ESG at Sugar

ABF Sugar focuses on keeping its people safe, reducing its carbon footprint, and managing water and natural resources responsibly.



British Sugar engineers inspecting an evaporator at our factory in Wissington, UK.

Across its own operations and supply chains, ABF Sugar adopts strategies and practices that aim to manage its environmental and social impacts. Its businesses focus on maximising the efficient use of raw materials, like sugar beet and sugar cane, as well as educating consumers on sugar and health.

In 2018, ABF Sugar launched its 2030 commitments in a sustainability framework, Global Mind, Local Champions, which categorises its environmental and social focus areas under three pillars: supporting rural economies; thriving and healthy communities; and consuming resources responsibly. The division is also committed to reducing its carbon emissions and, in January 2024, the Science Based Targets initiative (SBTi) validated its near-term and net zero GHG emissions targets.

In 2025, British Sugar was awarded a Royal Warrant of Appointment by His Majesty King Charles III, recognising a century-long commitment to quality, service and sustainability. This year, British Sugar has also achieved a Gold EcoVadis rating; this builds on its Silver rating achieved in 2024.

ESG Governance

ABF Sugar is strengthening its governance framework to better integrate social and environmental risks and opportunities into its decision-making and its strategic five-year plans at divisional and business level.

The Senior Executive Team has oversight of and responsibility for ESG risks and opportunities that are material to the division. In 2025, ABF Sugar introduced a new ESG Forum to oversee the governance of ESG impacts, risks and opportunities and to monitor the progress of priority projects and KPIs, including SBTi targets. A divisional dashboard was also developed to track ESG performance, such as GHG emissions reduction.

Managing directors of each business are accountable for setting strategies and action plans based on their material risks, local regulations and customer expectations. Where a divisional approach is required, such as for GHG emissions reduction, ABF Sugar sets divisional-level targets and develops frameworks and guidance to support its businesses in achieving these goals.

For more information on ESG at ABF Sugar please see its website.

Our people – Sugar

ABF Sugar recognises its responsibility to foster safe, inclusive and fulfilling workplaces for its diverse workforce.



Health, safety and wellbeing

At ABF Sugar, caring for people is a core value guiding all of its businesses. Its Chief Executive leads a comprehensive programme of work designed to ensure that everyone returns home safe, every day, everywhere.

ABF Sugar is strengthening its safety culture through a structured roadmap of initiatives integrated into the responsibilities of line managers and leaders, and supported by dedicated safety experts. ABF Sugar continues to invest in leadership development, infrastructure and key safety initiatives that reinforce collaboration, accountability, and transparent communication across all levels.

In 2025, a health and safety specialist delivered advanced training to all senior leadership teams across all businesses, equipping them with the tools and knowledge to embed a robust and consistent safety culture throughout the division. We are deeply saddened to report two contractor fatalities in 2025. In Tanzania, a contractor haulage driver succumbed to injuries after a road traffic accident while transporting our sugar to customers. In Zambia, a contractor was fatally injured by a tyre assembly while inflating the unit. Following these events, the priority has been to provide support to their families.

An in-depth investigation was also undertaken to identify the root causes of these incidences and apply corrective actions. The outcomes of the investigations were shared across ABF Sugar businesses and actions relating to contractor management, supervision and change management were assigned where appropriate and are being tracked to completion.

In 2025, the number of employee on-site Lost Time Injuries (LTI) increased from 57 in 2024 to 66, resulting in an employee on-site LTI rate of 0.21%. The number of contractors on-site LTI decreased from 33 in 2024 to 30.

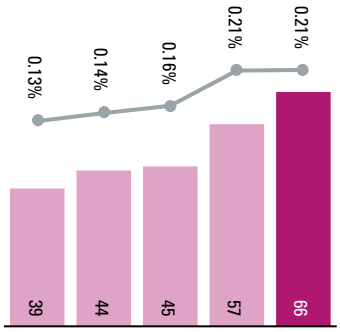
As safety is one of ABF Sugar's most material issues and a number one strategic priority, the overall safety performance in 2025 was very disappointing.

All ABF Sugar businesses are dedicated to providing a safe place to work and to creating a culture of zero compromise towards safety.

In 2025, ABF Sugar focused on empowering people by implementing various programmes tailored to its businesses' needs such as the Personal Choices programme, Ways of Working programmes and Safety Leadership programmes at site level.

British Sugar colleagues at the Wissington sugar factory, UK.

Number of employee on-site Lost Time Injuries and Lost Time Injury Rate %*



* 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.

Illovo Sugar South Africa's Sezela operations are developing a positive safety culture through safety-focused employee engagement initiatives. The Vula Mehlo (meaning 'open your eyes') initiative, launched in October 2024, introduced daily, safety-focused, non-hierarchical meetings that encourage open dialogue and shared ownership of safety across all levels of employees and contractors. Within the first six months, the initiative has resulted in increased near-miss reporting and increased participation, with employees and contractors demonstrating greater ownership and accountability for safety performance.

Azucarera in Spain developed a Health and Safety Competency Management Model, transitioning from traditional job specifications to competence-based management. A safety competence matrix was created to identify the technical and soft skills necessary for each role. This successful approach is now being adapted by other ABF Sugar businesses.

The Personal Choices Initiative encourages individuals to reflect on how they assess and respond to risk, exploring the subconscious factors that influence decision-making such as habits, time pressures and the disconnect between mind and body. Programmes have been adopted by British Sugar, Illovo Sugar Malawi, Zambia Sugar and Illovo Sugar South Africa, each tailoring the approach to resonate within their unique cultural settings.

British Sugar's Personal Choices programme has been rolled out at all sites. Early results show an improvement in both language and behaviour across all employees, a reduction in all types of injuries, and an increase in near-miss reporting.

Zambia Sugar launched its Behavioural Safety Programme, branded Busongo (meaning 'wisdom'), at its Nakambala site in October 2024. The programme encourages employees to reflect on their daily decisions, empowering them to adopt safer behaviours. As part of the initiative, employee workshops were held and theatre performance was used to demonstrate how personal choices influence behaviour. These performances were made accessible to deaf employees through the use of sign language interpretation. In support of the programme, 251 supervisors across all departments participated in workshops on personal choice and behavioural coaching.

At Illovo Sugar Malawi, a safety leadership training programme is underway, involving the leadership teams at all sites. The programme aims to develop leadership skills and enhance the safety culture within the organisation. It offers interactive group sessions and individual coaching to help leaders understand and apply key concepts, including cultural maturity, personal purpose and coaching techniques. The programme consists of six modules delivered over six months, and participants work together between modules.

