Responsibility

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



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

George Weston
Chief Executive

Our approach

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

Our Group ESG governance

All our businesses operate within a clear governance framework defined by the Group. Our devolved business model gives businesses the responsibility to manage their ESG impacts, risks and opportunities within this framework and provides clear expectations for reporting into the Group where relevant and material.



The Nakambala sugar factory and cane fields in Zambia

The ABF Board ('the Board') has oversight and accountability for ESG across the Group, including climate-related matters. The Board holds our businesses accountable for their assessment and management of ESG impacts, risks and opportunities, which includes an annual review of material ESG matters including climate-related matters. The Chief Executive and the Group Chief Financial Officer have responsibility for assessing material ESG matters across the Group, including climate-related matters, and reporting on them to the Board.

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

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

The CR Hub is a central resource available to all our businesses, which provides guidance and support on environmental and social issues. It also facilitates a network that brings together professionals across the Group working on ESG topics so that knowledge, experience and best practice can be shared.

The Finance Transformation Team, part of the Group Finance function, oversees and coordinates the collection of non-financial data used for Group reporting. The team works closely with the CR Hub to support timely and accurate reporting and coordinates finance teams across the Group's businesses to maintain robust and consistent data collection aligned with assurance requirements.

Dedicated teams covering areas such as DEI, health, safety and wellbeing, environment, carbon reporting and procurement also support across ESG matters.

The Board receives updates throughout the year on material ESG matters, including climate-related matters, from a variety of sources including senior management and internal reporting. This year these included updates on the following:

- strategic decisions taken by the businesses in addressing climate change and wider ESG issues;
- health and safety performance of our operations;
- environmental performance of our operations;
- employee development, workforce engagement and DEI;
- Task Force on Climate-related Financial Disclosures ('TCFD') requirements;
- our businesses' continued approach and development of transition plans;
- UK mandatory climate disclosures and which entities are in scope.

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

Our ESG Policy and Reporting Group is a central, cross-functional group that meets regularly and is responsible for overseeing the ESG reporting, methodology and strategy, allocating central resource, prioritising activities, and reviewing Group ESG reporting or policy as needed. It sits at the ABF Group level and includes representatives from Finance, ESG Legal, Risk, CR Hub and People and Performance, supported by subject matter experts as required.

Last year, we introduced quarterly ESG Update meetings with the Chief Executive and the Group Chief Financial Officer. These meetings are run by the Group Corporate Responsibility Director and include senior leadership members from the Finance, Legal, People and Performance and Business Performance teams. The meetings cover progress against material Group ESG topics, updates on priorities, and horizon scanning.

Responsibility within our businesses

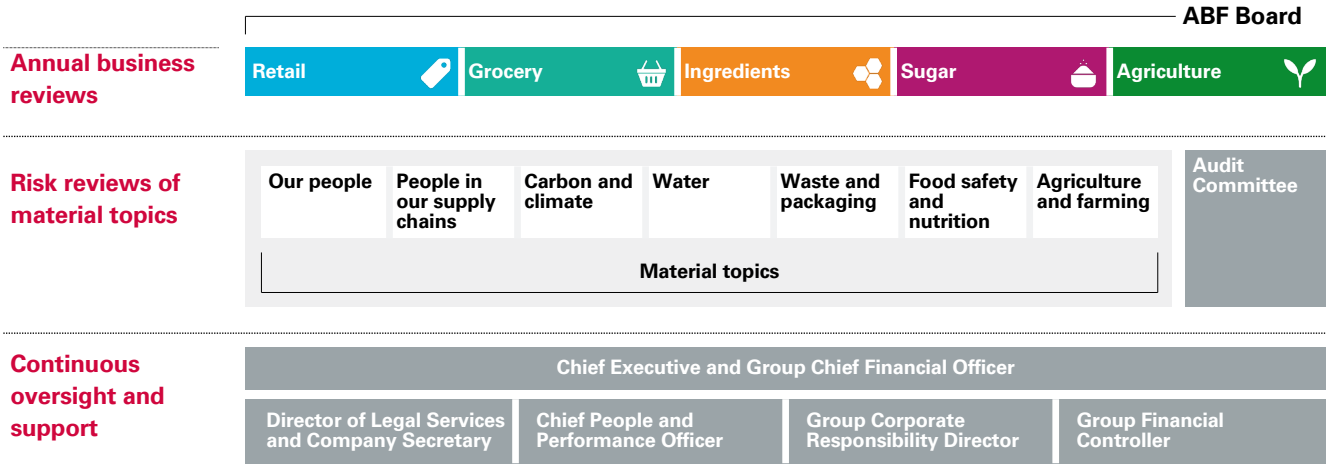
Under ABF's devolved structure, each of our businesses is required to identify and understand its material ESG impacts, risks and opportunities, and is given the responsibility as well as the independence to put in place the necessary measures and policies that it believes will effectively manage such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

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

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

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

Our governance framework chart



Management of risks and opportunities

The identification, assessment and management of ESG risks and opportunities resides within the business where the risk or opportunity sits. This is the same process for all other business risks. Annually, risks are collated and reviewed at individual business and divisional level and then reviewed at Group level. Businesses incorporate these into their risk registers and their wider ESG strategies as appropriate.

The Board is accountable for effective risk management, for agreeing the principal, including emerging, risks facing the Group and ensuring that these are successfully managed. Further details on risk management can be found in our Annual Report.

We recognise that the impacts of climate change present a tangible risk to our businesses, both across their operations and supply chains. This results in challenges as well as opportunities. While each business is responsible for identifying and managing its climate-related risks, we also undertake risk assessments including climate scenario analysis at Group level. Individual businesses may also include climate-related matters in their regular updates to the Board. Divisional chief executives are responsible for managing and mitigating the impacts of climate change on their divisions.

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

Our Group-level policies

We maintain and keep under review a series of Group-level policies and position statements for material topics. These range from Health, Safety and Wellbeing, Environment, Animal Health and Welfare, and Board Diversity (which also applies to the Group approach to DEI) to our Supplier Code of Conduct. Our Group-level policies and position statements articulate the requirements and set expectations for the actions of our businesses, employees, suppliers and partners.

It is the responsibility of the chief executive of each business to ensure that their business is compliant with relevant legislation and Group-level policies.

Our Group policies, position statements and Supplier Code of Conduct can be accessed on our website.

Anti-Bribery and Corruption Policy

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

Our approach to the recently introduced failure to prevent fraud offence in the UK has involved conducting ongoing risk assessments across the Group and building on our existing Anti-Bribery and Corruption Policy and processes, including the Anti-Bribery and Corruption training and due diligence processes.

A copy of the policy is available online.

Speak Up

We are committed to always acting with integrity. We proudly promote and protect a culture of trust, fairness and accountability.

Our Speak Up Policy empowers our people to raise a grievance or tell us whenever they encounter anything inappropriate, improper, dishonest, illegal or dangerous, including fraud, and ensures that their concerns will be handled confidentially and professionally. Speak Up includes both a telephone line and a web reporting platform, managed by an independent provider.

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

Speak Up also enables issues to be raised by third parties that are, will be, or have been associated with our Group.

In the year to 30 June 2026, 434 notifications were received, of which:

- 23% were resolved, with outcomes ranging from reviews of processes and support for individual employees to, where necessary, disciplinary procedures being followed;
- 64% were investigated as appropriate and required no action; and
- 13% remain under investigation.

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

Materiality

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



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

While material topics may be different across the individual businesses, there will be some that aggregate up to being material at the Group level. We take a Group perspective to identify those topics, which includes considering where our businesses have an impact on the environment or society, what impacts us financially, and where we can have a positive impact. It also includes topics discussed through stakeholder engagement, including with investors.

Within our Group material topics we have a number of Group priorities, which evolve as programmes come to completion or issues emerge across our businesses and their value chains. Our Group priorities remained the same as last year and are:

- human and labour rights in the Primark supply chain;
- decarbonisation at British Sugar;
- accommodation provided by our sugar businesses in Africa;
- understanding our wider Scope 3 GHG emissions across our businesses; and
- human and labour rights in the Twinings supply chain.

Our Group priorities will change as a result of the demerger. We are working to assess how our food businesses' most material issues will impact what is material at the Group level in a standalone food company and we expect to have more to say on this in 2027 and 2028.

We will continue to focus on the material topics and priorities as we go through the demerger process. What will not change is our expectation that our businesses should set their own ESG priorities based on what is material for them. In addition, the topics presented in the table opposite have been identified as material for the Group. Most are material for some or all businesses, however the degree to which each topic is material for each business varies.

Our current grouping of material topics is detailed below:

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

With divisions operating across the EU, we have continued to prepare for the upcoming disclosure requirements under the Corporate Sustainability Reporting Directive, including supporting businesses with their double materiality assessments where relevant.

Our material topics

Our business segments

Retail Grocery Ingredients Sugar Agriculture

Our value chain

Supply chains Operations Products

Our People

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

People in our supply chain and surrounding communities

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

Carbon and climate

Group-level material topics	Impacts on the business segments	Impacts in the value chain	Why it is material
GHG emissions			Our businesses and supply chains operate in many areas impacted by climate change. Our success depends on managing and mitigating risks and making the most of opportunities.
Energy and renewables			Efficient energy use and switching to renewables in our businesses' operations and supply chains are vital to reducing GHG emissions and costs and increasing energy security.

Water

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

Waste and packaging

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

Food safety and nutrition

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

Agriculture and farming practices

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

Our impact on the Sustainable Development Goals

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



SDG 2: Zero Hunger

ABF's overarching purpose is to provide safe, nutritious and affordable food. Several businesses donate surplus products to food banks and other organisations that support vulnerable people in need. Some of them are involved in initiatives that aim to increase the yields and incomes of smallholder farmers or improve their resilience to the impacts of climate change.



SDG 3: Good Health and Wellbeing

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



SDG 5: Gender Equality

Across our businesses' operations and their supply chains there are many initiatives aimed at supporting the development of women. For example, Illovo Sugar Malawi's Illovo Women in Leadership Forum, which aims to help businesses attract and retain female employees.



SDG 6: Clean Water

Our businesses seek to improve water quality and water management by reducing pollution, treating wastewater and reusing or recycling more water in their operations.



SDG 7: Affordable and Clean Energy

Many of our businesses seek to improve energy efficiency through energy management systems and several businesses self-generate or procure renewable energy for their operations. In some of our businesses renewable energy is generated on site from biogenic sources.



SDG 8: Decent Work and Economic Growth

Our businesses offer programmes to encourage inclusive working practices, fulfilling employment and fair rewards within our businesses and their supply chains. All of our businesses are expected to follow the Group Supplier Code of Conduct. Many have initiatives in place that seek either to promote or protect labour rights and maintain safe working conditions.



SDG 9: Industry, Innovation and Infrastructure

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



SDG 10: Reduced Inequalities

Several programmes across our Group are designed to promote inclusion, including initiatives to empower women and people with disabilities. For example, Primark has supported organisations including BelongTo, The Proud Trust, FELGBTI+ and Boston Alliance of LGBTQ+ Youth (BAGLY) to promote LGBTQIA+ rights and has amended its recruitment process to remove barriers to candidates with a disability.



SDG 12: Responsible Consumption and Production

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



SDG 13: Climate Action

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



SDG 15: Life on Land

Many projects aim to protect the ecosystems surrounding our businesses' operations and supply chains, and minimise deforestation associated with the sourcing of key commodities such as palm oil and soya. With action needed to reduce habitat and biodiversity loss, we support nature and wildlife habitat projects that seek to protect and restore nature reserves surrounding our businesses' operations and within their supply chains.

Stakeholder engagement

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

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

Our key stakeholders

1. Employees
2. Suppliers and workers
3. Customers and consumers
4. Communities and the environment
5. Shareholders and institutional investors
6. Governments

Stakeholder	Why our businesses engage	Key matters	How the businesses engage with this stakeholder group
Employees	We employ approximately 140,000 people. Our people are central to our success.	• Health, safety and wellbeing • Diversity, equity and inclusion • Cost of living • Culture • Engagement • Development	• Day-to-day engagement • Email • Town halls • Surveys • Health and safety programmes • Training • Notice boards • Newsletters • Intranet and website
Suppliers and workers	As a diversified international Group, our businesses have many complex supply chains.	• Responsible sourcing • Supply chain sustainability • Payment practices • Human and labour rights in our supply chains • Transparency in supply chains	• Conversations (face-to-face or virtual) • Training • Communication sessions • Correspondence • Audits • Engagement with supplier representatives and NGOs
Customers and consumers	The customers and consumers of our safe, nutritious and affordable food, and clothing that is great value for money.	• Healthy and safe products • Value for money • Availability of products • Customer relations • Social and environmental impact • Store environment	• In-store signage (Primark) • Face-to-face interactions with staff • Customer surveys • Websites • Labelling • Social media • Customer and consumer contact lines • Market data analysis
Communities and the environment	Supporting society and respecting the environment are two of the key ways we live our values and make a difference.	• Climate change mitigation and adaptation • Natural resources and circular economy • Social impact, including employment opportunities • Agriculture and farming practices	• Various environmental programmes • Dealings with NGOs and other expert programmes and schemes • Coaching and training programmes • Community programmes and schemes
Shareholders and institutional investors	The Company has a mix of individual and institutional shareholders, including bondholders, whose views are valued.	• Strategic updates • Business and financial performance • Return on investment • ESG • Remuneration	• Results announcements • Press releases • Annual general meeting • Annual Report • Website • Meetings • Registrar
Governments	The Group is impacted by changes in laws and public policy.	• Climate and environment-related matters • Tax and business rates • Agricultural and trade policy • Public health • Support of businesses and workers • Energy support schemes	• Meetings, calls and correspondence • Responding to consultations and calls for evidence • Providing data/insights (e.g. supply challenges) • Participation in government schemes • Parliamentary events • Industry forums • Site visits • Attendance at conferences

Our material topics

Our people

The people across our businesses are united by our purpose, culture and passion for delivering for our customers. We empower them to innovate and support them to grow and develop.

People in our supply chains and surrounding communities

Our Group Supplier Code of Conduct is the foundation of our businesses' work with respect to working conditions and labour standards in their supply chains.

Carbon and climate

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

Water

Our businesses work to reduce water consumption, strive to reuse water where possible and return treated water safely to the environment.

Waste and packaging

We have a long history of finding ways to make more from less and maximise the use of by-products and co-products from our operations.

Food safety and nutrition

Our businesses are united by our purpose to provide safe, nutritious and affordable food.

Agriculture and farming practices

Across the Group, our food and retail businesses depend on agricultural systems for the majority of the raw materials and ingredients required to make our products.

Our people

The people across our businesses are united by our purpose, culture and passion for delivering for our customers. We empower them to innovate and support them to grow and develop.



A production operative at the Twinings manufacturing facility in Swarzędz, Poland

Our operations in 57 countries across the United Kingdom, Europe, Africa, the Americas and Asia Pacific employ around 140,000 people who are united by our purpose, culture and passion for delivering for our customers. Operating through a diverse portfolio of businesses, brands and ingredients platforms, we empower our people to innovate, make decisions close to customers and markets, and develop their skills and careers over the long term.

Our people are central to our success. We understand the value of good people and strong and accountable teams. We recognise our responsibility to ensure our people feel safe, respected and included. The Group promotes a unique opportunity through its global network, encouraging our businesses and people to connect and share expertise, build relationships and learn from one another. The strength of our Group is built on the expertise, commitment and entrepreneurial spirit of our people in all our businesses.

We expect our businesses to review continuously how we can ensure we are doing the best for our people. We operate responsibly and doing so helps us to keep our employees engaged and motivated. We want to ensure that the people who work in our businesses feel they are paid fairly for the jobs they do, which includes receiving compensation in full and on time. More on our fair pay approach can be found in our Annual Report. We also provide support for financial wellbeing and examples of this are shared on our website.

Reflecting our devolved operating model, each business is responsible for the development of its people practices, ensuring adherence to our values and considering factors such as International Labour Organization ('ILO') standards and local laws and practices. We expect our businesses to have internal grievance processes in place to give workers a voice on the issues they face in the workplace, in addition to our Speak Up mechanism.

We also expect our businesses to condemn any form of harassment and bullying, including physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation. Not only is this the right thing to do, it supports our good work principles and the mental health and wellbeing of our employees and contractors.

Health, safety and wellbeing

The health, safety and wellbeing of our people remain a fundamental priority across the Group. We are committed to ensuring that everyone who works for us, including our contractors, returns home safe every day, wherever they work in the world.

