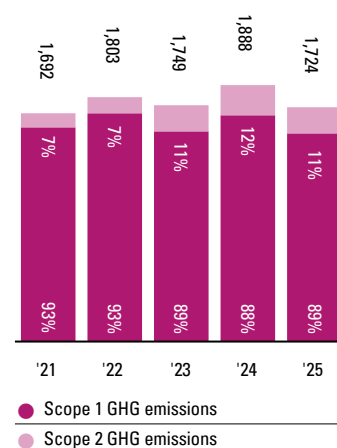
As part of its science-based targets, ABF Sugar has developed targets covering Scope 1 and Scope 3 emissions from forest, land and agriculture activities. It is also developing plans at business unit level and gaining a deeper understanding of the emissions factors linked to its agriculture activities.

As the sugar industry faces the effects of climate change, ABF Sugar is focusing on building resilience at its own estates and with its farming partners. The aim is to maintain yields and improve them in the medium term where possible.

ABF Sugar has identified synthetic nitrogen fertilizer and field movements as the two highest sources of emissions within its agricultural operations and supply chain. Given that maximising yield is central to ABF Sugar's agricultural strategy, reducing GHG emissions from these areas is a priority to support its ambition to maintain and improve yields. For instance, minimising field movements preserves soil structure, enhances water retention, improves air circulation and boosts organic matter, all of which contribute to better yields. Proper application of synthetic nitrogen at optimal times in the growing cycle is essential for maintaining or increasing yields.

In addition to fertiliser management and field movements, other factors affecting yield include moisture management (irrigation scheduling), timing of operations, planting at the right time, crop management and integrated pest management. Efficient use of land through best practices that maximise yields is vital for maintaining the current land footprint while expanding high-yielding crops using more sustainable and regenerative agricultural principles.

Scope 1 and 2 (market-based) GHG emissions*
(000 tonnes of CO₂e, % of total)



* Numbers prior to 2025 have been restated to reflect the disposal of AB Sugar China, disposed of in 2024. The adjustment ensures comparability and accuracy in reporting the Group's continuing operations.

Case study – Sugar



ABF Sugar's SBTi-validated target

Overall net-zero target

ABF Sugar commits to reach net-zero greenhouse gas emissions (GHG) across the value chain by 2050.

Near-term targets

Energy and Industrial

- ABF Sugar commits to a 52% reduction in absolute Scope 1 and 2 GHG emissions by 2030 from a 2018 base year*.
- ABF Sugar also commits to a 30% reduction in absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel-and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and downstream transportation and distribution within the same timeframe.

* The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Forest, Land and Agriculture (FLAG)

- ABF Sugar commits to reduce absolute Scope 1, 2 and 3 FLAG GHG emissions by 36.4% by 2030 from a 2018 base year*.
- ABF Sugar also commits to maintain no deforestation across its primary deforestation-linked commodities.

* The target includes FLAG emissions and removals.

Long-term targets

Energy and Industrial

- ABF Sugar commits to reduce absolute Scope 1 and 2 GHG emissions by 90% by 2050 from a 2018 base year*.
- ABF Sugar also commits to reduce absolute Scope 3 GHG emissions by 90% from purchased goods and services, capital goods, fuel-and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and downstream transportation and distribution within the same timeframe.

* The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Forest, Land and Agriculture (FLAG)

- ABF Sugar commits to reduce absolute Scope 1 and 2 FLAG GHG emissions by 90% by 2050 from a 2018 base year*.
- ABF Sugar also commits to reduce absolute Scope 3 FLAG GHG emissions by 72% by 2050 from a 2018 base year*.

* The target includes FLAG emissions and removals.



One of our Azucarera employees demonstrating the Visor crop monitoring platform to a sugar beet farmer on his farm, Spain

Case study – Sugar

ABF Sugar’s transition plan

ABF Sugar has SBTi-validated targets, designed to articulate its intended progress towards reducing its Scope 1, 2 and 3 emissions. These targets, in combination with the other elements of this transition plan, create a roadmap for managing the business going forward.