Wellbeing

ABF Sugar businesses prioritise employee wellbeing, implementing programmes designed to promote physical, emotional, mental, social and financial wellbeing.

At its sugar businesses in Africa, new employee wellbeing committees were established in 2024 as part of the new operating model of the businesses' medical services, which deliver primary health care and occupational health services to support colleagues and their families across all estates. This model aims to improve the medical services' capability to provide risk-based medical surveillance. The businesses proactively screen employees for workplace risks they may be exposed to, supporting the objective of achieving safety through preventive measures rather than a more reactive approach.

During 2025, the sugar businesses in Africa recorded a total of over 55,000 visits to its medical facilities for occupational health services, including pre-employment, periodic, and exit medical examinations, lung function tests, hearing tests, biological monitoring, and vision screening. All new employees at ABF Sugar's African businesses are required to undergo an occupational health evaluation to assess their fitness to work in their specific work environments. These occupational health services are also provided to contractors working on African sugar sites.

ABF Sugar's African operations support women's health through outreach clinics that provide regular cervical cancer screenings and prenatal care to remote communities, as well as partnerships with local NGOs to expand maternal and reproductive health services, including family planning. Within workplaces and surrounding areas, peer educator programmes are equipping women to serve as health champions and over 30 have been trained at Ubombo Sugar in Eswatini. Awareness and screening initiatives also target early detection of breast and cervical cancer. Women are taught how to perform breast self-examinations, complemented by clinical breast exams at healthcare facilities to ensure timely referrals and broader access to care.

Malaria control remains a public health issue in Africa. ABF Sugar's African estates implement comprehensive prevention programmes, including health education and community outreach, distribution of insecticide-treated mosquito nets to vulnerable groups and Indoor Residual Spraying (IRS) in both staff and community housing. The aim is to significantly reduce malaria incidence. Zero or negligible cases are now recorded across our estates in Zambia, Eswatini and Tanzania. These efforts mark a major milestone in protecting the health of our employees, their families and the surrounding communities.

The British Sugar team has implemented several holistic wellbeing initiatives to support both office-based and site-based employees. Access to dedicated quiet rooms and wellbeing gardens are either in place or being developed across our sites. Additionally, CPR training is continuing to equip staff with the skills and confidence to intervene in life-saving situations. Financial support and advice is also available through an independent advisor to help employees manage their finances more effectively.

Mental Health

ABF Sugar's mental health medical services across its five African countries of operation recognise the diverse working environments in which employees operate, from agricultural fields and factories to administrative offices. In response, each business implements tailored mental health initiatives that prioritise employee wellbeing and reflect the specific needs of their workforce.

Since the 2023 launch of ABF Sugar's mental health portfolio, it has seen a 30% increase in referrals, including self-referrals, peer referrals and those initiated by supervisors, reflecting a growing awareness and trust in the support systems available. The outcome of this work in 2025 indicates that there is increased awareness of mental health, with the medical teams identifying needs earlier and giving assistance in a more timely manner to support its employees.

At British Sugar, awareness around mental health and the support available to individuals has increased over 2025. This has been driven by colleagues across the business sharing their own support mechanisms, strategies or ideas during periods of national awareness such as Mental Health Awareness Week and World Mental Health Day, alongside reminders about the team of trained mental health first aiders at each site, and the Employee Assistance Programme and BUPA services available for all employees to access.

In 2025, Azucarera introduced a wellbeing platform at its head office, offering employees access to a range of programmes focused on mental health and overall wellness. These include resources on stress management, mindfulness and improving sleep quality. The subsidy programme also supports employees by covering expenses related to medical consultations and mental health treatments.

Employee accommodation and living standards at our sugar businesses in Africa

Our sugar businesses in Africa have sugar estates situated in rural and remote areas, creating a need to provide accommodation for many employees and their families. Each relevant business has a comprehensive plan to continuously invest in its accommodation infrastructure.

In 2024, ABF Sugar began a review of the housing and living conditions across its sugar estates in Zambia, Malawi, Eswatini, South Africa and Tanzania. The findings of this review formed the basis for its new ABF Sugar Housing and Living Standards Programme, which began implementation in 2024.

The programme aims to enhance decent and safe living conditions for those living on the estates. Each relevant country team has developed an updated set of minimum standards informed by the ILO Recommendation No.115 on Workers' Housing and other internationally recognised best practices. These standards cover various aspects, including occupancy level, number of rooms per household and provision of amenities such as washing and cooking facilities.

The programme is divided into three streams of work:

- implementing action plans to address outstanding maintenance and repairs. In 2025, ABF Sugar upgraded more than 1,000 houses across its African operations, building on the renovations completed in the previous financial year;
- ensuring all entry-level estate houses meet updated minimum standards, with completion expected by 2029 across more than 4,000 houses; and
- investigating future housing options, including off-estate housing and rental models, to meet the evolving needs of its workforce, while reducing long-term maintenance liabilities.

Diversity, equity and inclusion (DEI)

ABF Sugar believes that diversity, equity and inclusion positively impact business performance, innovation, talent attraction and retention and employee wellbeing. The business aims to ensure that it reflects the markets in which it operates and creates an inclusive environment where employees feel a sense of belonging.

In 2025, the Spanish Government awarded Azucarera the 'Igualdad en la Empresa' (Equality in Business) distinction. This accolade recognises companies that create fair and inclusive workplaces and highlights Azucarera's ongoing commitment to gender equality. Central to this achievement is a comprehensive Equality Plan, which outlines 46 strategic actions across 12 focus areas, including work-life balance, combatting gender-based violence, prevention of sexual harassment and discrimination, and promotion of occupational health and safety. These efforts have contributed to women holding 75% of management roles. Azucarera also promotes inclusion through its annual Diversity Week, engaging employees and external stakeholders in gender equality initiatives.

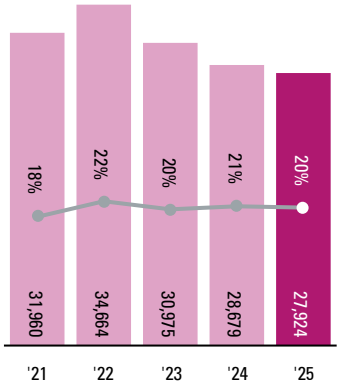
In 2025, Azucarera renewed its commitment to the 'Fundación para la Diversidad' (Diversity Charter), reaffirming its dedication to fostering a diverse, equitable and inclusive workplace. The business joined the Diversity Charter in 2022. The 'Fundación Diversidad Seal' is awarded to businesses and institutions that demonstrate an active commitment to diversity, equality and inclusion in their culture and business practices.