Any loss of life connected with our operations is unacceptable. As such, we are deeply saddened to report one fatal injury to an employee and four to contractors. Two of these fatalities occurred during activities on our sites being conducted by contractors: a contractor in Brazil was electrocuted; and a contractor in Malawi was killed when a fire extinguisher exploded during pressurisation by the contract engineer. Two of the fatalities resulted from road traffic accidents: an employee was struck by a vehicle while crossing the road in Zambia, and a contract delivery driver was fatally injured in a road traffic accident in the UK. Last year we described a contractor fatality in Zambia during inflation of a tyre of an agricultural vehicle, which is reported in this year's data. Following these tragic events, our priority was to ensure the families and colleagues of those who died were supported.

Comprehensive root cause investigations were undertaken to try to understand the causes of each incident and identify opportunities to prevent a recurrence. The findings and lessons learned are being shared across the Group.

Our businesses work continuously to identify and reduce risk, strengthen safety leadership and create environments where people can work safely. Our businesses take a holistic approach to health, safety and wellbeing, considering aspects such as mental, physical and financial wellbeing as well as physical safety.

All of our businesses continue to have a strong focus on contractor management and supervision. Vehicle and driver safety remains a top priority and our businesses are working with their contracted hauliers to ensure a robust focus on driver safety.

Our Group-level Health, Safety and Wellbeing Policy, which was updated this year, establishes the minimum expectations across all our businesses. These are supported by our non-negotiable safety requirements. This Policy is supplemented with additional local and business-specific policies. Responsibility for ensuring compliance with these policies sits with the chief executives of the various businesses. Each business also has a nominated director with specific accountability for health, safety and wellbeing, including mental health.

In line with the Group-level Policy, our businesses continue to focus their safety efforts in the following key areas:

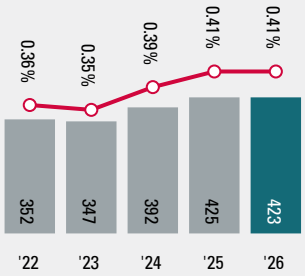
- providing strong and visible safety leadership from senior management;
- identifying and managing activities with the highest risk of fatal and serious injuries;
- supporting line managers with their accountability for workplace safety with safety specialists and training;
- actively involving employees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

Across the Group, we have identified a set of on-site and off-site critical-to-life safety risks that receive enhanced focus and oversight:

- harm from moving vehicles, which includes driving for company business;
- falls from height and falling objects;
- machinery safeguarding;
- the storage and handling of hazardous materials;
- working in confined spaces;
- electrical and fire risks; and
- the management of contractors, who often carry out these high-risk operations.

We continue to support our businesses through resources and toolkits focused on helping colleagues to address these critical-to-life safety risks and strengthening safety leadership and culture, including the management of change and safety conversations. Additional support has been provided this year through machinery safety workshops to engineers and their immediate supervisors across our UK operations, with plans to extend the programme to other countries.

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



This year, we introduced a defined severity scale for Lost Time Injuries ('LTIs'), providing greater detail on the nature and impact of injuries. The majority were classed as lower severity, with employees requiring only a few days off work to recover.

The Group employee LTI rate this year is flat at 0.41% compared to last year.

The Group contractor LTI rate this year has decreased from 0.25% to 0.24%.

Across the food businesses the employee LTI on-site rate this year is flat at 0.39% (202 on-site LTIs compared to 212 last year) and on-site contractor LTI rate this year is flat at 0.15%. The food businesses are focused on continuing to drive initiatives to sustain the reduction in LTIs.

The Primark employee LTI rate this year is 0.44% compared with 0.42% last year

We are disappointed the Primark employee LTI rate has increased. Primark has carried out analysis of their incident data and has put actions in place that aim to reduce risk and address the causes of these incidents.

All of our businesses remain focused on investing in risk reduction initiatives. This year £43m was invested in reducing health and safety risks across a wide range of operational hazards.

Our businesses continue to focus on their governance approach, safety culture and processes to keep their people safe. This includes increasing or improving the number and quality of leading indicators, including safety observations and providing training and leadership initiatives to strengthen line manager engagement and ownership of safety.

Our health and safety networks connect expertise across the Group, enabling people to share best practices and learn from one another to strengthen safety culture and performance across our businesses.

Many of our businesses are starting to implement artificial intelligence and digital solutions to help them diagnose risk reduction opportunities, support with data analysis, carry out risk assessments, enhance safe operating procedures and training. Group-level agreements for selected technologies allow businesses to benefit from these tools.

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

Wellbeing

Supporting the mental health and wellbeing of our people is central to who we are and how we perform. We continue to strengthen our capacity to adapt to change, and remain a place where people want to work by supporting a healthy and engaged workforce. Our businesses use multiple communication methods to ensure our different workforce audiences have easy access to information when they need it, including notice boards, shift briefings and virtual platforms.

We encourage a culture of open conversations with the aim of removing the stigma associated with mental health, including supporting our people to share their personal stories.

Our businesses invest in wellbeing across the Group, including programmes designed to raise awareness and provide practical assistance, resources and tools across all areas of wellbeing, including financial and mental health. These solutions work best when they take into account local contexts and the views of our colleagues. As such, employees are involved in the design and development of our workplace mental health initiatives and more information on this can be found on our website.

We support our businesses' line managers in sharing information on wellbeing support and explore any necessary adjustments to ensure employees can perform effectively throughout their careers. This includes temporary or permanent adjustments to work scheduling and workloads.

In a year where difficult decisions have had to be made about closing and restructuring businesses, our businesses have sought to ensure that employees are treated with dignity through consultation processes. They have engaged with unions and employee groups so that employees know that their views have been heard. They have worked with employee representatives to understand what support people need and have provided employee assistance plans so there is access to advice and guidance to support their wellbeing.

We continuously aim to improve our holistic approach to supporting our people with their physical, mental and financial wellbeing.

We utilise feedback from external organisations, such as CCLA Corporate Mental Health Benchmark UK 100, to benchmark our progress and reporting transparency. We were pleased that this year we were recognised as one of the companies making the most progress in this area, now ranking near the top of Tier Two of the benchmark.

We continue to provide financial and mental wellbeing tools and resources, easy access to employee assistance programmes ('EAPs') and information across a range of topics to support our people internationally. We also invest in training and resources for line managers, recognising the pivotal role they play in the wellbeing of our employees at key lifecycle moments of on-boarding, career development conversations, performance reviews, return-to-work discussions and stress risk assessments.

Many of our businesses also have wellbeing activities in place for their people. Some examples include:

- Primark: Every Move Counts physical wellbeing campaign, the Stay Safe, Be Well health and mental health campaign, the Let's Talk EAP and Mental Health First Responders, alongside financial wellbeing support and extensive inclusion and belonging activity through colleague networks, accessibility programmes and events;
- Grocery Group: businesses provide a mix of EAPs, physical wellbeing activity, proactive and reactive mental-health support, Mental Health First Aid ('MHFA'), belonging initiatives and financial wellbeing provision. For example, in Jordans Cereals employees have been able to attend pensions talks to raise awareness and are given access to Salary Finance, a partner able to help them manage access to finances.
- George Weston Foods: fitness, nutrition and health information, seminars delivered by health partners, on-site physiotherapy and preventative strength-conditioning at some manufacturing sites, MHFAs and TELUS Health counselling, inclusion councils and diversity networks, and financial education and cost-of-living support;
- ACH: in the US, employees can access an on-site fitness centre and nutrition counselling. In Mexico, provision includes preferential access to gyms through Wellhub, nutrition and assistance services through Betterfly, and wellbeing and inclusion training delivered by specialist consultants;
- AB Mauri: yoga, sports events, walkathons, healthy food initiatives and fitness contributions, mental-health and stress-management education, local medical and insurance support, and cultural, inclusion and community events across regions including India, the Philippines, Pakistan, Sri Lanka and Malaysia;
- ABFI: activities across businesses include EAPs, fitness and nutrition initiatives, proactive mental-health education and MHFA, together with inclusion activities. For example, SPI Pharma offers gym reimbursements, yoga, Headspace and Meru Health; and
- AB Agri: MHFA training, Nudge financial education, desk yoga and employee networks including Women@ABAgri, enAble, Fusion, Parents & Carers and PRIDE.

Diversity, equity and inclusion ('DEI')

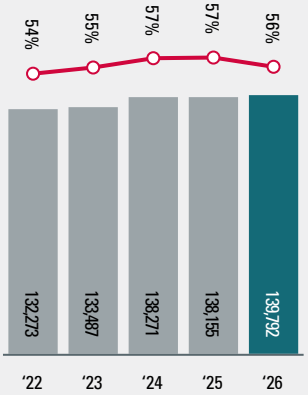
Our businesses strive to attract and develop a wide variety of talented people. This is enabled by creating opportunities for professional and personal development, and by fostering environments that enable our people to showcase and use their diverse and unique skills. Our people give us a competitive advantage and strengthen the Group's ability to deliver long-term success.

Our Board Diversity Policy sets out our groupwide approach and is complemented by local business policies, DEI teams and dedicated programmes. These policies and initiatives aim to support all employees, including women, ethnic minorities, individuals with disabilities and members of the LGBTQIA+ community, through equitable access to employment, training, career development and promotion opportunities.

We are committed both to enabling our people to perform at their best and realise their career potential, and to eliminating all forms of discrimination and bias that can harm their mental health and physical wellbeing.

Our Group Inclusion Network is made up of colleagues from across all our divisions. It shares knowledge, best practice and ideas between businesses to accelerate change. We also have around 500 DEI advocates through which we provide access to training and thought leadership from expert external partners on topics such as allyship, racial and ethnic diversity, female careers and leadership, handling difficult conversations, and neurodiversity, disability and LGBTQIA+ inclusion.

Average number of employees and percentage of women



A number of our businesses use the Develop Diverse platform to support the consistent use of inclusive language on business policies, job adverts, job descriptions and interview questions. The insights around the importance of inclusive language have also been adopted in line manager training, such as Primark's Hiring Inclusively programme. We continue to raise awareness and educate our people, advocates and leaders on the evolving field of diversity, equity and inclusion.

We utilise our dedicated internal website to connect colleagues across the Group with our DEI and wellbeing corporate partners, easy to use resources, training materials and internal case studies highlighting great practice and learnings, including British Sugar's 'conscious inclusion' e-learning module and Twinings Ovaltine's health and wellbeing agenda.

We foster active communities of advocates and leaders who are driving their local plans and identifying where synergies could be helpful. Over recent years our most active communities have been Menopause & Menstruation, Disability & Neurodiversity, and Wellbeing, including a network for those leading MHFA groups in our businesses.

Unconscious bias training, cultural awareness programmes and a range of tools are provided to support our businesses in promoting inclusivity. These tools equip leaders and line managers with the skills needed to create inclusive cultures in their businesses and local settings. The materials are provided in eight of our key business languages and we have over 100 trained facilitators across the Group.

Our Women in ABF network, which has been running since 2011, continues to help women develop skills, broaden business awareness and build connections that support both current performance and future career opportunities across the Group. This network is open to anyone across the Group, giving access to virtual events featuring internal and external speakers, together with networking opportunities that encourage learning, collaboration and the sharing of experiences.

We prioritise attracting, developing and retaining a broad range of talent across the Group. We continue to focus on improving representation, including gender and ethnicity, by identifying and removing barriers that may discourage talented individuals from joining ABF or progressing into leadership roles.

Through our talent and development processes, we aim to create equitable access to opportunities and support a strong and diverse leadership pipeline for the future.

Overall, across the Group women make up 56% of our total global workforce.

We remain focused on addressing gender imbalances and are committed to a continued focus on ensuring women are represented at all levels, including those in the most senior roles.

We are pleased that women account for 42% of senior management roles across the Group, increased from 36% five years ago and showing steady progress over time. Our groupwide Executive Leadership Programme alumni also has an increasing proportion of women.

Of roles reporting to the chief executives and their direct reports our gender balance for 2026 is 27%. However, where the size of roles (in terms of scale and complexity) is considered, as opposed to reporting line only, 34% of senior roles are held by women.

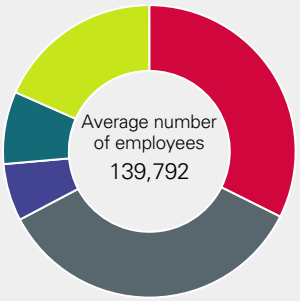
Our leadership teams across the Group remain highly multicultural and ethnically diverse, with 31 nationalities reporting to the chief executive or his direct reports. Globally, 20% of these roles are held by leaders from ethnic backgrounds that would be classed as a minority based on UK definitions, up from 12% in 2023. We commit to a continued focus on ensuring those from ethnic minorities are represented in our most senior roles in the UK and globally.

We voluntarily report on our overall gender pay gap for employees in Great Britain ('GB') on our website and are pleased that this has improved, although it remains in favour of men. A significant number of our female colleagues work in retail, with 76.1% of roles in the lower pay quartile for the Group taken by women.

In the food business the pay gap remains in favour of women as we have a significant majority of male employees who work in a manufacturing environment. These employees are being compared to women who, on average, work in middle management. Each of our GB-based businesses with over 250 employees also reports on its own gender pay gap, with these reports published on their websites.

Primark has a median GB gender pay gap of 0.4% in 2026.

Location of employees – 2026 (number, %)



United Kingdom	45,258	32 %
Europe	48,790	35 %
The Americas	8,856	6 %
Asia Pacific	11,215	8 %
Africa	25,673	18 %

During the year, the UK Government confirmed its intention to introduce mandatory ethnicity and disability pay gap reporting for large employers. We have been voluntarily collecting ethnicity data from our employees in GB for a number of years and 77% of employees in GB currently disclose this (using Office for National Statistics categories). Many of our businesses will be including ethnicity pay gap reporting in their 2026 gender pay gap reports.

Research shows that where employees select 'prefer not to say' as their ethnicity election, this indicates low levels of trust in the organisation. We are pleased that only 0.5% of our employees have made this election, indicating a positive culture across our businesses.

We are continuously working to encourage more of our UK population to share their ethnicity with us. With robust data we are able to produce better action plans to ensure that all colleagues have great careers with us.

Our businesses' gender and ethnicity pay gap reports share inspirational business-level insights about the actions being taken to enable all employees to successfully grow their careers with us. We would encourage you to read these reports.

Engagement and development

The engagement and development of our people are fundamental to the performance of our businesses. Our devolved operating model empowers people closest to customers, consumers and markets to make decisions, while benefiting from the breadth of expertise, experience and opportunities available across the Group. Through our networks, communities and collaborative ways of working, colleagues can build connections beyond their immediate teams, share insight, learn from others and access support from a broad range of peers and leaders.

We are committed to creating environments where people can perform at their best, develop their capabilities and build rewarding careers. By investing in leadership, functional excellence and professional development, we aim to ensure our businesses have the skills, knowledge and talent needed to respond to future opportunities and challenges.

Open communication is a core part of our culture. Across the Group, employees are encouraged to share their views in a wide variety of ways. These include conversations with managers and leaders, engagement surveys, discussion and focus groups, 90-day onboarding check-ins, exit interviews, employee networks and digital forums. The businesses work hard to have constructive working relationships with union and employee representatives. These channels help foster transparency, strengthen collaboration and ensure colleagues' perspectives help shape decisions that affect our businesses and workplaces.

Engagement surveys remain the most widely used approach with 95% of our businesses regularly conducting engagement surveys through their chosen partners including Willis Towers Watson, Culture Amp and Peakon Workday. Surveys are run over a range of frequencies across the businesses from quarterly pulse surveys to more in-depth surveys every two to three years. Of those businesses that carried out surveys in the last 12 months, 89% of their people were invited to participate with a response rate of 74%. We consider 70% to be a strong engagement score. As the exact definition of engagement measures varies by survey provider, we monitor the percentage of our businesses scoring above 70% against each area. The levels of achievement of scores above 70% of the businesses conducting surveys this year are:

- 79% on the main measure of engagement;
- 85% on the main measure of inclusion; and
- 96% on the main measures of wellbeing.

The businesses are continuing to expand the reach of their surveys to all colleagues through use of technology, while recognising legal and cultural challenges in some markets. We are particularly pleased that in 2026 Illovo Sugar Malawi successfully completed an engagement survey with over 7,000 employees across the business, including those that have previously been difficult to reach, such as colleagues working in operations and agriculture. This identified opportunities to better support employees through clearer articulation of career pathways, increased provision of improved resources and facilities at a site level. We look forward to seeing progress in Malawi as a result of its targeted 30, 60 and 90-day action plans.