Governance

The ABF Sugar Chief Executive and business unit managing directors continue to be responsible and accountable for overseeing climate-related risks, opportunities, overall strategy and transition plans. Please refer to its website for a more detailed understanding of its governance process.

The ABF Sugar Results Delivery Office (RDO) continues to measure carbon savings and categorise projects related to all ESG areas to ensure plans will be delivered and savings captured. All ABF Sugar businesses have access to a central system that provides up-to-date carbon information to track targets and define savings which is used to manage projects.

In 2025, ABF Sugar has established an ESG Committee to monitor business performance on all ESG matters including climate change and SBTi targets.

Risk management

The ABF Sugar risk management process has remained consistent with prior year. Each business within ABF Sugar develops action plans to respond to the climate-related risks and opportunities that apply to them. All plans and projects have passed through a well-established governance process that examines each performance improvement proposal against internal rate of return criteria and ESG and climate factors. These plans are then approved by the ABF Sugar Chief Executive and business unit managing directors.

Strategy, metrics and targets

In working towards reducing greenhouse gas emissions (GHG) for Scope 1 and 2, ABF Sugar has categorised its proposed plans and projects into three focuses.

Immediate term: Focusing on reducing operational GHG emissions, investing in energy efficiency with the aim of reducing energy consumption and eliminating coal.

Short term (to 2030): Targeting key sites and pairing them with key technological resources.

Long term (to 2050): Focusing on employing low emission technologies, managing climate-related risks across the value chain, and partnering to innovate at factories across the business.

ABF Sugar does not intend to utilise carbon offsets in its decarbonisation strategy.

ABF Sugar GHG improvement roadmap

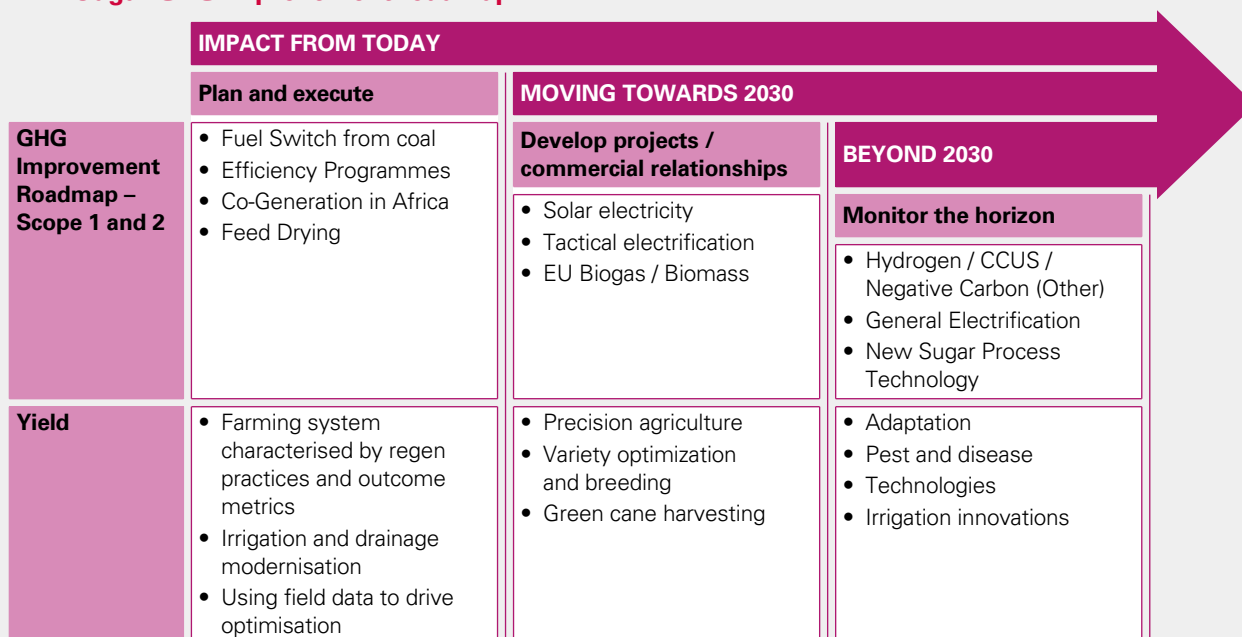


Figure ABF Sugar roadmap 1. Note – ABF Sugar’s GHG improvement roadmap has been refreshed as part of its five-year planning process. The updates from last year show a more robust action plan.