Illovo Sugar Malawi established a Women in Leadership Forum designed to support the attraction, retention and advancement of women across the business. Since 2023, the forum has engaged close to 4,500 employees and students, the vast majority being women. As part of its outreach, the programme also connected with female students through STEM-focused initiatives, helping to inspire the next generation of women leaders.

Illovo Sugar South Africa advanced its DEI agenda through awareness workshops, a zero-tolerance harassment policy and the launch of The Women's Circle, a support platform for women in the workplace. Additionally, a learning programme for individuals with disabilities is being implemented across the Illovo Sugar South Africa business, combining classroom learning with practical experience to foster workplace inclusion.

At British Sugar, inclusion and diversity remained a key focus in 2025. Spotlight Inclusion Events were held across sites, addressing topics such as visible and hidden disabilities, menopause, prostate cancer, driving awareness and engagement. The Conscious Inclusion e-learning module was completed by over 95% of employees in 2025, reinforcing a culture of awareness and respect.

Number of employees highlighting percentage of women in the workforce



Engagement and development

ABF Sugar is dedicated to developing the skills and capabilities of its people, supporting career progression through targeted learning, mobility and leadership development initiatives.

To promote capability-building, cultural exchange and internal mobility, 71 cross-business exchanges were active in 2025 across the division. Since 2020, the Lumina programme, a tool bringing high performing teams together, has engaged over a thousand leaders across almost 100 teams in workshops focused on self-awareness, trust-building and collaboration. The programme aims to increase self-awareness and build trust and collaboration, enhancing team performance and emotional agility. Nearly 400 employees have also completed Career Conversation Masterclasses, equipping them to lead effective development discussions and support succession planning.

Each business tailors its approach to reflect regional needs. In Africa, over 300 frontline leaders have completed the Leadership Fundamentals Programme, while almost 200 senior managers have participated in executive development courses through the Toyota Wessels Institute for Manufacturing Studies. At Ubombo Sugar, over 300 employees have taken part in leadership coffee sessions, informal forums that promote openness, inclusivity and continuous improvement.

In 2025, Azucarera launched its engagement survey across the business. Also in 2025, 40 employees from across all areas and sites have participated in Azucarera's talent programmes, and 40 managers have received training in career conversations to support people development within their teams.

At British Sugar, a network of communication champions ensures consistent engagement across sites, supported by regular briefings and a 2025 communications survey which was complemented by focus groups to gather qualitative insights and improve internal dialogue.

British Sugar is continuing to invest in its employees by launching the First Line Leader Programme, designed for those stepping into or aspiring to achieve line leader roles, targeting critical role succession and first-line leadership capability.

Case study – Sugar



Investing in health across our estates

ABF Sugar's health and wellbeing agenda is constantly evolving to address the real needs of employees, their families and the communities where it operates. It is committed to building resilient and thriving communities by implementing effective, context-specific healthcare solutions throughout Africa.

At Illovo Sugar Malawi's Dwangwa Estate, a transformative project is underway to upgrade the existing clinic into a fully equipped, 40-bed hospital. The new facility, part of a major capital investment valued at over £3 million, will feature an operating theatre and maternity services and will serve as the referral centre for 10 government clinics in the district. The aim is to have the facility completed by June 2026. Once complete, it will become a vital lifeline during medical emergencies and natural disasters.
This investment builds on our long-standing efforts to combat communicable diseases. The new hospital will expand access and amplify ABF Sugar's impact where it matters most.

In Zambia, the Chuula Clinic, a key medical facility situated on the edge of the Nakambala estate, has undergone a significant upgrade to better serve estate-based employees and their families. The renovated clinic now offers a comprehensive suite of services, including primary healthcare, maternal and child health services, and HIV/AIDS prevention and treatment programmes.

An employee at Illovo Sugar Malawi's Nchalo estate has his blood pressure tested at the main factory clinic

RoSPA Gold Standard for Safety

In 2025, British Sugar received six prestigious Roya Society for the Prevention of Accidents (RoSPA) Gold Awards, showcasing the business's outstanding commitment to health and safety excellence. The Bury Pre-Silo site, and Cantley and Newark sites retained their Gold status, while Wissington site improved from Silver to Gold. Additionally, both the Bury Customer Supply and Riverside sites achieved Gold on their first attempt.

Apprenticeships at British Sugar

In September 2024, British Sugar welcomed 24 apprentices in roles ranging from agriculture, design, mechanical and electrical engineering, through to IT and commercial roles. Five new career pathways were introduced, with apprenticeships lasting between 18 and 48 months. From September 2025, there is a new career pathway entry in control engineering.

Over 80% of apprentices still work within the business after 10 years. ABF Sugar is committed to developing the next generation of talent and welcomes applicants from all backgrounds.



A British Sugar process team, two members of which are former apprentices, Wissington, UK

People in our supply chains and surrounding communities – Sugar

ABF Sugar recognises that its long-term success relies on upholding the respect and dignity of its workforce, supply chain workers and communities.



A pump station provided by Illovo Sugar Malawi to supply potable water.

Human and labour rights in our supply chains

The global sugarcane industry is vulnerable to human rights-related risks due to its reliance on labour-intensive and seasonal activities such as weeding, planting, cane cutting and harvesting.

In 2025, the division launched a Human Rights Policy, aligned to international standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO's Decent Work Agenda.

The division refers to the ILO's Decent Work Agenda to guide its operations, which includes paying fair wages, providing safe working conditions and promoting dignity and equality.

In 2025, in response to evolving regulatory requirements, the ABF Sugar businesses initiated a review of social impacts in their operations, supply chains and community activities. This assessment, guided by a risk-based approach, identified opportunities for improvement. ABF Sugar is working at a divisional level to support its businesses to address these findings, including the development of a Human Rights Due Diligence Framework. These findings form part of the businesses' five-year plan priorities.

Training remains a key pillar of ABF Sugar's approach to mitigate human and labour rights-related risks. All head office and business unit staff complete online training every three years, with additional sessions for new starters, in-person training for relevant teams and training for grower partners. Topics include child labour, forced labour and workplace safety.

In the UK, British Sugar has a Responsible Procurement Policy to guide supplier engagement and manage environmental and social risks. The policy covers key areas such as decarbonisation, sustainable agriculture and respect for human rights.