Throughout our businesses, there is a strong focus on taking action as a result of the feedback from engagement surveys and other activities. Actions this year have ranged from improving collaboration, strengthening leadership capability, training and transparency, introducing focus groups for employee feedback and promoting greater learning opportunities. Some specific examples include:

- ABFI has launched the Lead to Grow leadership framework and strengthened communication through quarterly updates, Q&A opportunities and a divisional leadership conference.
- AB Mauri has improved communication on its business priorities and key decisions in Italy and introduced clearer career development discussions, particularly for people early in their careers.
- Allied Bakeries, which has now been brought together with the Hovis Group as Hovis Bakeries, introduced Simplyhealth, invested in new vehicles, improved canteen facilities and continued its annual first-line manager and high-potential development programmes.
- Grocery Group businesses have introduced actions including annual performance reviews for operatives at Sports Nutrition, enhanced working conditions at Westmill's Enfield site and practical wellbeing support at Jordans.
- George Weston Foods has launched an emerging leaders programme at Mauri ANZ and introduced career and talent pathways at The Artisanal Group.
- Primark has expanded culture activities, launched Above & Beyond recognition through ZING (Primark's internal colleague app, used to connect and engage colleagues and support internal communications) and begun rolling out updated colleague uniforms.
- Twinings Ovaltine has introduced development pathways, 360-degree feedback, recognition moments, social committees, AI sessions to reduce administrative work, and clearer approaches to decision making and escalation.

In her role as designated Non-Executive Director for workforce engagement, Annie Murphy leads activities that provide assurance to the Board that our businesses maintain cultures of openness, where employees can share their views and have their voices heard and acted upon. All non-executive directors on the Board have committed to participating in engagement sessions with colleagues across the Group. More information on the activities of the Board in relation to workforce engagement is provided in the Annual Report.

Our businesses support individuals to develop their skills and strengths through a range of learning, development, mentoring and career opportunities. This enables colleagues to thrive in their current roles while benefiting from the scale, diversity and connectivity of the wider Group.

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

We have multiple development programmes across the Group, with groupwide executive leadership, induction and functional excellence programmes for senior leaders, while the businesses focus on development interventions for cohorts within their businesses. In addition, the Group works with a range of partners to provide bespoke development initiatives, including coaching and mentoring for leaders and potential successors. All of these initiatives continue to strengthen capability, build leadership pipelines and support long-term career growth across our organisation.

People in our supply chains and surrounding communities

Our Group Supplier Code of Conduct is the foundation of our businesses' work with respect to working conditions and labour standards in their supply chains.



A farmer near Eminabad, Pakistan, growing basmati rice for Westmill Foods to the Sustainable Rice Platform Standard

Human and labour rights in our supply chains

Our businesses work with a diverse range of suppliers from large businesses to smallholder farmers.

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

Human rights due diligence across our Group

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

Our devolved business model requires each of our businesses to adopt approaches based on their specific supply chains and the nature of their supplier relationships. Assessing where potential negative human rights risks and impacts might exist, combined with supply chain mapping, helps some of our businesses identify, monitor and, where applicable, manage risks and impacts related to workers and communities in the supply chain.

Risk management and monitoring

Our businesses use a number of platforms to help assess and monitor potential human rights risks including the Verisk Maplecroft's risk assessment tool, which provides country risk data for 150 commodities, the Sedex (Supplier Ethical Data Exchange) online platform and EIQ, the risk assessment tool from LRQA, which covers social and environmental risks for countries and a range of commodities. In some of our businesses, risk monitoring is conducted through audits carried out by internal teams or third parties. Some businesses also engage workers and their representatives directly outside of the audit process to understand what issues they face.

For example, Primark's ETES team has over 130 people predominantly based in 10 of its key sourcing markets. The work of the team ranges from risk assessment to supporting suppliers and their factories in implementing the Primark Supplier Code of Conduct. Where inherent risks and more systemic issues are identified, Primark works with suppliers and their factories, as well as with partners and other brands, to support suppliers to address these issues through longer-term solutions and projects.

Primark's Ethical Trade and Environmental Sustainability ('ETES') programme is one of the key elements of how human rights due diligence is implemented in its product supply chains. Through this programme, Primark conducted over 2,300 Supplier Code of Conduct audits in its suppliers' factories over the calendar year 2025. Primark carries the full cost of these audits, which include rigorous checks for human rights issues against the requirements of the Primark Supplier Code of Conduct, based on first-hand assessment of the working environment, reviews of relevant documentation and confidential worker interviews. At the end of each audit, supplier factories are issued with a time-bound corrective action plan that outlines any areas for improvement. Primark uses these audits in the approval process for all new tier one factories[1]. Any potential new factories are audited and only if the outcome of the audit is satisfactory can any orders be placed.

1. Primark tier one: factories manufacturing finished goods.

Governance and policies

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

The Group Supplier Code of Conduct underpins any relevant policies that our businesses may choose to follow. Twinings Ovaltine, Primark and ABF Sugar have also developed their own human rights policies based on the Group Supplier Code of Conduct.

Grievance mechanisms and remedy

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

Stakeholder consultation and transparency

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

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

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

Supporting communities

Alongside their work to respect human and labour rights in their supply chains, some of our businesses aim to positively contribute to the communities in which they operate or from which they source. For instance, our sugar businesses in Africa recognise that their sugar estates are a key part of the surrounding community. This is reflected in their activities to support those communities, such as providing clinics, schools and local services to support some of their workforce, and in certain cases the wider community and surrounding neighbours. In 2026, some of our sugar businesses in Africa continued to invest in several community support projects across their operational areas. These initiatives focused on helping provide access to potable water, offer natural disaster relief, improve healthcare, advance education and develop infrastructure.

Carbon and climate

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



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

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 transition 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 greenhouse gas ('GHG') emission reduction commitments.

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

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

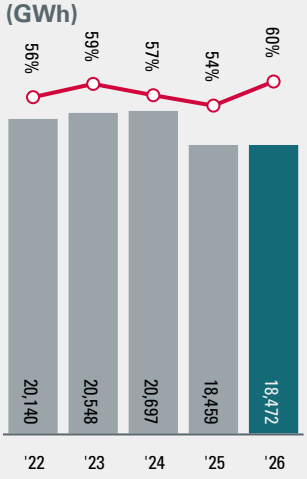
ABF Sugar, Primark and Twinings Ovaltine each have specific public commitments for reducing their GHG emissions. The reduction targets for these businesses have been validated by the Science Based Targets initiative (SBTi), ensuring they align with the latest climate science. ABF Sugar, Primark and Twinings 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.

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 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. AB World Foods, also part of Grocery Group, committed to near-term, business-wide emission reductions to 2031 through the 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. Achieving net zero across the Group will depend on our businesses being clear on the part they have to play and where their opportunities to reduce their own carbon emissions lie. It will also depend on a number of factors that are beyond our businesses' direct control, such as the greening of national grids and suppliers delivering on their own carbon reduction targets.

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.

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



Energy and renewables

We remain focused on energy efficiency and transitioning to renewable energy where viable. This year our businesses consumed 18,472 gigawatt hours (GWh) of energy in our operations, broadly in line with the prior year.

Of this total energy, 60% was derived from renewable sources, predominantly biomass fuels from by-products generated from production processes, representing an increase of 11% compared to last year. Of the renewable energy we generated, 85% came from bagasse, the plant-based fibre that remains after the extraction of juice from the crushed stalks of sugar cane. Some renewable energy was also derived from the anaerobic digestion of a range of waste materials.

In 2026 42% of the electricity purchased came from renewable sources, up from 37% 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 2026, 852GWh of energy generated by our sites was exported, an increase of 7% compared to last year, with ABF Sugar contributing 94%.

Scope 1 and 2 GHG emissions

Our Scope 1 and 2 (market-based) GHG emissions decreased by 14% this year, from 2,410kt to 2,079kt of CO_2e. Our Sugar segment is the most significant contributor of Scope 1 and 2 (market-based) GHG emissions within the Group, at 67%. As a result, decreasing the carbon emissions from our Sugar businesses continues to be a priority for the Group.

In 2026, ABF Sugar's Scope 1 and 2 (market-based) GHG emissions decreased by 20% compared to the previous year, driven mainly by site closures. These emissions were 38% lower compared to the 2018 baseline. The reduction against baseline reflects changes in the operational footprint, ongoing improvements in production efficiency, investment in new technology and fuel switching to lower-emission energy sources.

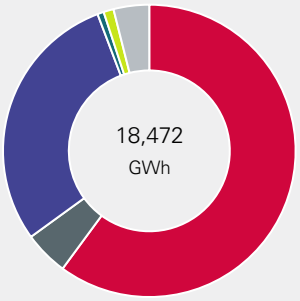
British Sugar, the largest contributor to the Group's Scope 1 GHG emissions at 665kt CO2e and 41% of Group, has made significant investment across its sites to reduce GHG emissions. From its 2018 baseline year through to 2026, British Sugar has invested approximately £138m in various initiatives across its sites, contributing to a 35% reduction of Scope 1 GHG emissions and a cumulative reduction of above 166kt of CO_2e. At its Bury St Edmunds site new evaporators commissioned in 2025 completed their first full sugar beet campaign in 2026, delivering improved energy efficiency.

At Newark, focus remains on improving reliability through ongoing investment into energy efficiency, steam usage and optimising existing systems.

At Wissington, construction of a new steam drying plant was completed in 2026. The £43m project replaces existing gas-fired animal feed dryers with a steam drying process using steam generated by the site's Combined Heat and Power ('CHP') plant. Once operational, the project is expected to deliver a substantial reduction in Scope 1 GHG emissions while further improving energy efficiency. Looking ahead, British Sugar plans to continue its decarbonisation strategy through further efficiency improvements while exploring alternative fuels and low-carbon technologies.

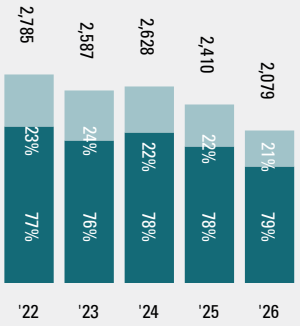
Our Agriculture, Retail and Ingredients segments have also reduced their Scope 1 and 2 (market-based) GHG emissions compared with last year, by 12%, 2% and 1% respectively. These reductions were driven by energy efficiency projects and increased use of renewable energy in all those segments, as well as lower production volumes in the UK in Agriculture.

Energy use by source – 2026 (GWh, % of total)

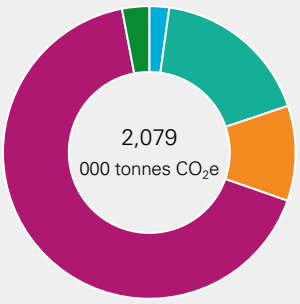


Renewables	11,100	60 %
Electricity – non-renewable source	906	5 %
Natural Gas	5,403	29 %
Imported steam	130	1 %
Liquid Fuels	204	1 %
Solid fuels	728	4 %

Scopes 1 and 2 (market-based) GHG emissions (000 tonnes CO_2e, % of total)



Scopes 1 and 2 (market-based) GHG emissions by segment – 2026 (000 tonnes CO_2e, % of Group total)



Retail	46	2 %
Grocery	367	18 %
Ingredients	219	11 %
Sugar	1,385	67 %
Agriculture	62	3 %

Scope 3 GHG emissions

Understanding our Group GHG emissions is an important step towards achieving our ambition to meet net zero by 2050. At a Group level, we continue to support the divisions in the process of calculating their material Scope 3 GHG emissions, which enables us to identify where to focus our priorities and provides our businesses the visibility required to prioritise where they implement reduction activities. Primark has published its Scope 3 GHG emissions from across its value chains and most of the other divisions are in the process of calculating them.

In 2026, Primark reported 4,720kt of CO_2e for its Scope 3 emissions, which is a 21% decrease compared with 2025. This represents a 24% decrease compared with 2025. This represents a 24% decrease versus 2019 baseline. These reductions were achieved through a decrease in supplier GHG emissions, improved availability of primary data from supplier factories and greater use of recycled or Primark preferred sources[1]. The decrease in supplier GHG emissions resulted from increased use of renewable energy, wider industry and supply chain decarbonisation initiatives, continued Primark investments in capacity building and site-specific action plans for supplier decarbonisation.

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

Products that help others reduce their GHG emissions

Some of our businesses provide 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, some of ABF Sugar, AB Enzymes and AB Agri products help to facilitate the potential reduction of other businesses' emissions.

1. Primark preferred sources

Water

Our businesses work to reduce water consumption, strive to reuse water where possible and return treated water safely to the environment.



A sugar cane irrigation system at the Ubombo estate in Eswatini

Water is an essential input for clothing and food production. Our businesses aim to reduce the amount of water they abstract for their operations, reuse water as much as possible and return treated waste water to nature after ensuring it meets or exceeds local and national water regulations and standards. In line with our devolved business model, our businesses set and manage appropriate plans and commitments to achieve these aims.

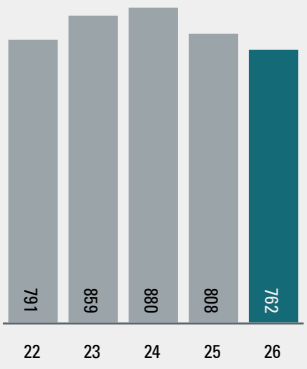
In 2026, businesses across the Group collectively abstracted 762 million m^3 of water for use in their own operations, a 6% decrease compared with last year. The reduction primarily reflects lower water abstraction across some of our sugar businesses in Africa driven by earlier seasonal rainfall and higher rainfall levels than in the prior year. Our African sugar businesses accounted for 97% of this total abstraction, with the majority of the water used for sugar cane irrigation. Those businesses are working to reduce their water footprint, with innovative irrigation projects underway.

Of the water used by our businesses, 97% comes from surface water, such as rivers, lakes and reservoirs. The remaining water comes from groundwater and third-party sources.

In 2026, across the Group, 24% of the water abstracted in our own operations was reused before being returned to the environment. Reusing water is a more cost and resource efficient way of managing water. Our sites reuse the water for irrigation, land spreading, process reuse where feasible, cleaning vehicles and machinery, and horticultural purposes. The businesses, in particular AB Mauri and ABF Sugar, are assessing new ways of reusing water within their manufacturing sites, aiming to reduce the amount of water abstracted and enhance operational efficiency.

To identify and manage potential risks to our operations in areas facing water scarcity, we carried out a high-level water risk assessment in 2024 for our Group operations using internationally recognised methodologies to identify sites operating in water-stressed areas. The findings of the assessment remain relevant and continue to be considered appropriate for 2026, as the location of our businesses' manufacturing sites has remained largely unchanged. Due to the demerger and changes in other businesses we intend to update our assessment in 2027. We provide a more detailed picture of water-stress risk in our CDP submission.

Total water abstracted in own operations (million m^3)

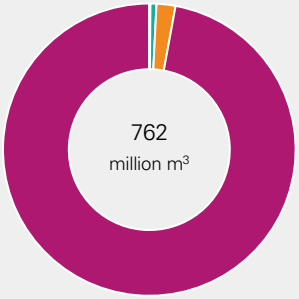


Water treatment

Our businesses' sites return as much water as possible to the environment by treating the waste water on-site and/or by using external treatment plants.

Water treatment is a key topic for AB Mauri. Since 2010, the business has invested USD 160m in improving its wastewater treatment facilities. Production facilities in several locations have on-site effluent treatment plants that include conventional and advanced biological processes, high pressure membranes and evaporators that can produce reusable water and useful co-products. The selection of technologies addresses the local aquatic sensitivities and water quality objectives.

Total water abstracted in own operations by segment – 2026 (million m³, % of Group total)



Retail	1	0.1 %
Grocery	5	0.6 %
Ingredients	16	2.1 %
Sugar	741	97.2 %
Agriculture	0.2	0.0 %

Water in our businesses' supply chains

Water is used throughout the supply chains across our businesses, and efficient water use in agriculture has become increasingly crucial, especially under changing climate conditions. Some of our businesses incorporate water management strategies in the farm management standards they use to address this challenge. For instance, Westmill aims to promote the standards of the Sustainable Rice Platform ('SRP'), the Primark Cotton Project trains farmers to reduce water use, and ABF Sugar, through the use of the SAI Platform FSA 3.0 tool, works closely with its growers to enhance water efficiency.