Case study – ABF Sugar

Assumptions and challenges

In planning the above roadmap ABF Sugar has made various assumptions. These include its ability to estimate the predicted impact of each project, a constant supply of machinery and associated expertise to complete projects. Additionally, in implementing this roadmap ABF Sugar anticipates that government regulation, timeframes to deliver and ongoing communication with local communities will continue to be a challenge.

Progress to target

As a group, ABF Sugar has seen movement in its Scope 1 and 2 (location-based) emissions from its 2018 baseline year. For each business

- British Sugar: reduction 30%
- Sugar businesses in Africa: reduction 8%
- Azucarera: reduction 12%
- Vivergo: reduction 14%

ABF Sugar has a continued focus on Scope 1 and 2 as this is the most material risk to the business and is an area of significant spend. In 2025 ABF Sugar spent approximately £285m on approved projects. To date 20 of these projects have contributed a saving of 83.5 ktCO₂e. For its decarbonisation plan, ABF Sugar is planning to spend 66.5% of its planned capital expenditure to support its climate change strategy and ESG initiatives.

Scope 1 and 2 reduction by 2030

The reductions have been achieved by a focus on three areas – efficiency, fuel switch and investment in new technology. Each business has a decarbonisation plan focused on their area of risk and opportunity, British Sugar is focused on Scope 1 factory emissions reduction with projects, efficiency programmes and clear KPIs. The reductions are achieved by capital investments but also understanding and running its factories more efficiently.

Our sugar businesses in Africa main focus to reduce GHG emissions is coal usage. They have continued to reduce coal usage in Sezela, Noodsberg and Eston through efficient use of bagasse.

Projects supporting carbon reduction

Entity	British Sugar – Bury
Project	Decarbonisation steam reduction (Phase 1) – Efficiency programme
Description	This project is in the process of replacing four existing Roberts type evaporators with three new falling-film type evaporators. This is realising a significant reduction in LP liquid propene gas burn for sugar manufacturing (approx. 25%) as well as increasing engineering reliability of the station. The second main element of the project is the upgrade to the Raw Juice Heating Station. This project has replaced the station as a whole, eliminating the planned essential replacement plan spend, and will allow the factory to realise the full gas burn reduction of the three new evaporators as well as improving engineering and process reliability of the site.
Year of approval	2024
Expected tCO₂e saving (annual)	19,500
Target project close-out date	1 December 2026

Entity	British Sugar – Cantley – Efficiency programme
Project	Provision of modular steam and power – Efficiency programme
Description	This project has re-established a steam generation capacity of up to 60 t/hr at the Cantley factory to meet a range of business requirements within upcoming medium combustion plant directive emission limits. The low-pressure 'modular technology' utilised is in the process of delivering process/maintenance simplification, improving process safety, as well as enabling operational effectiveness through 'Industry 4.0' methodology.
Year of approval	2024
Expected tCO₂e saving (annual)	16,000
Project close-out date	1 September 2025

Case study – ABF Sugar

Entity	Azucarera – Miranda
Project	Energetic improvements APRO (Phase 1) – Efficiency programme
Description	The objective of the project is to modify the heating of raw juice, improving the use of pan vapours and reducing the consumption of steam in the heating of the purification stage.
Year of approval	2024
Expected tCO₂e saving (annual)	1,000
Target project close-out date	1 December 2025