Supporting communities

ABF Sugar's businesses continue to invest in their relationship with communities and key stakeholders. For instance, its businesses in Africa recognise that their sugar estates are a key part of the communities where they operate, and this is reflected in their activities that aim to support those communities, such as by helping with the provision of clinics, schools or local services to support their workforce, and in some cases their communities and surrounding neighbours.

In 2025, its businesses in Africa continued to invest 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.

In April 2025, an assessment of 11 primary schools on two estates in Malawi was conducted to create a roadmap for the long-term sustainable improvement of educational facilities. Throughout 2025, efforts were made to address infrastructure maintenance needs and improving sanitation facilities.

British Sugar is committed to being a good neighbour and community partner. In 2025, the business supported over 200 local charities, good causes and community projects across East Anglia and the East Midlands.

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.

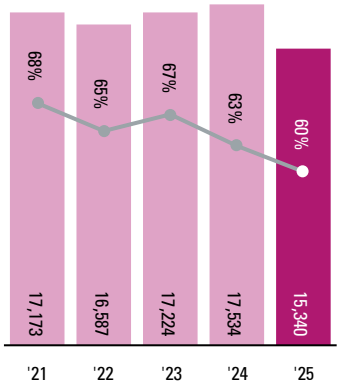
ABF Sugar remains focused on reducing Scope 1 and 2 market-based GHG emissions, achieving a 23% decrease against its 2018 baseline. British Sugar, the largest contributor to ABF Sugar's Scope 1 and 2 GHG emissions, has reduced its Scope 1 and 2 market-based GHG emissions by 31% from the 2018 baseline 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 CO_2e 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 CO_2 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)

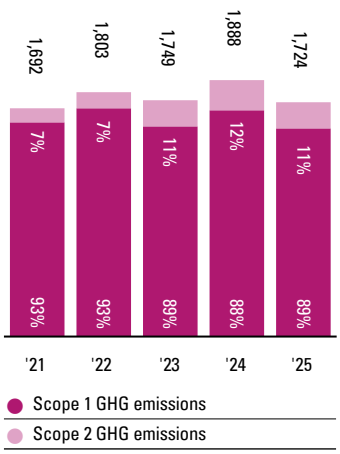
As part of its science-based targets, ABF Sugar has developed targets covering Scope 1 and Scope 3 emissions from forest, land and agriculture activities. It is also developing plans at business unit level and gaining a deeper understanding of the emissions factors linked to its agriculture activities.

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

	IMPACT FROM TODAY		
	Plan and execute	**MOVING TOWARDS 2030**	
		Develop projects / commercial relationships	**BEYOND 2030**
GHG Improvement Roadmap – Scope 1 and 2	• Fuel Switch from coal • Efficiency Programmes • Co-Generation in Africa • Feed Drying	• Solar electricity • Tactical electrification • EU Biogas / Biomass	**Monitor the horizon** • Hydrogen / CCUS / Negative Carbon (Other) • General Electrification • New Sugar Process Technology
Yield	• Farming system characterised by regen practices and outcome metrics • Irrigation and drainage modernisation • Using field data to drive optimisation	• Precision agriculture • Variety optimization and breeding • Green cane harvesting	• Adaptation • Pest and disease • Technologies • Irrigation innovations

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 $ktCO_2e$. 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 tCO_2e 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 tCO_2e 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 tCO_2e 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 tCO_2e 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 tCO_2e 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.

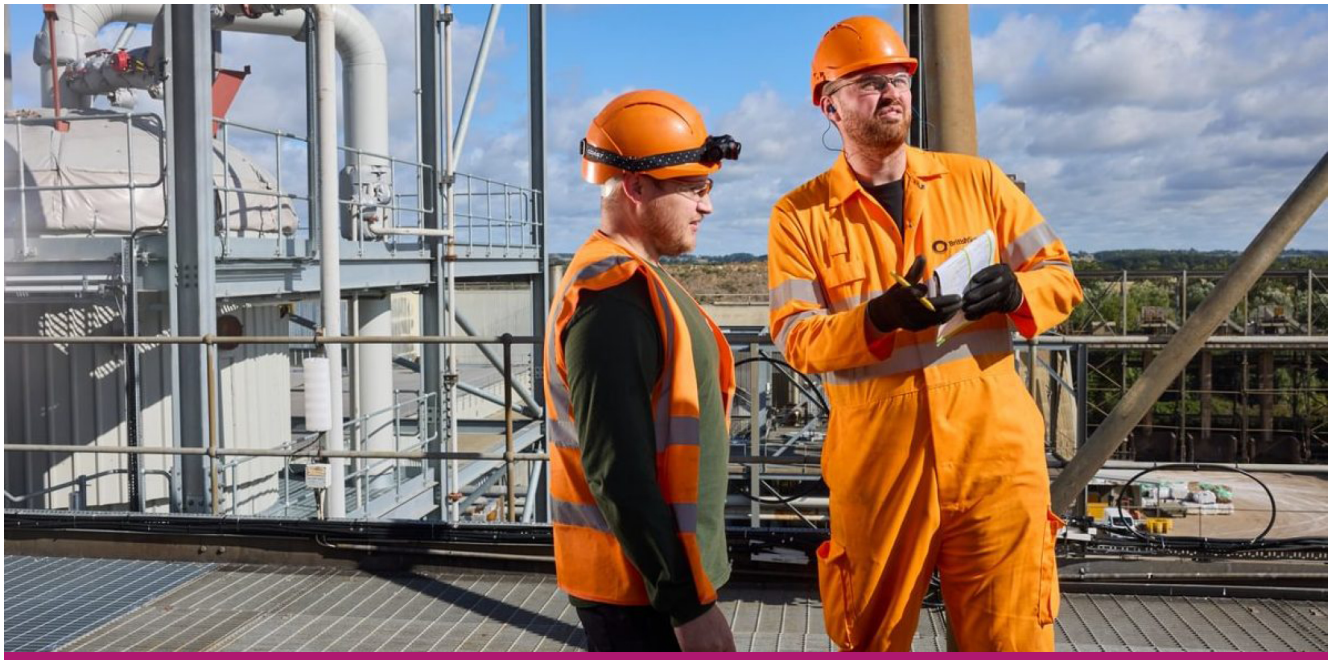
Short term

- 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 CO_2e.

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 CO_2e 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 CO_2e 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

Water – Sugar

ABF Sugar recognises the critical importance of water for its crop growing activity and factory operations, making water management a key focus area.



Water is essential to ABF Sugar's agricultural and manufacturing operations, particularly as it operates in water constrained landscapes. As a major water user, the division continues to prioritise efficient water management. This includes improving the accuracy of water measurement and investing in smarter irrigation systems, aiming to ensure every drop reaches the crop.