Primark's water stewardship approach aims to strengthen water management practices, reduce water impacts and build resilience to water-related risks throughout its supply chain. The approach reflects the growing pressures that climate change, a rising demand for freshwater and increasing pollution are placing on water resources in many of its sourcing regions. Across its supply chain and sourcing regions, the business seeks to reduce water consumption, improve wastewater management and support collective action in priority river basins.



Wastewater treatment at AB Mauri Maya's yeast plant in Bandrima, Türkiye

Waste and packaging

We have a long history of finding ways to make more from less and maximise the use of by-products and co-products from our operations.



Waste and circularity

The general manager of British Sugar's Wissington factory stands in front of the animal feed dryers with pressed pulp and dried animal feed, which is manufactured from the pulp

We believe that waste materials are simply products for which we have not yet found a use. With that in mind, our businesses continue to implement practices to reuse, recycle or reduce all sources of waste, including food, feed, plastic and textile.

Our businesses produce many commercially viable products from sources potentially considered waste. For example, several of our businesses have become major suppliers of raw materials for animal feed, using by-products from their operations that might otherwise have limited value. Some businesses are also suppliers of raffinate and betaine for use in the petrochemical and pharmaceutical sectors. Several of our businesses use by-products to generate renewable electricity or heat. Additionally, some businesses divert low-value waste from landfill for use as a soil improver or repurpose it as an ingredient in organic fertiliser.

Our food and ingredients businesses aim to avoid products going to waste by first looking at where waste can be avoided in the manufacturing process, and donating surpluses to food banks, community groups and charities. Where appropriate, food waste is used as animal feed and in energy generation.

Across the Group, we generated 359kt of waste in 2026 which is a 30% decrease compared with the 510kt generated in 2025. The reduction was primarily driven by the reduction of the beet manufacturing footprint at ABF Sugar's operations in Spain.

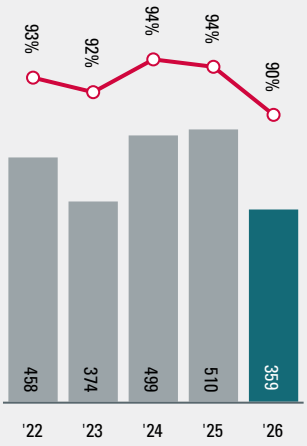
Of the total waste generated by the Group, 90% was recycled or repurposed for other beneficial uses. Across our businesses, 59 sites sent no waste to landfill and an additional 23 sites recycled or sent for reuse more than 95% of their waste. See our data page for more details on our waste data.

Some businesses use on-site anaerobic digesters to generate biogas from waste water, some of which also use biogas as a renewable fuel source. Other businesses use biological materials and production by-products to meet part of their energy needs. For example, our sugar businesses in Africa use bagasse, the dry fibrous material that remains after crushing sugar cane, as a feedstock to meet up to 84% of their annual energy requirements.

Primark is advancing its circularity ambitions by embedding circular principles across product development and business operations, with the aim of extending the life of clothing and reducing textile waste. Key initiatives include designing products with circularity in mind, increasing the use of recycled and Primark preferred sources[1].

1. Primark preferred sources

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



Plastic and packaging

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

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

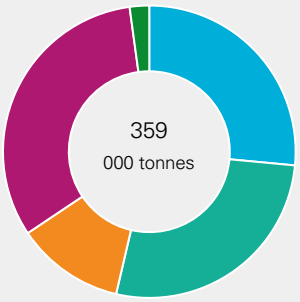
In 2026, our businesses used 241kt of packaging compared with 250kt used in 2025, representing a 3% decrease. The reduction was driven by lower production volumes and a higher proportion of bulk production within Agriculture, as well as packaging reduction initiatives implemented across all segments.

Across the Group, our businesses are striving to improve packaging innovation and design. In the UK businesses completed the Recyclability Assessment Methodology ('RAM') required under the UK's Extended Producer Responsibility for Packaging regulations and are using the results to identify opportunities for further packaging improvements. Our businesses are complying with and preparing for evolving regulatory requirements including the EU Packaging and Packaging Waste Regulation ('PPWR'). George Weston Foods is a signatory to the Australian Packaging Covenant Organisation ('APCO'), a non-profit organisation established under Australian regulation to reduce packaging waste and improve recycling methods.

Our food businesses are striving to reduce packaging, improve recyclability and replace plastic with alternative materials such as cardboard. For example, in calendar year 2025, 87% of Grocery Group's packaging materials were either fully recyclable in the UK or recyclable where recycling facilities exist. Twinings has removed plastic wrap from around 95% of its cartons and ensures all tea bags produced at its main manufacturing sites in the UK and Poland are made with plant-based, industrially compostable tea paper. Primark continues to evaluate alternative packaging materials across selected apparel categories. During 2026, plastic polybags used in certain product ranges were replaced with fibre-based cardboard packaging formats.

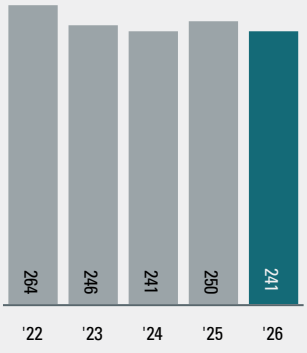
See our data page for more details on plastic and packaging.

Total waste generated by segment – 2026 (000 tonnes, % of Group total)



Retail	95	26%
Grocery	97	27%
Ingredients	43	12%
Sugar	116	32%
Agriculture	8	2%

Quantity of packaging used (000 tonnes)



Food safety and nutrition

Our businesses are united by our purpose to provide safe, nutritious and affordable food.



Food safety

Quality assurance inspection, Allied Mills, Manchester, UK

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

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

Each division employs staff to assure the safety, quality, legality, integrity and authenticity (Vulnerability Assessment and Critical Control Points) of both raw materials and finished products. Raw material approval format is dependent on the risk posed but will typically comprise vendor assessment by audit or questionnaire, supplier certification review and product testing.

At site level, HACCP outcomes and Good Manufacturing Practice determine the scope of quality assurance and quality control regimes. To continually improve site practices, structured food safety and quality culture programmes are in place. Threat Assessment and Critical Control Points protocols covering supply chains and site activities to counter malicious intent are also in place. All of the above regimes are subject to ongoing verification and validation activities.

Nutrition

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

Making Sense of Sugar is ABF Sugar's global platform dedicated to providing access to factual information 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 UK 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.

We have a Group policy laying out our approach to genetically modified (GM) ingredients, including compliance with local regulations on their use and the labelling of GM ingredients. Grocery Group continues to work closely with the UK's Food and Drink Federation ('FDF'), participating in industry-wide programmes designed to deliver meaningful health benefits to consumers. Ryvita, Jordans Cereals and Kingsmill remain signatories to the FDF's Action on Fibre, an initiative to increase fibre consumption in the UK by helping to close the shortfall between the recommended daily fibre intake and current national consumption levels.

In Australia and New Zealand, George Weston Foods' businesses Tip Top and Yumi's support clear food labelling practices to help consumers make informed choices. Both businesses actively participate in the voluntary Health Star Rating front-of-pack labelling system.



An application development technologist inspects bread rolls at the AB Enzymes baking lab, Singapore

Agriculture and farming practices

Across the Group, our food and retail businesses depend on agricultural systems for the majority of the raw materials and ingredients required to make our products.



A Jordans Farm Partnership farm in Hampshire, UK

We recognise the importance of managing those agricultural systems responsibly if we are to meet a growing population's need for safe, nutritious and affordable food and clothing that is great value for money.

We also recognise the interconnectivity between agriculture and climate change, and how efforts to address the risks, opportunities and impacts related to climate change, land use, biodiversity, water, soil health and waste all have an impact on agriculture. Our businesses support a wide range of interventions at the agricultural level, with a focus on more responsible farm management practices. They are also addressing the most material impacts, risks and opportunities, often with a focus on soil as we recognise this provides the foundation for agricultural productivity and resilience. This includes a number of activities, including certified organic production, engagement with smallholder growers and adoption of farm management systems focused on driving more sustainable farm productivity and exploring new technologies and approaches.

We have a strong association with the UK agricultural sector, and some of our food businesses are working closely with UK farmers to support more regenerative farming practices for cereals such as wheat, oats and sugar beet. Globally, our businesses purchase a range of commodities such as cotton, sugar cane, tea and cereals, and a number of our businesses are working directly with farmers to identify opportunities within the supply chain to protect and enhance biodiversity and ecosystems.

Most of our businesses continuously consider and implement activities, voluntary commitments and internationally recognised management systems that can guide and assist efforts to reduce their environmental and social impacts and risks, including risk of deforestation.

This encompasses our approach to the environment in line with the following requirements as a minimum:

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

Responsible agriculture, biodiversity and land use

We recognise the commercial imperative of protecting agricultural systems that enable the supply of raw materials and ingredients to our businesses.

A healthy agricultural system, which protects natural assets and ecosystems including soil, biodiversity, water and air quality, will ensure we are able to continue sourcing the commodities we need. We believe the responsible management of these agricultural systems will help ensure a higher level of food security, and we recognise the need for action from all stakeholders in the value chain if this is to be achieved.

As a diverse group of food, ingredients, agriculture and retail businesses, our businesses' connection to agriculture spans many different crops, regions and supply chains. There is no single approach that works everywhere. Some of our businesses are able to work directly together with farmers to influence positive change, while other businesses will need to do so more indirectly and rely more heavily on their stakeholder relationships. Our businesses work with farmers and partners on activities that focus on their material risks, local conditions and customer needs.

For example, at Jordans Cereals, the Jordans Farm Partnership works with farmers, LEAF and The Wildlife Trusts to support farming practices that help improve soil health while creating space for nature. Farmers participating in the programme manage their land to recognised environmental standards and dedicate areas to wildlife habitats. These actions help support soil fertility, biodiversity and the long-term resilience of farming businesses.

At Allied Mills, the Wheat Sustainability Supply Project supports farmers in adopting practices such as crop rotation, minimal tillage and precision agriculture. The project demonstrates how improving soil health can also contribute to reducing GHG emissions and strengthening the resilience of wheat production.

British Sugar is working with growers and researchers to explore new technologies and approaches that support productive soils. This includes efforts to reduce soil compaction, maintain soil organic matter and improve resource efficiency across sugar beet production. For example, British Sugar has been piloting AI and high-resolution camera technology to treat individual plants with pinpoint accuracy and reduce the use of herbicides. It is also piloting pollinator sensors that deliver real-time data to guide spraying decisions and identify opportunities to strengthen pollinator habitats.

Beyond the UK, ABF Sugar has achieved FSA silver level equivalence across all its businesses' own operations and also grower operations in Malawi. The Primark Cotton Project works with hundreds of thousands of farmers to promote practices such as crop rotation, reduced tillage and the use of natural fertilisers. These practices can help improve soil quality, support farm productivity and strengthen resilience to changing environmental conditions.

These examples demonstrate the potential link between nature and good business. Taking action to promote healthy agricultural systems can help farmers improve resilience, manage risk and maintain productivity over time. This in turn can benefit farming communities, supply chains and the businesses that depend on them.

However, farmers cannot achieve this alone. Building resilient agricultural systems requires action across the value chain from Governments, researchers, financial institutions and businesses. We believe that collaboration will be essential if agriculture is to meet the challenges of the future. By working together across the food system, we can help create agricultural systems that are more productive, more resilient and better able to support nature.

You can find more examples of this in our divisional sections here.

Products and services for efficient farm management

Some of our businesses supply a range of products and services to the agricultural sector that facilitate efficient farm management and more regenerative approaches. AB Agri is a large supplier of animal feed and nutrition products to the dairy, poultry and pig sectors in the UK, providing a range of technology and consultancy services to promote efficiency.

Supporting customers in improving their farm ecosystems is an increasingly important part of AB Agri's approach in this area. For example, AB Sustain connects farmers, processors and retailers with practical tools and programmes, including its Farm Footprints service, which enables major food producers to measure their supply chain GHG emissions. Kite Consulting provides on-farm advisory services, including support to help improve nutrient efficiency and GHG emissions reduction.

Deforestation

At ABF, we recognise that protecting forests is critical to tackling climate change, conserving nature and ecosystems and supporting resilient agricultural supply chains. Our businesses must comply with all laws and regulations applicable to deforestation in the jurisdictions relevant to them.

Businesses are expected to identify their material risks, including where they source deforestation-risk commodities, and have governance in place to manage those risks, including appropriate levels of visibility through the relevant supply chains.

Some of our businesses source commodities that are linked with potential risks related to deforestation and biodiversity loss, such as palm oil. ABF has been a member of the Roundtable on Sustainable Palm Oil ('RSPO') since 2010. We are committed to supporting our businesses to source 100% of palm oil and palm-related ingredients through one of the RSPO's four recognised supply chain models. In calendar year 2025, 10% of the palm-related ingredients sourced by our businesses was certified through segregated RSPO supply chains, while 17% was certified through mass balance RSPO supply chains. The remaining 73% of palm-related ingredients sourced across the Group were covered by RSPO book and claim credits.

Those businesses that have set Forest, Land and Agriculture related targets validated by the Science Based Targets initiative have also established no-deforestation commitments across their primary deforestation linked commodities.

In preparation for the EU Deforestation Regulation ('EUDR'), our businesses have been working to identify products in scope of the regulation and to have in place relevant policies, controls, procedures and systems. This has been supported by guidance and tools to support understanding and effective EUDR due diligence.

For more information, find our Deforestation Position Statement here.

You can find more details on this topic in our divisional sections here.

Animal health and welfare

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

Within the Group, only AB Agri, DON and Nanga Farms have direct involvement with the farming of animals. Where the farming of animals is or may become relevant to any of our businesses, or when any of them conduct animal feed trials[1], we expect their approach to be governed by policies or procedures which are guided by internationally recognised standards such as the Five Domains Model of animal welfare assessment. Many of our businesses purchase ingredients derived from animals, such as eggs and dairy products, or materials derived from animals, such as leather and wool.

We expect our businesses to develop their own appropriate animal health and welfare sourcing standards and requirements in relation to the ingredients and materials they source, and to require their suppliers and representatives to comply with those standards and requirements. For more information, find our Animal Health and Welfare Position Statement here.

The small number of our businesses that purchase eggs are either already sourcing from cage-free hens or have a cage-free commitment in progress. Learn more about our commitment on cage-free eggs.

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

Our commitment on cage-free eggs

A small number of our businesses purchase eggs. We had a Group commitment that all eggs purchased by our businesses would be cage free by 2025, with the exception of AB Mauri, which is targeting 100% cage-free egg sourcing across the Americas by 2030.

We have continued to make good progress in financial year 2026. Many of our businesses have reached 100% cage free. Excluding the Americas, our businesses collectively reached 83% cage free, up from 54% in 2025. Although this is an important achievement it falls short of our 100% target.

With the Americas included, 33% of eggs purchased across the Group were cage free in 2026, compared to 26% in 2025.

Our businesses will continue to work with suppliers, customers and industry partners to work towards full transition. While it is taking longer than we expected, we remain committed to reaching 100%.

We also remain committed to publishing annual updates to track progress and ensure transparency for stakeholders. All data quoted in this update relates to the regions where we purchased eggs in the reporting period 1 September 2025 to 31 August 2026, meaning that additional progress that has been made by certain businesses since August is not captured here, but will be reported next year.

Europe Region

In the UK, 80% of eggs purchased were cage free in 2026, up from 56% in 2025. The balance of egg sourcing in the UK relates primarily to customer-specified or private-label products, where sourcing decisions are externally controlled and our ability to effect change is limited.

Our Grocery businesses sourced 100% cage-free eggs for all own-brand products throughout the year, while private-label products transitioned to cage-free eggs in September 2026, which is outside of this reporting period.

In the rest of Europe, all egg-purchasing businesses bought 100% cage-free eggs in 2026.

Asia Pacific Region

In Asia Pacific, 92% of eggs purchased were cage free in 2026 up from 50% in 2025. This progress was driven by Mauri ANZ and Tip Top Australia, which sourced 100% cage-free eggs in 2026. However, some businesses continued to face challenges securing sufficient cage-free supply due to availability constraints, which included avian influenza impacts and broader market shortages. As a result, while continuing to work closely with their suppliers, some businesses are now targeting full conversion to cage-free eggs by the end of 2026.

Americas Region

In 2026, 27% of eggs purchased in Latin America were cage free, up from 22% in 2025, and none were cage free in the US. AB Mauri, a significant purchaser in the region, targets 100% cage-free sourcing across the Americas by 2030. In Brazil, where the cage-free industry is less developed, AB Mauri is targeting 50% cage-free sourcing by 2028 and 100% by 2030. While we recognise that unforeseen events, such as avian flu outbreaks, may impact progress toward these long-term goals the business remains committed to working towards this target.