Entity	Illovo Sugar – Malawi, Nchalo
Project	Irrigation and Drainage Upgrade – Shire Valley Transformation Project – Irrigation and drainage modernisation
Description	The project entails reversing the existing on-farm pumping infrastructure of Nchalo Estate (from east to west) to a gravity pressurised pipeline distributed system from the Shire Valley Irrigation Project ('SVIP') high-level canal. The SVIP potentially represents a significant opportunity to reduce production cost for Nchalo by reversing the existing irrigation infrastructure from an electricity intensive lift pumping system to a gravity water feed system with energy savings of up to 91% of the current energy consumption and approximately 17.5% saving in irrigation bulk water consumption due to the change from an open channel canal to an embedded pipeline.
Year of approval	2025
Expected tCO₂e saving (annual)	23,140
Target project close-out date	Delivered in phases through 2028 and 2029

Entity	Illovo Sugar – Nakambala
Project	Farming system – yield
Description	The Nakambala sugar cane estate in Zambia has implemented a new farming system to improve resource stewardship, yields and agricultural profitability. Following early analysis of the data gathered, results show that the system has led to significant improvements in yield, with an increase of 20 tonnes per hectare compared to the previous growing cycle
Year of approval	2025
Expected tCO₂e saving (annual)	2,000
Target project close-out date	System implementation delivered in phases over the near term.

Emission reduction plan

Looking ahead and per above figure *ABF Sugar roadmap 1*, there is a strong pipeline of accretive GHG reduction projects. Each business has its own environmental plan which has been categorised between short and long term.

Short term

- British Sugar: Projects focus on smaller factory energy efficiency/steam reduction, coal elimination and reduction of energy use for pulp drying
- Sugar businesses in Africa: across all businesses projects focus on energy efficiency and farm system, while Illovo Sugar South Africa has coal elimination/reduction projects
- Azucarera: Projects focus on factory energy efficiency and automation as well as the specific Guadalete project – efficiency programme.

Long term

- British Sugar: Projects focus on technological advancements for factory energy efficiency/steam reduction and alternate pulp drying technologies – Tactical electrification, feed drying, efficiency programmes, and new sugar process technology.
- Illovo Sugar South Africa: Projects are aligned to those in the short term, however, the technology is yet to be developed – efficiency programmes and new sugar process technology.
- Azucarera: Projects focus on alternate fuel projects, however, current regulations present a challenge at this point in time – fuel switching.

Case study – British Sugar



British Sugar decarbonising operations

British Sugar has established a decarbonisation strategy to significantly reduce its Scope 1 and 2 emissions by 2030. The business has implemented a range of projects focusing on energy efficiency, steam reduction, renewable resources and fuel switching.

From its 2018 baseline year through to 2025, British Sugar has invested approximately £134m in various initiatives, resulting in a cumulative reduction of above 160kt of CO₂e.

At Bury St Edmunds, the energy reduction project was successfully delivered with commissioning that took place in September 2025. This project mirrored the success of similar initiatives implemented at Wissington and is expected to reduce the site carbon emissions by approximately 20,000 tonnes of CO₂e per year at the Bury site.

At Cantley, the installation of a new modular gas-fired Combined Heat and Power (CHP) plant was fully commissioned in September 2025, which has enabled the decommissioning of the previous coal boiler. This project is set to reduce the site carbon emissions by around 16,000 tonnes of CO₂e annually.

At Newark, fuel switching projects have transitioned dryers to operate on natural gas, displacing higher carbon-emitting fuels, and there has been an investment of £2.5 million into a new white sugar pan seeding system. This is expected to improve the reliability and energy performance of the refinery process.

At the Wissington site, a substantial 50,000 tonnes of Scope 1 emissions are set to be reduced as a result of a £42 million investment in a new steam drying project. This will enable the existing animal feed gas dryers to be replaced by a steam drying plant, taking steam directly from the CHP plant on site and using it to dry the pulp. Construction has started in order for the project to be ready for commissioning in Autumn 2026.