Water is of critical importance in both crop production and factory operations, making it a key focus alongside other nature dependencies and risks. Each business within ABF Sugar conducts a water risk assessment and, where water use is identified as a material risk, businesses develop a targeted action plan within their five-year strategy to deliver measurable progress in water stewardship. A few sites from its African sugar businesses have been identified as being located within regions of water stress. You can read more about this in our CDP submission.

ABF Sugar decreased water abstraction in 2025 by 8% compared with the prior year. It also reduced water abstraction per tonne of product by 1% compared to 2024. Additionally, 25% of the total abstracted water was reused before being returned to the environment.

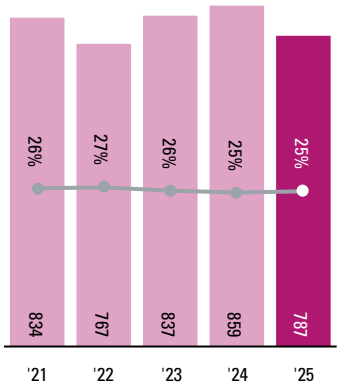
Water use within sugar businesses in Africa

ABF Sugar's primary use of water is for growing crops at its sugar businesses in Africa. These businesses have a long-standing focus on optimising water use and investing in improved irrigation systems across their estates. Water management programmes are implemented across their operations in Zambia, Malawi, and Eswatini, which collectively account for 88% of the water abstracted.

Each business has an action plan aimed at improving outcomes in three areas: reducing water loss, increasing water productivity and fostering a culture of expertise in more sustainable water use. To reduce water consumption, businesses focus on reducing bulk water losses, reducing infield water losses and improving irrigation schedules.

A highly efficient centre-pivot crop irrigation system at the Ubombo Sugar estate, Eswatini

Total water abstracted in own operations and percentage of total water reused*
(million m³)



* 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.

To improve water efficiency and deliver more water to the crop, businesses are investing in advanced irrigation systems. For example at Nakambala in Zambia, the business is replacing traditional furrow irrigation with sub-surface drip irrigation and synergistic surface irrigation and drainage, a new system that will improve crop yield and soil health. Additionally, the business is actively considering further investments in these systems at Nanga Farms in Zambia. By utilising precision agriculture technologies, businesses in Zambia can concentrate on areas of the field where the crop experiences weather stress and can adapt field layouts so that every stick of cane receives the exact amount of water it needs.

These projects are driving better yields while improving water use efficiency and providing greater weather resilience. Over the seven-year period of implementation, the investment at these two estates has been approximately $20m.

Water use across supply chains

ABF Sugar's Spanish business, Azucarera, is leveraging innovative and smart technology with its growers at 80 watering systems. It is collaborating with AIMCRA (the Research Association for Sugar Beet Crop Improvement) to reduce irrigation water usage and promote energy efficiency in sugar beet production. Through this collaboration, it offers irrigation advice to growers to help them cut costs, improve efficiency and reduce carbon emissions.

AIMCRA is working on a project to develop an innovative tool for accurate and continuous measurements of evapotranspiration and crop coefficients, helping improve water-use efficiency and crop growth. The tool utilises artificial intelligence, satellite data and humidity probes. AIMCRA is also a participant in the Voltagro operational group, which studies the compatibility of agricultural activities with the installation of solar panels in the field. The objective is to create crop, climate and photovoltaic panel production models that will enable optimal management of the irrivoltaic system, enhance agro-environmental performance and maximise economic benefits.

Water efficiency is also a priority for British Sugar, as most of its growers are based in the beet-growing areas of East Anglia, which face water shortage challenges. The business works closely with growers, external organisations and the National Farmers Union (NFU) Sugar Board to manage on-site operations and minimise water usage and reduce water pollution throughout the supply chain.

Water treatment

British Sugar treats all of the water it uses on-site before discharging it into the environment, as required by environmental permits.The construction of new water treatment plants at Cantley and Newark were successfully commissioned and have been fully operational throughout the 2025 sugar beet campaign. British Sugar has invested over £20 million since 2022 to further improve the quality of water discharged from its sites. This includes two new water treatment plants, as well as the upgrading of existing facilities at other locations.

British Sugar's sites return more water into the catchment area than they consume, as they use the water contained in the raw sugar beet. The business is currently evaluating the possibility of achieving water self-sufficiency at two of its sites, which would reduce the need to extract water from rivers or boreholes.

Waste and packaging – Sugar

ABF Sugar strives to be efficient in its use of resources across sugar beet and sugarcane production, from the field to the factory and to customers and consumers.



Waste and circularity

ABF Sugar's approach is that waste materials are products for which it has yet to find a use. This is demonstrated by its bio-refineries, which transform sugar beet and sugarcane waste into a range of commercially viable products thanks to innovative manufacturing processes. Its businesses continue to work to maximise the quantity of sugar beet processed, so as little as possible is left in the field. ABF Sugar continually invests in new technology and process optimisation to make its factories more efficient, improve its use of raw materials and move towards a more circular approach.

ABF Sugar businesses use by-products to generate renewable electricity. British Sugar uses bio-methane produced from its fermented sugar beet pulp to generate electricity, and carbon dioxide and low-grade heat generated at its operations to grow medicinal non-psychoactive cannabis under licence.

Its sugar businesses in Africa use bagasse, the dry fibrous material that remains after crushing sugarcane and extracting the sugar, with more than 91% of the energy used on-site coming from renewable sources. It also provides the opportunity to co-generate electricity in Eswatini which goes into the national grid. Its Eston plant in South Africa also exports power into the national grid.

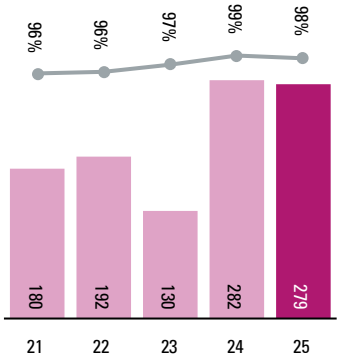
Among the commercially viable products its businesses produce, British Sugar is a major producer of animal feed and a supplier of raffinate and betaine for use in the petrochemical and pharmaceutical sectors. African sugar by-products include furfural, a natural chemical feedstock with numerous applications in the food and other industries.