We remain committed to publishing annual updates to track progress and ensure transparency for stakeholders. All data quoted relates to the regions where we purchased eggs in the reporting period 1 September 2025 to 31 August 2026.

Responsibility in our businesses



Agriculture
AB Agri is passionate about helping to create a world where responsible nutrition is available to all.

Retail
Primark is working to keep clothes and materials in use for longer, reduce waste and build a resilient and transparent supply chain through its Primark Cares strategy.



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

Grocery
Our grocery businesses are taking action on key ESG priorities. With programmes tailored to local needs, they aim to support people, strengthen supply chains and help protect the environment.

Ingredients
Our Ingredients businesses are investing to improve performance across a wide range of material ESG topics.

ESG at Retail

Primark is working to keep clothes and materials in use for longer, reduce waste and build a resilient and transparent supply chain through its Primark Cares strategy.



A farm in the Primark Cotton Project, India

Primark's sustainability strategy, Primark Cares, was launched in 2021 and sets out its ambition to become a more circular[1] business by evolving its operations and supply chain without customers having to pay more. This includes keeping clothes and materials in use for longer, reducing textile waste and building a resilient and transparent supply chain. Primark Cares is supported by the business's long-standing approach to responsible sourcing in its supply chain.

Drawing on more than five years of experience, in 2026 Primark made a choice to review its approach to sustainability. Its updated Primark Cares strategy will centre around its strengths as a business: its products, its scale and its reach across the supply chain. In the context of tighter regulation and changing technology and consumer expectations, the aim of this renewed strategy is to support long-term responsible growth. It will concentrate on three priorities: circularity[1], supply chain resilience, and supporting women across the Primark value chain. Primark will publish its updated strategy next year.

1. For Primark, circularity means working towards a system where clothing is kept in use for longer and textiles are used again, reducing waste and reliance on virgin resources. Primark's approach is informed by the Ellen MacArthur Foundation's 'vision of a circular economy for fashion', in which products are 'used more, made to be made again, and made from safe and recycled or renewable inputs'.

ESG Governance

Primark has established a governance framework to oversee environmental, social and governance ('ESG'). Critical risks relating to ESG are managed through the Primark Risk Committee or through Steering Committees. These cross-functional committees bring together all relevant internal stakeholders to give guidance and propose appropriate actions. Its CEO and senior directors are responsible for all decision making and implementation. ESG-linked performance incentives continue to apply to directors and wider senior leadership, reinforcing accountability for delivery of Primark's ESG priorities. Relevant topics are fed into the wider business governance strategy as needed. Primark continuously reviews its governance to ensure it evolves with the latest legislation and compliance requirements, in addition to its business priorities. Primark updated its ESG governance in 2026.

To effectively understand, manage and mitigate risks, Primark actively engages with a broad range of stakeholders, including policymakers, workers' rights organisations, civil society groups and industry initiatives at both national, EU and international levels.

Our people – Retail

People are central to Primark's business strategy. Investing in its colleagues, protecting its culture and maintaining a highly engaged workforce are key elements of the business's ongoing success.



Colleagues at Primark's Oxford Street East store, London, UK

Health, safety and wellbeing

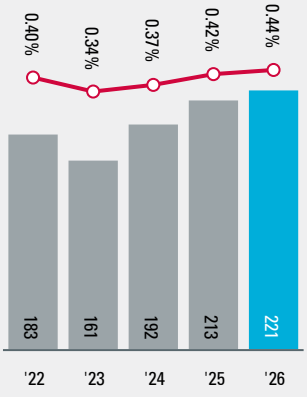
Primark's health and safety strategy sets out its commitment to embedding robust health, safety and welfare standards across the business. Primark's priority is to maintain clear, non-negotiable standards delivered by its colleagues, creating safe environments for its customers, people and communities.

In 2026, several regional initiatives supported the delivery of the strategy across the business. A health and safety values and behaviours matrix was developed to support leaders, managers and colleagues in embedding positive health and safety behaviours. This includes promoting safety, leading by example, reporting hazards and encouraging honest feedback. In the UK, interactive challenges were used to raise awareness of common causes of Lost Time Injuries ('LTIs'). In the Republic of Ireland, a programme was launched which delivered a targeted focus on safety during peak trading. The Netherlands piloted 'Take 5 for Safety Conversations', an initiative designed to encourage open dialogue about safety and strengthen shared responsibility for identifying and addressing risks in the workplace. Several markets also marked World Day for Safety and Health at Work through leadership events, knowledge sharing and safety awareness activities.

In 2026, the number of employee on-site LTIs increased from 213 in 2025 to 221, resulting in an employee LTI rate of 0.44%. The number of contractor on-site LTIs increased from 32 in 2025 to 35. While acknowledging the challenges with this performance, Primark notes that all regions except two recorded either lower or unchanged employee LTI levels compared with the previous year. The increase was primarily driven by the UK. Analysis identified stock handling, equipment movement and stockroom activities as the principal causes of UK injuries. In response, Primark has implemented targeted initiatives, including enhanced safety leadership training, strengthened operational controls, improved stockroom and delivery processes, and the introduction of additional risk controls for higher-risk activities. These actions are intended to support a sustained reduction in workplace injuries.

Primark continues to use its Incident Notification System to report, investigate and learn from all incidents and near misses, supported by a clear commitment to root cause analysis through its Incident and Accident Management procedure. This is complemented by a comprehensive Environmental Health and Safety audit programme, covering both compliance and safety behaviours, with independent, unannounced audits conducted annually across all sites.

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



Wellbeing

The Spark Wellbeing Programme aims to promote one of Primark's company values 'Caring', and help colleagues be their best selves, whether at home or at work. Spark focuses on three pillars:

- Basics: Creating safe and comfortable work environments;
- Support: Caring for its colleagues; and
- Balance: Hard work with moments to connect, rest and celebrate.

Within Spark, Primark offers mental health support initiatives such as the Mental Health First Responder programme, which has been in place since 2022. Primark aims to have up to four responders in every store, depending on store size, and have responders in every office and depot. In 2025, Primark held refresher training for all existing responders to ensure they are familiar with the framework, to give responders an opportunity to check in with a clinical expert and to share experiences. This training has continued to roll out in 2026, and Primark is training new responders where required.

Primark also offers the Let's Talk Employee Assistance Programme, which enables colleagues and members of their households to access free, confidential and independent 24/7 support in local languages around mental health, legal and financial matters. Part of this service also ensures on-site support is offered in the event of a critical incident.

Diversity, equity and inclusion ('DEI')

Primark continues to implement various initiatives to make its products, stores and workplaces more accessible for customers, colleagues and job applicants.

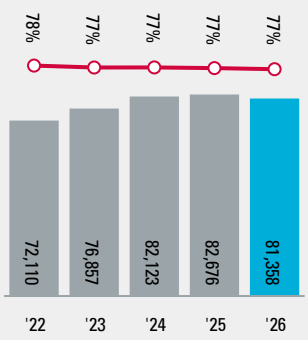
Across its markets, Primark also continues to strengthen partnerships with organisations that support disabled people and others who may face barriers to entering the labour market. The business has more than 100 employability partnerships, ranging from large national programmes to smaller local initiatives, helping to create opportunities and support inclusive recruitment.

In 2026, Primark refreshed its adaptive clothing range by introducing new styles and colourways, and enhancing designs based on customer feedback. The range also grew to include new products such as stoma underwear and adaptive swimwear for women and men. Through its ongoing partnership with AccessAble, Primark reviewed all new stores and major refits across the UK and Republic of Ireland, helping to ensure customers have access to accurate and up-to-date accessibility information as its store estate continues to expand.

Primark's progress in adaptive clothing has been recognised externally in both the inaugural Forbes Accessibility 100 list and the Forbes Accessibility 200 list. It was also named a Zero Project Awardee for innovations that support the implementation of the UN Convention on the Rights of Persons with Disabilities.

Primark continued its broader work in the areas of inclusion and community impact, for more information see its latest UK Gender Pay Gap report from 2025.

Number of employees and percentage of women in the workforce



Engagement and development

Creating an engaged workforce means fostering open dialogue and empowering colleagues to help shape the business. Primark's colleague engagement survey, Your Voice, enables colleagues to share feedback and ideas, with the insights gathered informing policies and strategies on the issues that matter most to them.

Primark's values, 'Caring, Dynamic and Together', remain a core part of the colleague experience, with local teams continuing to bring them to life in ways that are relevant and meaningful within each market. This is supported through translated resources, ongoing engagement activities and targeted local investment.

In 2026, Primark has made significant investments in leadership development, career pathways and accessible bite-sized learning. Primark's digital learning platform is currently available to over 17,000 colleagues, with plans to extend access to all Primark colleagues globally. Primark's internal careers site launched in August 2025 and was rolled out across most markets between February and March 2026, helping colleagues explore opportunities and take the next step in their careers.

Primark continues to equip leaders to positively impact the people they lead, with more than 700 colleagues between September 2025 and 2026 participating in a leadership development programme. Further programmes are being developed to ensure Primark has a relevant development programme in place to support all managers and leaders across the business. ‘Grow With Us’ is a suite of career development programmes designed to prepare store colleagues for progression across Primark’s retail management levels. Between June 2025 and September 2026, more than 170 colleagues who had completed a 'Grow With Us' programme have been promoted. As of September 2026, 46% of leadership roles overall are filled by women.

People in our supply chains and surrounding communities – Retail

Primark has a longstanding commitment to supporting decent work and responsible business practices in its supply chain.



A trainee operator in the Sudokkho programme at a Primark supplier factory in Dhaka, Bangladesh

Human and labour rights in our supply chains

Primark's Supply Chain Human Rights Policy outlines its commitment to human rights due diligence in its supply chain. It is underpinned by its Supplier Code of Conduct, which sets out the standards the business expects of its suppliers.

The Primark Supplier Code of Conduct is based on the Core Conventions and the Fundamental Principles and Rights at Work of the International Labour Organization and covers Primark's supply chain. It includes supplier requirements on labour rights including health and safety, freedom of association, discrimination and child and forced labour. It also covers suppliers and service providers that support Primark's operations, including those providing goods and services that Primark does not sell directly to customers. Acceptance of the Supplier Code of Conduct is a key condition of doing business with Primark.

Primark takes a risk-based, worker-centric approach to human rights due diligence that makes use of multiple channels of information to set priorities and manage risk within its supply chain. This includes desk-based research, audits, direct engagement with workers and their representatives, as well as engagement in local and international forums.

Primark greatly values engagement with a global network of local and international stakeholders, unions, governments and civil society organisations whose support and feedback are essential to its progress.

Primark's Ethical Trade and Environmental Sustainability ('ETES') team has over 130 people, predominantly based in 10 of its key sourcing markets. The work of the team ranges from risk assessment to supporting suppliers and their factories in implementing its Supplier Code of Conduct.

Primark's Supplier Code of Conduct audit and monitoring programme is a key mechanism for implementing human rights due diligence across its supply chain. Through this programme, Primark conducted over 2,300 Supplier Code of Conduct audits during the calendar year 2025. Tier one[1] factories are audited at least once a year. These audits are either carried out by Primark employees based in sourcing countries or by carefully selected third parties. Primark carries the full cost of these audits, which include rigorous checks for human rights issues based on first-hand assessment of the working environment, reviews of relevant documentation and confidential worker interviews. At the end of each audit, supplier factories are issued with a time-bound corrective action plan that outlines any areas for improvement. Primark uses these audits in the approval process for all new tier one factories. Any potential new factories are audited and only if the outcome of the audit is satisfactory can any orders be placed.

Primark also implements additional due diligence activities where necessary. For example, its Structural Integrity Programme was established in Bangladesh in 2013 to assess the safety of all supplier factory buildings against international standards. Where areas requiring improvement are identified, Primark works closely with suppliers and factory management, in collaboration with a team of structural and civil engineers from international engineering firms, to provide technical support, guidance and remediation assistance. The Structural Integrity Programme was expanded to Pakistan in 2015 and Cambodia in 2019, with additional ad hoc support provided in other sourcing countries as required. In 2025 a heat stress pilot was carried out as part of the Structural Integrity Programme. Please see the TCFD section of the ABF Annual Report for more information on heat stress.

Primark believes it is important that organisations, workers and their representatives can raise grievances and alert the business to potential breaches of its requirements. The business is committed to making grievance mechanisms available to its colleagues and people in its supply chain. This includes:

- having grievance mechanisms which allow for anonymous reporting;
- expecting Primark-approved factories to make grievance mechanisms available to their workers;
- where applicable, working with third parties, including non-governmental organisations ('NGOs'), to support the implementation of industry-wide grievance mechanisms in its sourcing countries. For example, the Amader Kotha Helpline in Bangladesh and the Hamary Awaz hotline in Pakistan are both external and independent grievance mechanisms that provide workers with a confidential and accessible means to raise concerns and access remedy; and
- providing a separate, widely available Primark-funded grievance mechanism for workers in its supply chain, called Tell Us. This began in Bangladesh and has now been extended to suppliers in most sourcing countries, covering both resale and non-resale goods and services supply chains.

Primark also receives grievances through other channels, including the customer services section of its website, confidential worker interviews during Supplier Code of Conduct audits, and workers having direct contact with Primark colleagues and its partner organisations. When issues or grievances are raised, Primark investigates thoroughly while protecting the confidentiality of those raising the complaint, and anyone else who might be affected. Primark does not tolerate any retaliation against those who have raised a grievance, or against any affected stakeholders.

More detail about Primark's approach to human rights due diligence can be found in its Modern Slavery Statement, Supply Chain Human Rights Policy and Sustainability and Ethics Progress Report.

1. Factories manufacturing finished goods.

Solutions and projects for systemic issues in factories

Where inherent risks and more systemic issues are identified, Primark works with suppliers and their factories, as well as with partners and other brands, to support suppliers to address these through longer-term solutions and projects. Building on more than a decade of programme implementation, local teams work closely with suppliers and external experts to identify issues, find solutions and share learnings with others.

Primark continues to address the specific challenges faced by vulnerable workers in its supply chain, including migrant workers. Since 2017, Primark's My Life programme in India has supported workers by equipping them with essential life skills, including communication, knowledge of workplace rights and health practices, with a strong focus on women. Developed in partnership with NGOs 'Women Win' and 'Maitrayana', the programme has been adapted over time to meet local needs, including overcoming language and cultural barriers.

With Primark's expansion into the Gulf Cooperation Council region through its franchise partnership this year, the business has extended its supply chain due diligence measures to help identify and provide support to its franchise partner in addressing labour risks.

Primark's work on living wages

Primark recognises that embedding responsible purchasing practices[2] is a key element of improving working conditions for workers in its supply chain. Primark's work in this area continues to be focused on industry collaboration through its membership of Action, Collaboration, Transformation ('ACT'), working on transparency on wage data and continued embedding of ACT's purchasing practices, particularly labour costing[3] and long-term planning among its core product lines.

In May 2024, Primark signed an agreement with IndustriALL to support collective bargaining for garment workers in Cambodia. In October 2026, Primark signed an extension to the Support Agreement with IndustriALL for a further three years. In 2025 and 2026, Primark jointly hosted two webinars, with ACT secretariat and IndustriALL as well as trade unions in Cambodia. There were 19 factories and 11 suppliers in attendance. The webinars explained Primark's Support Agreement with IndustriALL and the ACT supported Collective Bargaining Agreement in Cambodia.

2. Read more about the purchasing practices commitments of ACT members here.
3. A costing process that clearly identifies the wage component of a product allowing this to be ringfenced and protected from price negotiations.

Transparency and traceability

Primark continues to increase transparency and traceability across its supply chain. Its Global Sourcing Map covers tier one factories that manufacture finished goods and includes information on site locations and workforce demographics[4]. 100%[5] of clothing, textile and footwear suppliers are now onboarded to Primark's traceability programme, bringing the total to more than 290 suppliers using the TrusTrace mapping module. In addition, more than 200 suppliers have progressed to real-time purchase order traceability, a more granular method of traceability, further enhancing supply chain visibility and transparency.

4. The factories featured on the map are Primark's suppliers' production sites (excluding, inactive, unapproved or proposed sites) representing approximately 95% of Primark products for sale in its stores, based on Autumn Winter 2024 and Spring Summer 2025. A factory is detailed on the map only after it has produced products for Primark for a year and has become an established supplier. Tier one factories manufacture finished goods for Primark.
5. Based on Autumn Winter and Spring Summer 2026 orders.