Looking ahead, British Sugar plans to continue its decarbonisation strategy through projects which include a new diffusion heating configuration and evaporator station optimisation at Newark, an animal feed steam drying plant at Wissington and resin separation plant improvements.



British Sugar engineers with a new evaporator that is helping to reduce GHG emissions at its factory in Wissington, UK

Carbon and climate – Agriculture

AB Agri is working to reduce GHG emissions across its business and aims to support its customers in reducing the environmental impact of food production.



GHG emissions, energy and renewables

AB Agri seeks to improve energy efficiency and reduce the fossil fuel reliance of its sites globally. The business has set a roadmap for reduction, with energy used in manufacturing and distribution operations its priority focus areas.

AB Agri's total energy use in 2025 was 194GWh, a decrease of 2% compared with 2024. Of that total energy consumption, 6% came from a renewable source. During 2025, AB Agri exported 37GWh of energy to the national grid and continued to implement energy efficiency measures across its sites, while monitoring the feasibility of larger-scale solutions. In addition 12% of Agri's sites use self-generated solar power as a renewable energy source.

AB Agri's Scope 1 and 2 market-based emissions were 71kt CO₂e in 2025, a 4% increase compared to 2024. Scope 1 emissions reduced by 4% compared to 2024 due to the implementation of projects to improve process efficiencies, investments in technology and switching to lower emission fuel sources. Future opportunities for reducing Scope 1 and 2 emissions include further improving energy efficiency, expanding on-site renewable energy and transitioning to low-emission heavy goods vehicles. However, progress in the latter two areas has been constrained by infrastructure limitations and the availability of viable vehicle alternatives.

AB Agri continues to make progress in transitioning to lower emission energy sources across its operations, with solar panels installed at nine sites globally. Additionally, its anaerobic digestion plant in Yorkshire, UK, produces renewable gas from food and feed waste, equivalent to 53% of the gas used to power AB Agri's UK manufacturing sites.

AB Agri has started work to map and verify its Scope 3 emissions. Further information will be made available on the AB Agri website.

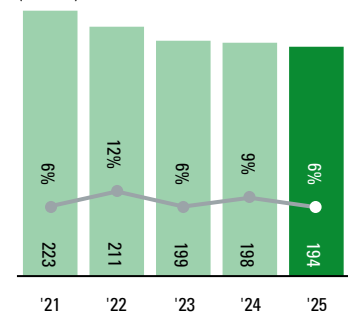
Climate risk

A warming planet, evidenced by rising global temperatures and increasingly volatile weather patterns, poses a significant challenge to agriculture. Extreme heat, drought and flooding have the potential to disrupt AB Agri's supply chain at every stage, from sourcing crops for feed to manufacturing operations and customers' farm businesses.

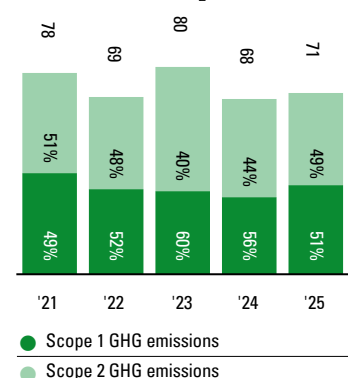


The Amur Energy anaerobic digestion plant in Yorkshire, UK

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



Scope 1 and 2 (market-based) GHG emissions
(000 tonnes of CO₂e, % of total)



As an integral element of its risk management process, AB Agri has identified an initial set of climate-related physical and transition risks and opportunities. These are actively managed through the AB Agri risk register. Key risks include extreme weather events and temperature fluctuations that could impact the availability of critical raw materials or disrupt manufacturing operations. To mitigate these risks, AB Agri has implemented stock management strategies and contingency plans for critical raw materials. At its manufacturing sites in the UK and China, the division has introduced controls and mitigation measures to address risks related to snow, flooding and extreme temperatures. Additionally, AB Agri uses the Verisk Maplecroft global risk analysis tool to monitor temperature trends and assess potential business interruptions linked to severe weather events.