Vivergo ceased all production of bioethanol and animal feed on 31 August 2025. The plant converted low-grade wheat into bioethanol used in petrol, while also producing animal feed as a co-product. At full capacity, it was estimated that the Vivergo plant produced 420 million litres of ethanol product per year. The net benefit of using this product blended with gasoline to create E10 was estimated to be a saving of approximately 500,000 tonnes of CO_2 which would otherwise be emitted from vehicle tailpipes annually. Further information on the closure of the Vivergo plant is available in our Annual Report.

In 2025, ABF Sugar decreased the total amount of waste produced through its activities by 1% compared with last year, with 98% sent for recycling or reuse.

Production of the bagasse co-product at the Nakambala sugar factory, Zambia

Total waste generated in own operations and percentage sent for recycling or other beneficial use*
(000 tonnes)



* 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.

Plastic and packaging

ABF Sugar is striving to reduce packaging to minimise the impact on the environment, while recognising the role plastic plays in maintaining the integrity and safety of products for customers.

In 2025, ABF Sugar's total packaging increased from 11kt in 2024 to 15kt. Its businesses continue to explore innovative packaging to reduce the volume of materials used.

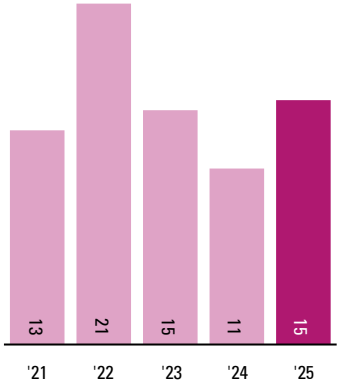
Azucarera implemented various initiatives to reduce plastic use and increase the share of recyclable and recycled plastics. This included gradually reducing the weight of plastic used for pallet banding, testing a higher percentage of recyclable material in bale shrink wrap and developing a new, thinner cap for icing bottles.

ABF Sugar's African businesses' strategy is to reduce packaging weight and use more packaging that can be reused or recycled. They have over 20 workstreams looking at packaging solutions and trialling new products. In Tanzania, it has completed a project evaluating opportunities to minimise packaging volume and eliminate non-essential plastic liners, while assessing the recyclability and long-term viability of the new packaging solutions. The learnings from this project are being applied across its other African operations.

At British Sugar, a £20 million investment at the Bury Customer Supply site has transformed packing, palletisation and distribution to Silver Spoon for their retail customers. The project included new and refurbished packing machines, upgraded palletisation equipment and a re-design of retail and shelf-ready packaging.

This transformation has delivered major environmental benefits. Single use labels have been removed completely, over 60%of plastic has been reduced through greater reliance on cardboard within the packaging mix, and brown and white paper waste has been reduced by over 45%. Additionally, the project is expected to deliver carbon reductions of about 229 tonnes of CO2e and a reduction of 470 tonnes of water per year. A new packaging design was also introduced across the 20/25kg bags range which includes communication on recyclability, helping customers make informed packaging waste decisions.

Quantity of packaging used*
(000 tonnes)



* 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



Innovating waste use at Illovo Sugar Sezela Mill. Turning ash into building materials.

At the Illovo Sugar South Africa Sezela mill, a new initiative is turning boiler ash, a by-product of sugar production, into a high-quality aggregate similar to river sand. This is used across multiple construction uses, for example for brick manufacture, ready-mix concrete and fill material. In 2025, the team secured its first commercial contracts, marking a key milestone.

The programme offers a scalable solution that improves waste management, boosts operational efficiency and supports efforts to cut carbon emissions.

Processed ash from Illovo Sugar South Africa's Sezela mill for brick and block manufacturing

Food safety and nutrition – Sugar

ABF Sugar takes a responsible approach to informing and educating people about sugar and its role in a healthy balanced diet.



Granulated sugar on the packing line at British Sugar's packing and warehouse facility in Wissington, UK

Food safety

Food safety and quality remain central to ABF Sugar's operations across its businesses, underpinned by robust management systems, regular audits and reviews, targeted education and training, and investment.

British Sugar has maintained its FSSC 22000 certification and built on its ISO 9001 Quality Management Systems through improved internal audits and continuous improvement initiatives. The Raising Site Standards programme has delivered improvements in hygiene, housekeeping and fabric standards, while targeted investments in product protection systems at the Wissington and Bury Customer Supply sites have further reinforced food safety management and controls. In Spain, Azucarera continues to strengthen its Quality Culture and Food Safety Plan, with a focus on digitalisation, preventive maintenance, lean manufacturing and continuous improvement.

In Malawi, the development of a new packing facility has enabled the creation and testing of new standards designed to strengthen food safety controls, such as preventing contamination, ensuring hygienic handling and maintaining product integrity throughout the packing process. In Zambia, the introduction of in-house paper bag manufacturing has improved packaging integrity, which is essential for protecting food products from external contaminants and preserving shelf life, while also reducing waste and cost. Strategic investments in new packing and warehousing facilities in Zambia and Tanzania will further strengthen the food safety and quality agenda of its African businesses.

Nutrition and health

Making Sense of Sugar is ABF Sugar's global platform dedicated to providing access to information based on science and finding collaborative solutions to health challenges as part of its commitment to thriving and healthy communities. The platform is live in Malawi, Tanzania, Zambia, Spain, the United Kingdom and Latin America, where it aims to inform and educate people about sugar and the role it can play as part of a healthy, balanced diet.

In the UK, British Sugar 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.

Agriculture and farming practices – Sugar

ABF Sugar's businesses are working to deploy more sustainable farming practices across their estates, trialling more regenerative agriculture approaches in some of their operations and working to increase resilience among growers in the agricultural supply chain.



Cane fields on the Ubombo sugar estate, Eswatini

ABF Sugar's businesses are working to deploy more sustainable farming practices across their estates, trialling more regenerative agriculture approaches in some of their operations, and working to ensure growers in their agricultural supply chains have access to the necessary expertise for successful sugar cultivation, with the aim of increasing resilience.

ABF Sugar attributes part of its business success to productive, high-yielding and robust agricultural practices at its African sugar estates and those of its third-party growers. The production of sugar beet and sugar cane faces potential challenges due to changing weather patterns, loss of biodiversity, land degradation and water scarcity. These conditions can lead to more volatile crop yields, further exacerbated by rising pest and plant disease pressures, as well as the reduced availability of active plant protection products due to stricter regulatory controls.

To gain deeper insight, ABF Sugar has partnered with Risilience, a sustainability intelligence company, to comprehensively assess its material nature-related dependencies, impacts, opportunities and risks. The insights gained from this project are informing ABF Sugar businesses' strategic direction and plans over the next five years, enabling the division to make more informed decisions on future agricultural strategies that integrate both nature dependencies and climate impacts.