Case study – Retail



Helping workers access social security in India

Securing Future is an initiative developed by Primark to help workers access their benefits under India's complex social security system. The project trains factory workers to become 'nanbans' (meaning 'friend' in Tamil) who work with factory Human Resources staff to help workers access their full pensions and health benefits. Since 2021, this initiative has been implemented in 27 factories. In 2026, Primark reviewed the successes and learnings from this project. Primark collected in-depth feedback from over 150 workers in seven supplier factories through focus group discussions, as well as feedback from nanbans and factory management. The review highlighted positive feedback on accessing social benefits and the valuable role nanbans play in facilitating dialogue between workers and factory management. Feedback from workers highlights that they are making more informed decisions about contributing to, and withdrawing funds, from their social security to support them with financial resilience, with nanbans playing an important role. For example, they help workers understand the information required to ensure previous employer pension funds carry over to their new employer and workplace. This process has generated rich learning on what is working and where challenges remain, which will inform how the programme evolves going forward.

'Nanban' training as part of the Securing Futures initiative in India



Hostel risk assessment research in South India

In 2026, Primark commissioned in-depth hostel research in Tamil Nadu, India, through its long-standing partner the Maitrayana Foundation. Leveraging relationships built over many years with workers and suppliers, Maitrayana was able to gather candid feedback and generate a nuanced understanding of workers' experiences in factory-owned hostels. The research revealed considerable variation in conditions, wellbeing support and management practices across sites – from hostels offering recreational activities and strong worker support systems to others where concerns around living conditions, food provision and grievance processes were identified. This level of insight, including workers' and managers' perspectives on what drives both positive and negative experiences, has significantly deepened Primark's understanding of the risks to vulnerable workers. It will help support the development of a stronger evidence base for targeted action and supplier engagement to improve outcomes for workers.

Gathering feedback from workers who reside in factory-owned hostels in South India

Case study – Retail



Supporting workers' eye health in Bangladesh

In 2026, Primark marked two years of its partnership with Vision Spring, which provides workers with access to eye tests and eye glasses. In Bangladesh, there is a significant unmet need of factory workers who require glasses but do not have them. Between 2024 and 2026, while Primark supported this initiative, over 66,000 workers were screened across 28 supplier factories, with approximately 25,000 workers given glasses. Nine out of 10 workers who received glasses had never worn glasses before, despite their need. Primark collected additional feedback from over 100 workers in eight sample factories. This feedback supports the existing evidence that improved vision positively influences workers' productivity, accuracy, confidence and overall wellbeing.

Factory worker participant from Primark's eye health workplace programme in partnership with Vision Spring, Bangladesh



Understanding the Effectiveness of the Amader Kotha Helpline Grievance Mechanism in Bangladesh

Primark has been supporting supplier factory workers in Bangladesh to access the Amader Kotha Helpline for the past five years. In 2026, Primark conducted a focused evaluation of the Helpline in collaboration with Helpline partners (LRQA, The Cahn Group and local partner Phulki) and independent experts The Remedy Project, to understand the effectiveness of the Helpline in addressing workers' concerns.

Primark wanted to move beyond traditional indicators such as call volumes or case resolution rates to examine how the Helpline functions and the outcomes it delivers for workers in practice. The Amader Kotha Helpline's locally led all-women staffed team is central to its effectiveness. Implemented through local partner Phulki, the approach helps foster trust and encourages workers, particularly women, to raise concerns and seek support through accessible grievance mechanisms.

Using the UN Guiding Principles effectiveness criteria for grievance mechanisms, the evaluation combined operational insights with feedback from workers, gathered sensitively and confidentially. The evaluation found strong evidence of effectiveness in key areas, particularly in accessibility, trust and consistent follow-up, while also highlighting opportunities to strengthen outcomes and longer-term impact. For example, continued support to raise awareness and trust building with workers, strengthening factory grievance handling capabilities and more feedback processes for workers as part of the Helpline's offering.

This evaluation is an important step in strengthening Primark's understanding of effectiveness and contributes to a growing evidence base of what effective remedy looks like.

Amader Kotha training taking place in Bangladesh

Carbon and climate – Retail

Primark is focused on tackling climate risk in its operations and supply chain through decarbonisation, water stewardship and responsible chemicals management.



GHG emissions, energy and renewables

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

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.

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').

In 2026, Primark achieved a 21% decrease in GHG emissions across Scope 1, 2 (market-based) and 3 compared to 2025 and a 26% decrease against its 2019 baseline.

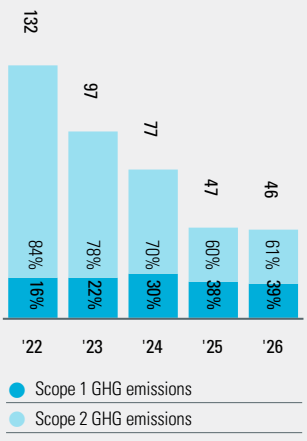
For more detail on how Primark aims to achieve its Scope 1, 2 and 3 GHG emissions reduction targets, please see its Transition Plan below.

Scope 1 and 2 GHG emissions, energy and renewables

In 2026, Primark decreased its Scope 1 and 2 (market-based) GHG emissions by 2% compared to 2025 and has maintained a significant reduction of 72% compared with its 2019 baseline. This marks the third consecutive year that these emissions have remained below the threshold of its target. These reductions were 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 for its own operations, in line with its FICCA commitments. In 2026, 79% of electricity used in Primark operations came from renewable energy sources, up from 76% in the previous year.

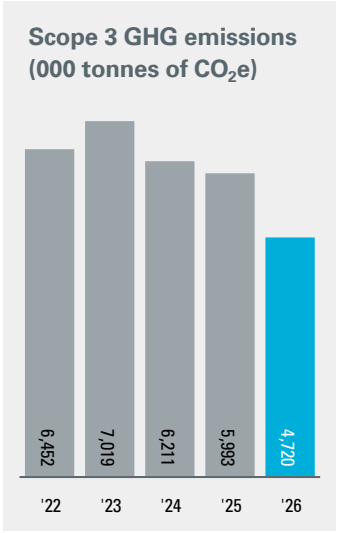
Scope 1 and 2 (market-based) GHG emissions (000 tonnes of CO_2e, % of total)



Scope 3 GHG emissions

Primark is focused on 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 2026, Primark's absolute Scope 3 emissions decreased by 21% compared to 2025 and 24% against its 2019 baseline. Scope 3 emissions from purchased goods and services, which underpin Primark's near term science-based emissions reduction target validated by the SBTi, totalled 3,673kt CO_2e in 2026. This represents a reduction of 25% compared to 2025, and of 23% compared to 2019. These reductions were achieved through a decrease in supplier GHG emissions, improved availability of primary data from supplier factories and greater use of recycled or Primark preferred sources[1].The decrease in supplier GHG emissions resulted from increased use of renewable energy, wider industry and supply chain decarbonisation initiatives, continued Primark investments in capacity building and site-specific action plans for supplier decarbonisation.



In 2026 Primark launched its Supplier Environmental Standards. These standards set the environmental performance requirements for its apparel, footwear and home textile suppliers, accounting for approximately 83% of its procurement spend for goods for resale in 2026. These standards cover water, waste, chemistry, energy, climate and air emissions criteria.

Primark has been investing in supplier factory efficiency measures through targeted training, upskilling and energy-saving projects under its Primark Resource Efficiency Programme ('PREP'). PREP 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 factories[2].

Between 2022 and 2025, Primark piloted the PREP programme across 104 factories in Bangladesh, China and India. In 2026, the last of these pilot projects concluded, covering seven non-textile tier two factories in China and 15 textile tier one and tier two factories in India, with all participating factories receiving their final action plans to support continued improvement.

At project close, the 15 factories in India had achieved a total GHG emissions saving of around 29kt CO_2e per year, completing approximately 69% of the actions identified over the course of the project. The remaining agreed action items are included in each factory's closing action plan, to be implemented over the coming years up to 2030.

Building on the pilot phase, towards the end of 2026 Primark launched the next wave of PREP in India, covering 20 tier one vertical factories across six suppliers. The programme aims to help factories reduce their environmental impact through improvements in energy, water, waste and chemical management. It also addresses air emissions, including volatile organic compounds and fugitive emissions, and the monitoring of thermal conditions within facilities to support operational resilience as temperatures rise across sourcing markets. The expanded scope of PREP is aimed at taking a holistic approach focused on both immediate resource efficiency and the impact that a changing climate may have on energy demand.

The initial assessment and site visits have been completed for all 20 facilities, with the project now moving into initial action planning for impact reduction.

In China, Primark has been working with the Chinese National Textile and Apparel Council ('CNTAC') as the initiating partner of CNTAC's Carbon Probe Project. This project set out to develop practical resources for suppliers in China to calculate and report their Scope 3 emissions, including guidelines, training modules and calculation methods.

Throughout 2026, these resources have been trialled with seven Primark suppliers in China. The project has been successful in creating resources to enable Primark suppliers to strengthen their carbon knowledge and skills with the goal of shifting carbon accounting from a compliance to a proactive exercise, where suppliers begin to identify the opportunities which can be harnessed from supply chain management of decarbonisation, to operational efficiency and increased energy resilience. To drive further industry engagement and collaboration, the core training sessions are publicly available, while Primark has tailored specific modules for its own suppliers.

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

In 2026, Primark joined the Apparel and Textile Transformation Initiative ('ATTI'). ATTI is a joint programme launched and led by the International Apparel Federation and the International Textile Manufacturers Federation. It promotes a manufacturer-led approach to industry transformation, which is a different approach to many brand-led initiatives that Primark is part of. ATTI focuses on key sustainability issues across the supply chain, including energy efficiency, water use, emissions and other environmental impacts. The initiative is supported by Primark in its supply chains in Türkiye and in Bangladesh.

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. Primark invests in Maersk's ECO Delivery Ocean product that uses fossil fuel alternatives such as biofuels, which emit approximately 40% less GHG emissions than traditional fuel, resulting in a 13kt tCO_2e reduction in Primark's maritime shipping emissions in 2026.

Case study – Retail

Primark's Transition Plan

Primark's decarbonisation strategy, as well as other elements presented in this Plan, continue to support progress against Primark's public decarbonisation commitments including its near-term emissions reduction targets validated by the SBTi. The content presented in this Plan refers to FY26. Over the past 12 months, Primark has been undertaking a review of its ESG strategy to align with evolving regulations and changing customer expectations. More information is available on Primark's website.

Governance

The Primark Chief Executive continues to have oversight and overall responsibility for Primark's climate-related risks and opportunities, as well as Primark's decarbonisation commitments and the broader strategy, Primark Cares.

Primark management and the dedicated forums below supported Primark's Chief Executive over the course of the year:

- the Finance Director, who chairs the Risk Forum, which reviews all business risks, including ESG risks where relevant, and escalates to Primark's Leadership Team as required;
- Primark Cares Executive Steering Committee, which reviews the progress of the Primark Cares commitments, in addition to risks and opportunities related to the strategy delivery;
- the Director of Primark Cares, who is responsible for embedding the Primark Cares strategy into the core business model;
- Policy and Compliance Committee, which reviews policy proposals, tracks delivery of compliance programmes and escalates issues to the Risk Forum;
- Primark Cares Working Group, which is responsible for the day-to-day delivery of the Primark Cares commitments; and
- Regulatory, Policy and Public Affairs Working Group, which monitors policy and regulatory developments and compliance trends, providing early visibility of upcoming obligations that may affect Primark's operations or strategy and priorities and coordinates Primark's policy and public affairs activity.

Effective since 2024, ESG-associated performance incentives have been extended to Primark directors and wider senior leadership. A portion of the overall remuneration package obtainable is tied to ESG performance, including climate. This remuneration is payable in deferred ABF shares.

Risk management

Over the course of 2025 and 2026, Primark has been working on the integration of climate-related risks into its overall Enterprise Risk Management ('ERM') 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:

- working on 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; and
- for material risks, initiating a review of risk owners and risk controls to ultimately feed into Primark's risk management process.

Strategy, metrics and targets

Under its Primark Cares sustainability strategy published in 2021, Primark has set a number of public commitments up to 2030. These are aimed at enabling its ambition to become a more sustainable and circular business, which ultimately supports the collective transition to a low-carbon economy. Therefore, Primark's Plan aligns to the Primark Cares Strategy in the medium term. This Plan refers to Primark Cares commitments that were active through the course of 2026.

GHG emissions baseline and targets

Under Primark Cares, the business has set a public commitment to halve carbon emissions across its value chain by 2030 from a 2019 baseline year. Within the same timeframe, Primark set Science-Based Targets committing to reduce absolute Scope 1 and 2 GHG emissions by 50% and also reduce absolute Scope 3 GHG emissions from purchased goods and services by 50%.

In addition to the above targets, Primark has pledged to achieve net zero emissions no later than 2050 under the UNFCCC Fashion Industry Charter for Climate-Action ('FICCA'). This commitment remains unchanged. Primark is continuing to work to define a plan to reach this long-term goal, taking into account uncertainties beyond 2030 in technology development and innovation, as well as the political and regulatory global landscape. Primark does not intend to utilise carbon offsets to achieve its existing decarbonisation targets.

Primark's baseline GHG emissions (2019) (tCO_2e, % 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%

Critical path to 2030

Primark's critical path to achieve its 2030 decarbonisation commitments has remained unchanged. The path continues to leverage a series of combined decarbonisation levers to achieve critical reductions in Primark's emissions, focusing on the most material sources of Scope 3 emissions as described below.

Case study – Retail

Scope 3 emissions

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 aim to support key suppliers and factories in improving their energy efficiency performance and transition to renewable energy, for example through on-site energy audits.

Raw materials: the cultivation and extraction of raw materials used in Primark products is the second key contributor to Primark's emissions in the supply chain. Under its sustainability strategy published in 2021, the business has pledged:

- to use more regenerative farming practices through Primark Cotton Project by 2030; and
- that all its clothes will be made from recycled or more sustainably sourced materials by 2030, including cotton from the Primark Cotton Project.[1]

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.

Scope 1 and 2 emissions

Primark's own energy procurement and consumption: emissions from running Primark stores, offices and distribution centres, as well as the corporate fleet, continue to 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 energy[3] 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 RE100[2] 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;
- a price premium is paid to procure lower impact goods and services such as raw materials to use in Primark products, renewable energy for stores and lower impact transport fuel; and
- funding enabling activities, like energy audits at supplier factories to support reduction in energy consumption.

In the current year, Primark spent approximately £6.1m on key decarbonisation initiatives, such as improving the energy efficiency of its stores and procuring lower impact transport fuel.

Progress to date

This year, the business saw a 26% reduction in total emissions (market-based) compared to the base year and a 21%[4] reduction compared to the 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	5.0	3.8	(27)%	Primark has 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	3.4	2.3	(36)%	
Raw materials	Scope 3 emissions from purchased goods and services – Tier 4	0.9	1.2	1.1	21 %	
Distribution mode optimisation and fuel switching	Scope 3 emissions from upstream transportation	0.5	0.3	0.3	(47)%	
Primark's energy procurement and consumption	Scope 1 and 2 emissions (market-based)**	0.2	0.05	0.05	(72)%	
Other Scope 3 categories		1.2	1.1	1.1	(16)%	
Total value chain emissions (Scope 1, 2 and 3 market-based)**		**6.4**	**6.0**	**4.8**	**(26)%**	

* mil tonnes of CO_2e.

** 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.

1. Primark defines more sustainably sourced materials as described in its Primark Preferred Fibres list available at this link.
2. As referenced in the TCFD Guidance on Metrics, Targets and Transition Plans.
3. 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.
4. 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

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.

Heat stress

As part of Primark's SIP, a heat stress pilot study was conducted in a supplier factory in Cambodia. The pilot has now been completed, with the factory implementing a number of initiatives arising from the programme. Primark has also developed guidance notes to inform and support the wider supply chain in addressing heat-stress risks.

Emission reduction plan

Building on the work implemented to date, below are the areas of focus that Primark will explore to progress against its public decarbonisation commitments up to 2030 and beyond

Impact from today

- Developed frameworks, processes and targets for decarbonisation
- Identified emissions hotspots and built path to scale through enhanced piloting
- Improved emissions data quality and granularity

Moving towards 2030

- Implement initiatives at scale - decarbonisation levers

Beyond 2030

- Electrification of energy systems across own operations and supplier base
- Technology and process innovation for fibres and textile manufacturing
- High integrity carbon removals to support 2050 net zero target

Water – Retail

Water is a vital natural resource for the fashion industry, used throughout the value chain, from irrigating cotton crops to dyeing and finishing fabrics.



A water efficiency project at a supplier factory in Bangladesh, supported by Primark

Primark's water stewardship approach aims to strengthen water management practices, reduce water impacts and build resilience to water-related risks throughout its supply chain. The approach reflects the growing pressures that climate change, a rising demand for freshwater and increasing pollution are placing on water resources in many of its sourcing regions.

Primark's approach is structured around three focus areas: product-based, site-based and basin-level action. Across its supply chain and sourcing regions, the business seeks to reduce water consumption, improve wastewater management and support collective action in priority river basins.

Through the Waste and Resources Action Programme ('WRAP') impact tool, Primark measures the water footprint of its products across the value chain, from raw material production through to consumer use. The assessment provides insights into the water impacts associated with materials and manufacturing processes and informs decisions on material sourcing and product development. Through this annual water footprint assessment and its supplier engagement programmes, Primark has identified and prioritised wet processing facilities and cotton cultivation as the areas with the greatest dependency on freshwater resources.

Product-based

Through its product-based approach, Primark aims to reduce the water footprint of products sold in the UK by 30% by 2030, in line with its commitment to WRAP's UK Textiles Pact. This target considers the full product value chain, from cotton cultivation and raw material production through to consumer use. Since the 2019 baseline, Primark has achieved a 19% reduction in the water footprint per tonne of textiles sold in the UK by 2025, demonstrating continued progress towards its long-term goal.

Site-based

Primark works with suppliers to reduce water use, improve wastewater quality and increase the reuse of water within manufacturing processes.

Primark continues to integrate water management practices into supplier performance expectations through its minimum standards framework. Wet processing facilities are assessed against key water management criteria, including the establishment of water use baselines, target setting and implementation planning.

As of July 2026, participating facilities had achieved the following:

- 73% of participating factories had established a 2030 water reduction target against a disclosed baseline from the last five years; and
- 80% of participating factories had developed a documented plan to achieve their reduction targets.

These indicators help track supplier progress towards more robust water management practices and support the identification of opportunities for further improvement.

Under Primark's Resource Efficiency Programme ('PREP'), suppliers are supported to identify opportunities to reduce water consumption, improve operational efficiency and strengthen environmental management systems. As of July 2026, 104 factories were engaged in the PREP programme, with 96% located in high-risk water basins. Through these efforts, participating factories achieved a total water footprint reduction of 1,626,630m³ across a subset of 29 factories in Bangladesh between 2024 and 2026. Primark also continued to support wastewater reuse initiatives within Bangladesh's textile sector, building on an innovative multi-stakeholder project launched with a supply chain partner in July 2025. Primark can track water recycling performance across key sourcing factories in Bangladesh, with 25% of all water used by these factories now being recycled, representing a 51% increase compared with the previous year.

Maintaining and improving water quality is a fundamental component of Primark's water stewardship approach. The business requires suppliers undertaking wet processing activities to operate appropriate effluent treatment systems and comply with wastewater management requirements.

During 2026, Primark developed a decision-support tool that will help suppliers identify the most effective wastewater treatment technologies based on both cost and environmental impact. The tool will launch in 2027 and will inform Primark's supply chain requirements and support suppliers in reducing impacts on nature and water quality.

Basin level

Primark identifies water-stressed basins in its sourcing regions using tools such as WWF's Water Risk Filter and WRI Aqueduct's screening tool, which assess water availability and quality. Recognising that many water challenges cannot be solved by individual facilities alone, Primark continues to support collective action initiatives that bring together suppliers, brands, local communities, civil society organisations and government stakeholders.

Primark continued its collaboration with the Alliance for Water Stewardship ('AWS') to strengthen water stewardship across priority sourcing regions. In 2026, 20 supplier sites were participating in AWS Collective Action Accelerator programmes, supporting facilities to address shared water challenges at a basin level.

In Bangladesh, 16 supplier sites completed the AWS Impact Accelerator Programme, a capacity-building initiative that supports facilities in strengthening water governance, improving operational water management, engaging local stakeholders and progressing towards alignment with the AWS Standard, leading to lower impact manufacturing.

Building on this programme, Primark expanded its support for AWS Collective Action Accelerator programmes in priority river basins across India and China.

Bangladesh remains a key focus region for collaborative water stewardship. In 2026, Primark continued its support of the World Bank's 2030 Water Resources Group, building on its flagship SMEP water recycling project in Dhaka, launched in 2025. The project has provided an important foundation for scaling proven water reuse approaches, helping to unlock USD 5m of World Bank funding, in collaboration with the Bangladesh Garment Manufacturers and Exporters Association. This funding will support high-opportunity textile factories in Dhaka, using the blended-finance model developed through the SMEP project to overcome investment barriers and accelerate water reuse. This collaboration aims to strengthen water resilience and drive wider adoption of industrial water circularity across Bangladesh's textile sector.

To enhance transparency and strengthen water quality monitoring, Primark continued its collaboration with Oxford Molecular Biosensors. In 2026, Phase 2 of the project was successfully completed, demonstrating the potential of innovative wastewater monitoring technologies to provide faster and more accessible insights into water quality performance. The collaboration also explored the use of integrated catchment modelling to better understand the cumulative impacts of wastewater discharges at basin level. Building on these results, Primark is working with the Zero Discharge of Hazardous Chemicals ('ZDHC') and other partners to establish a multi-stakeholder initiative to validate the technology at scale, strengthen catchment-level decision making and broaden wastewater testing capabilities across the industry.

Chemicals

Effective chemical management is important for maintaining product quality and safety, while also helping to reduce environmental impacts across the supply chain.

Primark's Restricted Substance List ('RSL') aligns with the AFIRM Group's RSL[1] and continues to include, at a minimum, the ZDHC's Manufacturing Restricted Substances List ('MRSL'). Primark chairs the ZDHC Foundation's board of directors, reinforcing its commitment to responsible chemical management, and continues to co-chair the Brand Advisory Group. Primark also carries out an annual assessment of its chemical management programme as part of its commitment to ZDHC, evaluated by KPMG. In recognition of its ongoing progress and leadership, Primark achieved Champion Level, the highest award within the ZDHC Brands to Zero Programme.

During calendar year 2025, Primark continued to advance its ZDHC programme performance:

- 541 wet processors associated with Primark's top 100 suppliers were actively included in the chemistry programme, of which 529 (98%) were registered on the ZDHC Gateway;
- 378 wet processors (70%) generated ZDHC InCheck reports, achieving an overall MRSL conformance rate of 93%; and
- of the 395 wet processors in scope of the ZDHC Wastewater Guidelines, 333 (84%) generated ZDHC ClearStream Reports, with 98% of directly-discharging facilities meeting at least the Foundational level requirements for conventional wastewater parameters.

Through Primark's wastewater due diligence programme, third-party testing was conducted on select wastewater parameters at 125 facilities across Bangladesh, India and Türkiye.

Primark remains committed to strengthening supplier capability and promoting safer chemical management practices across its supply chain. Primark's local environmental teams continue to provide training, guidance and technical support in key sourcing regions. In 2026, 247 wet processors completed at least Level 1 of the ZDHC Supplier to Zero programme, in part supported by Primark through Brand Implementation Support Vouchers[2].

Primark funded InCheck Verification at 48 facilities to improve the accuracy, completeness and reliability of chemical inventory data. In addition, remediation efforts were further strengthened through specialist consultant support provided to seven facilities to drive improvements in wastewater management performance.

1. The Apparel and Footwear International RSL Management (AFIRM) Group.
2. Brand Implementation Support Vouchers (BISVs) are tokens allocated to brands that can be provided to suppliers to subsidise or fund services related to ZDHC.

Waste and packaging – Retail

From the raw materials it sources to the waste generated across its operations, Primark is taking steps to manage the natural resources it relies on responsibly.



Circularity and waste

Denim designed to meet Primark's Circular Product Standard

Primark is advancing its circularity ambitions by embedding circular principles across product development and business operations, with the aim of extending the life of clothing and reducing textile waste. Key initiatives include designing products with circularity in mind, increasing the use of recycled and Primark preferred sources. Recognising that there is no single solution to achieving greater circularity, Primark continues to evolve its approach, aligning with industry best practice and emerging regulatory requirements.

Circular product design

Primark has worked with the Ellen MacArthur Foundation since 2018 and sits on its Advisory Board for Fashion. Inspired by the Foundation's vision of a circular economy for fashion, Primark's Circular Product Standard ('CPS') sets out the criteria products must meet to be considered circular by design, including requirements relating to materials, durability and recyclability.

As of July 2026, 6% of all of Primark's clothing unit sales are circular by design, meeting the 'Foundational' criteria set out by its CPS[1]. Within its focus categories, 21% of all jersey and 15% of all denim clothing unit sales are now circular by design. This metric includes products containing cotton from the Primark Cotton Project, recycled cotton and Cotton made in Africa (CmiA)[2].

In 2026, Primark launched an updated CPS, informed by 18 months of collaboration with suppliers and recyclers, insights from its supplier and colleague training programme, in addition to developments in legislation and textile-to-textile recycling. The updated CPS aims to provide practical, achievable and scalable solutions. Key enhancements include an expanded materials scope, incorporating polyester and water-based prints, and the consolidation of the previous three-tier circularity framework into two tiers. It also includes a definition of their 'Progressive' level to set clear expectations for 'better' design, raising the bar on materials, durability and recyclability requirements to make circular design at Primark clearer and more actionable. The updated CPS takes a pragmatic approach to scaling circularity by balancing material performance, product functionality and recyclability.

Primark has collaborated with the Circular Textiles Foundation on a training programme to build capability and embed circular design principles into product development and decision-making. The programme included deep dives with buyers, designers, quality teams and suppliers across nine product categories.

1. As per Primark Circular Product Standard 1.0
2. Primark Preferred Sources

Primark continues to build its understanding of textile-to-textile recycling, particularly the opportunities and challenges associated with post-consumer recycled materials. Insights from pilot initiatives are helping to inform how these materials can be used effectively across products and categories. In September 2026, Primark announced its long-term partnership with Circ to scale the use of textile-to-textile recycled fibres. The partnership will enable the introduction of recycled polyester made from textile waste into Primark clothing by 2029.

Looking ahead, Primark will continue to expand circular design practices, increase its use of recycled and innovative materials, and evolve its approach in line with emerging regulation, technological developments and industry best practice. Value chain collaboration will remain critical to accelerating progress towards a more circular fashion system.

Preferred sources

Primark's ambition is to phase out conventional cotton and diversify preferred fibre sources to reduce sourcing risks, scale recycled fibres, and accelerate innovation in textile-to-textile solutions. As of July 2026, 81% of clothing units sold contained recycled or more sustainably sourced materials (recycled polyester, recycled polyamide/nylon), recycled acrylic, recycled cotton, cotton from the Primark Cotton Project, CmiA, Organic Cotton, Viscose, Modal and Lyocel)[1] and 64% of cotton clothing unit sales contained cotton from Primark preferred sources (cotton from the Primark Cotton Project, recycled cotton, organic cotton and CmiA)[1]. This progress was supported by Primark's partnership with Recover™, which turns textile waste into high-quality recycled cotton fibres and blends. Primark has scaled the Recover™ RCotton2 range across jersey, denim and casual trousers categories.

Primark also added traceable cotton certified to the CmiA Standard as a preferred cotton source, alongside organic, recycled cotton and cotton from the Primark Cotton Project. Integrated into Primark's supply chain this year, CmiA shares similar ambitions with the Primark Cotton Project, including improving farming practices, supporting smallholder farmers and empowering women.

1. Primark Preferred Sources

Clothing longevity

Extending the life of its clothes remains a key focus for Primark. In 2024, it published its Durability Framework, developed in consultation with WRAP and the UK Textiles Pact. It provides practical durability testing guidelines to contribute to industry best practice in an area where no recognised standard currently exists.

The framework is built around two pillars, extended wash testing and physical performance testing, supported by continuous improvement principles that embed durability throughout the product lifecycle. Since January 2024, eligible (machine washable) clothing has been tested to an aspirational 45-wash standard alongside physical performance testing to help support longer-lasting products.

Looking ahead, Primark is reviewing the framework to ensure it remains aligned with emerging legislation, evolving industry expectations and in support of other strategic ambitions in the business.

Waste

Textile Take-back

Primark's textile take-back programme covers approximately 80% of its stores, collecting over 1,500 tonnes of end-of-use textiles since the programme began in 2020.

Own Operations Waste

In 2026, 95% of waste produced in Primark's operations was diverted from landfill, up from 93%. This improvement is a reflection of efforts in-store to encourage recycling and improve key aspects of Primark's waste partner network. There has been greater resourcing and focus on existing shopping centre locations to understand and evidence how waste is managed locally at these sites. As laws change and infrastructure develops in many of Primark's operating areas, Primark continues to engage and encourage shopping centres, which manage waste on its behalf to seek ways of further improvement. Across its business, Primark is working to standardise waste management and educate colleagues on how retail and head office waste can be reused and recycled.

Plastic and packaging

Primark continues to take a pragmatic approach to packaging change, prioritising solutions that can be implemented at scale and aligned with product protection and regulatory requirements. Some packaging formats, including those used for liquids, creams and moisture-sensitive products, remain necessary to ensure hygiene, usability and product integrity throughout the supply chain.

Clothes hangers continue to represent a significant proportion of Primark's overall plastic packaging volumes. The business has further increased the use of recycled content in plastic hangers during 2026, as part of its longer-term ambition to transition hanger materials to recycled alternatives where technically and operationally feasible.

Primark continues to evaluate alternative packaging materials across selected apparel categories. During 2026, plastic polybags used in certain product ranges were replaced with fibre-based cardboard packaging formats.

The transition from plastic polybags to fibre-based cardboard packaging reflects Primark's focus on removing unnecessary plastic where viable. The new formats have been developed in collaboration with nominated suppliers to support consistency, scalability and operational efficiency.

The initiative builds on earlier packaging innovations and demonstrates how targeted material changes can contribute to reduced plastic use across high-volume product areas, while maintaining customer experience.

Agriculture and farming practices – Retail

Primark depends on the agricultural sector for its raw materials, such as cotton, which is the main fibre used in its products.



A cotton farmer from the Primark Cotton Project, India

Responsible agriculture, biodiversity and land use

The Primark Cotton Project, set up in India in 2013, trains predominantly smallholder farmers, to reduce water use and dependence on synthetic fertilisers and pesticides. It also teaches skills relating to seed selection, land preparation, sowing and harvesting. Read more about the Primark Cotton Project in the case study.

To tackle challenges facing cotton farming relating to biodiversity loss, including soil degradation and reduced agricultural productivity, Primark continues to partner with CottonConnect, SEWA, Biodiversify and the Srushti Conservation Foundation on its biodiversity monitoring framework. With its partners Primark has developed both a deep dive and lighter touch 'citizen science'[1] biodiversity monitoring approach.

Since 2024, Primark has conducted deep dive biodiversity surveys across 14 farms in five villages in the Indian state of Gujarat. Based on detailed analysis, this provides a comprehensive understanding of the state of biodiversity in the farms surveyed. Additionally, the 'citizen science' approach entails both classroom and in-field training to equip local data collectors with the skills needed to carry out lighter touch biodiversity monitoring. The data and analysis from each approach is helping Primark to identify existing biodiversity levels on the farms they work with, to assess the impact of different approaches to farming on biodiversity levels, and to thereby help the business shape its future activities in order to tackle biodiversity-related risks within its supply chain.

Primark is assessing how best to apply these approaches going forward so as to continue building its understanding while also tracking progress in supporting biodiversity within the Primark Cotton Project.

1. The involvement of trained community members in collecting data using standardised methods to support scientific research.

Deforestation

Primark uses man-made cellulosic fibres derived from wood-pulp, such as viscose, to make some of its products. It also uses paper in its packaging and wood in some of its products. Primark has its own Wood and Wood-Derived Fibre Policy, which sets out its approach to sourcing these materials responsibly. This Policy applies to all Primark-branded products, product packaging (primary and secondary) and transit packaging (tertiary).

Primark supports the protection of the world's limited forest resources through its partnership with the not-for-profit environmental organisation, Canopy. Primark continues to work alongside other fashion brands through the CanopyStyle initiative, which aims to transition fashion supply chains away from using ancient and endangered forest material and bring lower-impact fabric alternatives to customers. Primark is part of Canopy's Pack4Good initiative, which is working to ensure companies move away from forests to use low-impact paper packaging options and reduce dependency on virgin wood-derived packaging.