In 2025, ABF Sugar businesses faced significant challenges due to extreme weather events, including heatwaves, droughts and floods, which had a substantial impact on their agricultural and farming practices. These experiences have driven the development of innovative approaches that seek to strengthen resilience and create new opportunities for the future.

Responsible agriculture, biodiversity and land use

ABF Sugar is an active member of the Sustainable Agricultural Initiative (SAI), the global food and drink industry platform that aims to develop more sustainable agriculture solutions. It is also a founding member of SAI's Regenerative Agriculture Platform.

Growers for Azucarera in Spain and British Sugar in the UK, as well as its estates in Africa, are using the SAI Platform Farm Sustainability Assessment (FSA) 3.0 tool to drive continuous improvement on-farm. The tool assesses operations and benchmarks them against standards already being used in the field, such as Red Tractor Crops and Sugar Beet Standards in the UK or the Sustainable Sugarcane Farm Management System (SUSFARMS®) in South Africa.

ABF Sugar has achieved FSA silver level equivalence across all its businesses' own operations, and also grower operations in Nchalo and Dwangwa in Malawi. Illovo Sugar South Africa has achieved Proterra Certification for selected farms, Sezela Sugar Mill and Sezela downstream products factories. The long-term goal is to expand this programme to include additional cane-growing regions, ensuring that a greater volume of sugar delivered to the mills meets the criteria set by the FSA.

In Spain, Azucarera was awarded FSA silver level equivalence after an audit process that took place in the last months of 2024. This process of assessing, improving and validating on-farm sustainability using SAI's FSA tools will help to encourage farmers towards more sustainable practices and enable ABF Sugar to measure and demonstrate its collective progress toward its GHG emissions reduction targets.

In Tanzania, Kilombero Sugar introduced the FSA for Harambee AMCOS (Agricultural Micro-Credit Organisations) who supply its factory to evaluate farming practices, identify opportunities for improvement, and develop strategies for a continuous improvement plan. The initiative also aims to strengthen the economic resilience of local farmers.

ABF Sugar businesses co-fund research institutions and partnership organisations with its growers, including:

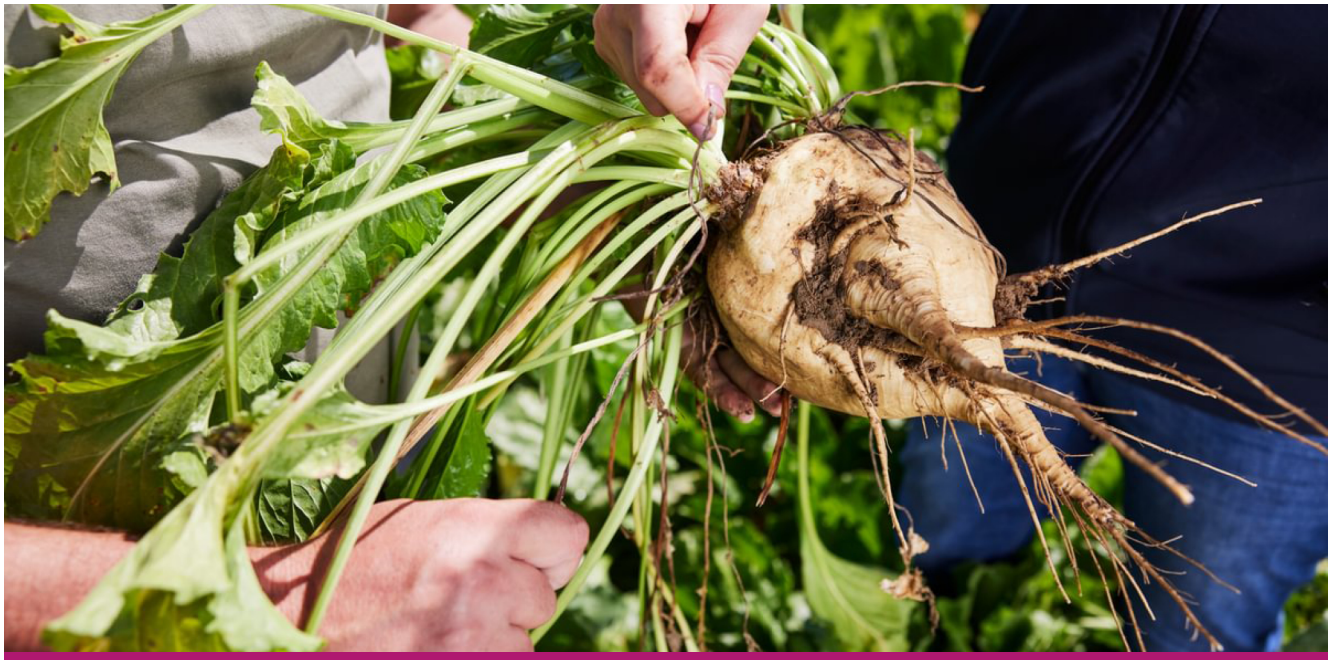
- the Research Association for Sugar Beet Crop Improvement (AIMCRA) (Spain);
- Agroteo (Spain);
- the South African Sugarcane Research Institute (SASRI); and
- the British Beet Research Organisation (BBRO).

These engagements aim to enhance crop resilience and productivity while reducing negative environmental impacts. This is achieved by partnering with SASRI in South Africa to trial new sugar cane varieties and working with the BBRO in the UK to test different approaches to monitoring emissions from sugar beet cultivation. The collaboration with AIMCRA and Agroteo in Spain strengthens the links between individual farmers and field technicians to provide better guidance on crop management.

ABF Sugar is also promoting biodiversity and ecosystem health across its operations and supply chains through various initiatives. These include the creation of projects such as beetle banks and refuge areas, the use of cover crops and tree planting at its Nakambala site in Zambia and its sites in Malawi. As of August 2025, just under 6,000 trees have been planted at its Nakambala site, supporting ecosystem and biodiversity restoration. In addition, Illovo Sugar Malawi established protected areas on both the Dwangwa and Nchalo estates, which are home to diverse plant and animal life.

As a member of the Integrated Kilombero Multi-stakeholder Platform, led by the African Wildlife Foundation, Kilombero Sugar supports collaborative efforts in managing the conservation of natural resources including land, forests and water sources across the Kilombero Valley. By engaging in this platform, ABF Sugar aims to help protect critical ecosystems and support long-term water availability for agriculture and communities.

In recent years, the sugar beet industry has been significantly impacted by Virus Yellows disease, which is transmitted by aphids and reduces the yield and sugar content of each plant. Research into integrated pest management and more sustainable solutions for controlling Virus Yellows has become a priority for ABF Sugar's UK and Spanish businesses.



Fighting Virus Yellows disease in the field at British Sugar and Azucarera

In 2025, British Sugar has continued its collaborative work within its Virus Yellows Pathway, alongside NFU Sugar and the BBRO.

Within the Virus Yellows Pathway, work continues on researching innovative grower practices that can affect the aphids' ability to detect sugar beet crops. This includes exploring the use of natural soil colourings or inter-row crops and grasses to camouflage the sugar beet, as well as using odours like onion, peppermint and garlic to distract the aphids from identifying the crop. In 2025, there are two more partially Virus Yellows-tolerant seed varieties available on the Recommended List that growers can choose to sow.

British Sugar has also invested in a collaborative project with agriculture biotechnology business Tropic and the plant science institute, The John Innes Centre, to explore how gene editing (GE) can be used to specifically target the yellowing viruses. This collaboration makes use of Tropic's GE induced Gene Silencing (GEiGS®) technology platform to make minimal and precise gene edits in sugar beet enabling the crop to resist infection. The initial stages of the project, including mapping the sugar beet genome sequence, identifying viral target genes, GEiGS® solution design and initial tissue culture experiments have now been completed.

In 2024, the project received a boost with a £660,000 grant from Innovate UK's Farming Futures R&D Fund, jointly awarded to British Sugar, Tropic and The John Innes Centre with support from The British Beet Research Organisation (BBRO). The grant runs until the end of 2028, when British Sugar will continue to fund the project in pursuit of a commercially viable beet seed.

A recent survey conducted by British Sugar revealed that 69% of UK adults support gene editing in farming, with Gen Z showing the highest support at 80%. This technology is seen as a crucial step towards creating stronger, disease-resistant crops, reducing pesticide use and improving yields. The research coincides with the secondary legislation for the Precision Breeding Act passing through the UK Parliament, with a new regulatory framework coming into force in November 2025.

However, the UK sugar beet industry faced challenges when the government refused emergency authorisation for the use of Cruiser SB pesticide in 2025, leaving the industry exposed to Virus Yellows disease. British Sugar, along with NFU Sugar, has requested urgent support from Defra to expedite trials and research within the Virus Yellows Pathway. Despite this setback, British Sugar remains committed to finding more sustainable solutions to protect crops and support British farmers.

In Spain, the Research Association for Sugar Beet Crop Improvement (AIMCRA) has continued to monitor aphid populations on plants and analyse early symptoms, such as yellowing and other potential indicators. As part of its ongoing activities, it has requested exceptional approval for the use of four active ingredients in cultivation for 2025, three insecticides and one fungicide. On a regular basis, the team has continued to test various plant varieties and assess their impact on production, analyse resistance to fungicides, and develop strategies related to beet cultivation.

One of our Azucarera employees examining a sugar beet with a farmer on his farm, Spain



South Africa and growers supporting soil health outcomes

ABF Sugar businesses in Africa are building stronger relationships with the communities surrounding their factories through a mutually beneficial community bean planting programme. This initiative, in place at the Sezela, Glenroy, Esperanza and Isonti farms, allows approximately 150 community members to use the fields between sugar cane harvests to plant their own beans. This provides a food source to help sustain their families and helps them earn an income.

The programme runs when the sugar cane harvest is complete, typically between February and May. Beans are a cover crop that benefit the land by increasing soil organic matter, controlling pests and fixing nitrogen. Sugar cane and soyabeans complement each other in pest control, disrupting pest cycles and reducing overall pest populations by decreasing the concentration of host plants. Intercropping with soyabeans benefits the businesses as the leftover soyabean residue decomposes and acts as a natural fertiliser for the next sugar cane season. It also improves crop development.

Sugar cane growers at Illovo Sugar South Africa's 2024 growers' day in Sezela, South Africa

Pilot to improve soil biodiversity

In collaboration with experts from the University of Cape Town, our sugar businesses in Africa are conducting research on soil biodiversity in order to improve sugar cane yields in their southern African supply chains and establish more sustainable agricultural practices. The project aims to educate local teams and to develop protocols for on-farm teams to monitor soil biodiversity.

Overall, this project will contribute to deepen ABF Sugar's understanding of the composition and resilience of soil biodiversity in sugar cane cropping systems while providing insights into how to improve soil biological quality. In 2025, the University of Cape Town concluded their second round of baseline tests, collecting over 2,000 samples from sugar cane fields at Nakambala in Zambia, Nchalo in Malawi and Ubombo in Eswatini.

Looking ahead, ABF Sugar's businesses in Africa plan to adopt the protocols recommended by this research to measure soil health in their fields with the aim of encouraging and accelerating the adoption of these practices across their operations.



Soil samples being collected at the Nakambala estate, Zambia

Case study – Sugar



British Sugar focus on improving agricultural practices to reduce environmental impacts

Working closely with partners, researchers and its own in-house farming operations, British Sugar is exploring and piloting innovative approaches to reduce environmental impact while maintaining crop performance.

One key area of focus is through the work of the British Beet Research Organisation (BBRO), co-funded by British Sugar and NFU Sugar. BBRO is investigating a range of strategies to lower the carbon footprint of sugar beet production, including:

- low-carbon nitrogen fertilisers tailored to the crop's specific nutritional needs;
- precision fertiliser application using placement and banding techniques to reduce waste and emissions; and
- sustainable soil management practices that minimise compaction, retain organic matter and boost microbial activity, all supporting long-term soil health and productivity.

Alongside research, British Sugar is trialling practical innovations on its own 'self-grow' farms. A pilot is underway using the ARA Field Sprayer by Ecorobotix, which leverages AI and high-resolution camera technology to identify and treat individual plants with pinpoint accuracy. This Plant-by-Plant™ technology has the potential to cut herbicide use by up to 90%, protecting biodiversity, improving soil quality, reducing impacts on water quality and reducing the risk of pesticide resistance.

In a further step to support on-farm biodiversity, British Sugar has partnered with AgriSound to run a 24-month pilot of in-field pollinator sensors. These smart devices track the number and frequency of pollinators in real time via a live dashboard. The insights are helping growers make informed spraying decisions and identify areas where additional habitat or interventions could enhance pollinator activity.

Together, these initiatives highlight British Sugar's commitment to building a more sustainable, resilient and environmentally responsible agricultural future.

A sugar beet grower with one of the agricultural account managers from British Sugar, UK