All Primark suppliers are required to source only from man-made cellulosic fibre producers that are green rated by Canopy's Hot Button ranking.

Animal health and welfare

As Primark expands the range of materials used in its products, it continues to ensure that animal welfare is part of its selection criteria.

Less than 2% of all products sourced by Primark contained one or more animal derived material, such as wool, cashmere, alpaca, mohair, silk or leather. Primark supports the development of animal welfare standards and certifications, and has an Animal-Derived Material Policy that requires suppliers to comply with industry standards.

Primark does not conduct, support or condone the use of animal testing that is not required for safety or quality by law. Primark avoids the use of animal testing wherever possible and does not maintain any testing facilities. All Primark own-brand cosmetics have been approved by the 'Cruelty Free International Approval Programme' (formerly Leaping Bunny Program), an internationally recognised gold standard for cruelty-free products, since 2021.



Supporting farmers through the Primark Cotton Project and wider initiatives

Farmer training under the REEL regenerative standard

The Primark Cotton Project provides farmers, most of them women, with agronomic training in more regenerative agricultural practices. It teaches practices which aim to reduce the environmental impacts of growing cotton. For example, by replacing synthetic pesticides with biological alternatives, while lowering input costs and increasing yields, thereby improving farmers' livelihoods and helping the continued availability of cotton within Primark's supply chain.

During the year, the Primark Cotton Project transitioned to Cotton Connect's REEL Regenerative Standard, which provides additional independent verification of farming and ginning practices against the standard's requirements.

Since its inception in 2013, the Primark Cotton Project has supported more than 300,000 farmers across India, Pakistan and Bangladesh. As of July 2026, 64% of the cotton clothing units sold in the reporting year contained cotton from Primark preferred cotton sources (cotton from the Primark Cotton Project, recycled cotton, organic cotton and Cotton made in Africa)[1].

Further support for farmers

Primark recognises that farmers face a range of challenges to improving their farming practice and achieving more resilient livelihoods, not all of which can be addressed through agronomic training. Therefore, Primark is supporting farmers in other areas.

Improving agricultural outcomes

A key objective of the Primark Cotton Project agriculturally is to support farmers to improve their soil health, which is vital to more productive and resilient farming. To understand biodiversity levels better, during the year, Primark established biodiversity baselines on selected farms and piloted new monitoring approaches, including acoustic monitoring of pollinator activity in India, with its partner 'Agri-Sounds'. Together with a recent Primark Cotton Project life cycle assessment, this data helps reveal the impact of Primark-funded activity on soil, biodiversity and climate, and will inform future activities.

Strengthening farmers' livelihoods and resilience

In addition to improving agricultural outcomes, Primark is working to support more effective collective action by women farmers, improving their access to insurance and social welfare, and supporting their income diversification.

Primark partners with Haqdarshak, an Indian social enterprise, to help female farmers obtain government-funded welfare support which they are entitled to but have difficulty accessing. This includes benefits such as insurance, pensions and agriculture-related loans. As of August 2026, Haqdarshak has helped 873 women to access benefits, and provided 788 women with digital financial literacy training to help them manage more effectively the benefits received.

Primark's 'Sustainable Lives India' initiative supports female cotton farmers in Gujarat in India to form farming clusters and work together more effectively. Targeted benefits include obtaining lower input costs and improving access to credit to build their self-reliance. The project is delivered through Primark's partner the Self Employed Women's Association, India's largest trade union. As of August 2026, the project has reached more than 2,000 women and helped form 18 village committees to support planning and organisation.

Primark also supported farmers in Pakistan who were evacuated from their land during severe floods in November 2025. To support their recovery, Primark provided food packages, veterinary care for their livestock and seeds at the beginning of the new season.

A cotton farmer from the Primark Cotton Project, India

1. Primark Preferred Sources

ESG at Grocery

Our grocery businesses are taking action on key ESG priorities. With programmes tailored to local needs, they aim to support people, strengthen supply chains and help protect the environment.



Jordans Farm Partnerships farm in Hampshire, UK

Our Grocery segment is comprised of the Grocery Group, Twinings Ovaltine, George Weston Foods and ACH.

Each division within this segment manages its ESG strategies and initiatives independently, tailoring its activities to address specific needs and priorities. This allows each division to effectively manage environmental and social impacts, risks and opportunities across its operations and supply chains.

ESG Governance

Grocery Group

Businesses within the Grocery Group division have established medium to long-term actions to address their most material ESG issues. These actions cover topics including plastic use, carbon emissions, water consumption, waste management and working conditions and livelihoods of people within supply chains. The businesses are also guided by their collaboration with organisations such as Waste and Resources Action Programme ('WRAP'), the Sustainable Spice Initiative and the Sustainable Rice Platform.

The Finance Director of the Grocery Group is accountable for the division's overall ESG agenda, while the individual businesses are responsible for implementing ESG programmes and policies at business level. There is also a divisional ESG team at the Grocery Group level whose function is to provide guidance and oversight on ESG topics.

Each business within the Grocery Group has dedicated policies for Responsible Sourcing and Environment, alongside procedures to meet the expectations set out by their policies.

Twinings Ovaltine

At Twinings Ovaltine, the Chief Executive, Chief Financial Officer, International Supply Chain Director and Chief Brand Officer have oversight and overall responsibility for effective ESG risk management across the business.

The ESG Governance Committee, led by the Social Impact and Sustainability Director and attended by the above and senior representatives from Legal, Procurement and Communications, meets quarterly to formally review risks and opportunities and oversee implementation and direction of the strategy.

To help identify, assess and manage ESG risks and opportunities, Twinings Ovaltine has a Human Rights Due Diligence Steering Committee and an Environmental Steering Committee. Both cross-functional teams are responsible for implementing the strategy across the value chain and providing a forum to discuss progress. Challenges and emerging risks are identified and assessed through horizon scanning, salient risk reviews, stakeholder engagement and third-party research.

Twinings Ovaltine also has a process to identify and manage issues, such as material human rights concerns that require investigation and, where necessary, remediation support for suppliers.

For more information on ESG at Twinings please see its website.

George Weston Foods

George Weston Foods businesses independently manage their ESG strategies and policies, tailoring them to their specific needs while operating within an overarching Corporate Responsibility Framework based on three pillars: People, Products and Planet.

A cross-business Sustainability Taskforce comprising senior representatives from each George Weston Foods business supports coordination across the division and helps align local ESG activities with divisional priorities.

For more information on ESG at George Weston Foods please see its website.

ACH

At ACH, ultimate responsibility and accountability for risk management, including ESG risks, sits with the Chief Executive. ACH has established a cross-functional team, including members from Supply Chain, Packaging Development and People teams, who are actively engaged in managing critical ESG areas for its businesses, such as solid waste reduction, GHG emissions reduction and people safety.

Our people – Grocery

Our Grocery businesses share a focus on developing diverse talent, fostering inclusion and supporting health, safety and wellbeing.



A colleague at the Allied Mills flour mill in Manchester, UK

Health, safety and wellbeing

Ensuring the physical safety of employees, contractors and visitors remains a priority for our Grocery businesses. This is supported by initiatives that promote broader health and wellbeing, including mental health.

In 2026, the number of employee on-site Lost Time Injuries ('LTIs') across our Grocery businesses decreased from 106 injuries in 2025 to 97, resulting in an employee LTI rate of 0.70% in 2026 compared to 0.79% in 2025. In addition, five contractors sustained a lost time incident in 2026 resulting in a contractor LTI rate of 0.24%. Grocery businesses remain focused on strengthening initiatives to reduce risks and to strengthen culture.

Grocery Group

Throughout 2026, businesses across the Grocery Group division continued to refine health and safety systems, with senior leaders focused on improving safety performance.

All businesses implemented initiatives to strengthen safety culture, behaviours and accountability.

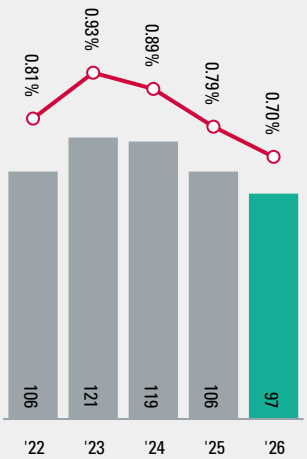
Jordans Cereals continued to participate in the Institution of Occupational Safety and Health (IOSH) business assurance programme and achieved ISO45001 certification at its Biggleswade site. Alongside investing in safety controls, initiatives are in place for the prevention of ill health within the workforce, including increasing numbers of manual handling trainers within the business.

Silver Spoon rolled out online health and safety training to all employees covering topics including noise awareness, hazardous substances, homeworker safety and mental health. Its 'wellbeing group' supported mental health awareness courses, while 90% of line managers completed mental health training. The business also introduced regular Healthy Walks at its Head Office.

Westmill continued to strengthen its approach to safety through employee engagement and training. Its 'Safe Space' sessions provide open forums for employees to raise concerns and highlight any potential gaps between procedures and day-to-day practice.

AB World Foods introduced a 'Safe Maintenance' programme at its Nowa Sol site in Poland to strengthen risk management in maintenance activities and to support the onboarding and training process of new technicians. During Mental Health Awareness Week, AB World Foods delivered resilience training and coaching to more than 200 employees.

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



Allied Bakeries, which has since been brought together with Hovis Group as Hovis Bakeries, delivered a development programme for Front Line Managers to strengthen their confidence and capability in managing challenging conversations related to health and safety, operational performance and people management. The business also enhanced its Health, Safety and Environment Maturity Model by increasing employee involvement in safety reviews and introducing department-level assessments.

AB Sports Nutrition updated its 'Near Miss' process to include Safety observations. It also implemented a new process 'Stop / Think / Go' as a simple dynamic risk assessment that anyone can use, anywhere on site, in the office, or off site.

Acetum strengthened its risk management by requiring department supervisors to use the risk matrix within the non-conformity reporting form, ensuring more objective assessments.

In addition, all Grocery Group businesses have trained Mental Health First Aiders ('MHFAs'). In the UK, there is one MHFA for every 30 employees, offering peer support and signposting colleagues to help.

Twinings Ovaltine

Twinings Ovaltine continued to deliver its Beyond Zero initiative, which uses neuroscience insights to encourage health and safety-conscious behaviours among employees. Beyond Zero training modules have been rolled out across all of Twinings Ovaltine's manufacturing sites.

Twinings Ovaltine has co-created, with its colleagues and safety experts, a set of five tangible principles to help it bring safety to life for employees. Its 'Our Golden Rules' are designed to be easily understood and to help colleagues make safe choices innately. These are applied across all its sites and form part of Twinings Ovaltine's training.

As part of its commitment to deliver continuous improvement, Twinings Ovaltine tracks site performance, focusing on audits, capability programmes, culture and engagement. It benchmarks the results against best practice.

To gain deeper insight, it conducted safety culture maturity assessments across its manufacturing sites in the UK, Poland, India, Australia and Switzerland and its distribution centre in North America. These enable Twinings Ovaltine to better understand how safety is perceived, communicated and embedded at every level of the organisation and, ultimately, to identify areas for improvement, so that it can prioritise site-specific initiatives to enhance organisational performance and employee attitudes towards safety.

Technology and innovation continue to play an important role in supporting the business's ambitions, helping to make processes, systems and services even safer. For example, in Poland, last year additional health and safety training modules were rolled out on topics including first aid, fire safety and hazardous work, using virtual reality training programmes. This innovative approach immerses employees into real-life environments, helping to embed their learnings and deepen understanding of workplace risks in a way that traditional training methods cannot replicate. The results have been encouraging, with higher levels of employee motivation towards health and safety training, a deeper understanding of risks and a notable increase in spontaneous, open safety conversations across teams.

Following Twinings Poland's ISO 45001 certification in 2024, Ovaltine Thailand achieved the same certification in 2026. It was also awarded a National Excellence Award in Health and Safety by the Thai Government for its initiatives to drive safety standards for the second year in a row.

Twinings Ovaltine aims to create a culture of psychological safety where everyone can be their best selves at work. It designs and embeds ways of working to help people through continuous improvement, including dedicated training modules on 'Leading Inclusively' and 'Building Psychological Safety' as part of their global line manager capability programme.

In addition, it measures psychological safety through the employee engagement survey platform, Engage, using targeted questions to ensure all voices are heard and enabling it to track its employees' wellbeing.

A comprehensive suite of support and benefits is available to UK employees to address mental health, financial and medical and physical wellbeing. This includes a 24/7 employee assistance programme (EAP) offering short-term counselling and expert guidance, access to specific menopause support for all employees and their immediate family, a Simply Health Cash Plan providing financial support for health provisions, and an on-site gym in Andover.

George Weston Foods

The occupational health and safety strategy for George Weston Foods is based on five pillars: shift mindsets, contain risk, establish processes, develop skill sets and competencies, and system improvements.

During 2026, the division continued to implement a critical risk programme to identify high-consequence hazards and verify that appropriate controls are in place. At Tip Top, efforts focused on embedding the Stop / Think / Go programme to strengthen hazard awareness and decision making for frontline workers. DON implemented a hazardous manual tasks programme to identify and manage risks. Across the division, larger manufacturing sites are also strengthening energy isolation practices to prevent contact with hazardous energy.

All employees have access to the EAP, which provides confidential support for personal and work-related matters.

Building on its 2025 implementation, George Weston Foods continued to expand the use of AI-enabled safety tools to strengthen workplace risk management. The platform supports the creation of dynamic risk registers, automates elements of risk assessment and assists in the ergonomic design of equipment and workstations. By analysing risk and incident data, the technology helps identify emerging patterns, improve prioritisation of corrective actions and support more proactive injury prevention. These tools complement existing health and safety programmes by providing practitioners with better insights to manage workplace risks and continuously improve safety.

The focus on safety has helped drive a reduction in employee LTIs. In 2026, the number of employee on-site LTIs across George Weston Foods decreased from 66 injuries in 2025 to 54, resulting in an employee LTI rate of 1.03%.

ACH

ACH Foods continues to focus on building safety culture through employee engagement and did not have any LTIs in 2026.

The business supports employee wellbeing with a comprehensive suite of mental health and substance use resources. Through partnerships with providers such as ComPsych (an EAP provider), Teladoc Health (a global telemedicine leader) and Mental Health Complete (a behavioural health platform), employees and their families have access to free or low-cost care. This care includes counselling, coaching and therapy services, many of which are made available remotely and 24 hours a day to ensure continual access. These benefits are designed to address a broad spectrum of needs, from everyday stress and emotional resilience, mood and sleep support, trauma, grief care and life transitions to more serious mental health concerns, reinforcing a workplace culture that genuinely values and supports mental health and employee care.

Diversity, equity and inclusion ('DEI')

Our Grocery businesses regularly review and embed practices that build inclusive workplaces and engage colleagues through training, education, celebrations and events.

Grocery Group

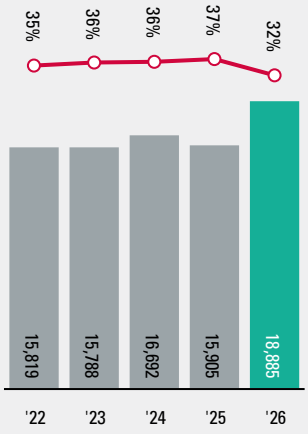
In 2026, several Grocery Group businesses introduced new and enhanced DEI policies.

Many businesses engaged employees from under-represented backgrounds, including racial, ethnic, gender, sexual orientation and religious groups, through training, discussion toolkits and employee networks. Topics included invisible disabilities, neurodiversity and Black history. Policy language across the division was also updated to reflect diverse family structures.

AB World Foods launched maternity leave support groups to help women share experiences and ease their return to work. It improved its maternity policy including pay and introduced a co-parenting leave policy with enhanced pay.

Silver Spoon has an established Diversity & Inclusion ('D&I') team which actively promotes and embeds the inclusion agenda across the business. This includes delivering Valuing Inclusion training for all new starters, with a refresher provided every two years. The D&I team also leads a number of awareness events across the year, including International Women's Day, Ramadan and Pride Month, to support education, engagement and celebration of diversity. In addition, an allyship team runs quarterly sessions known as Silver Spoon Stories, which feature a mix of internal and external guest speakers to encourage open discussion, shared learning and greater understanding across the business.

Number of employees highlighting percentage of women in the workforce



Westmill continued to strengthen its approach to colleague wellbeing by further enhancing its Family Leave Policy, introducing day one access to paternity and unpaid parental leave, alongside additional support for colleagues experiencing the loss of a partner. To mark World Menopause Day in October 2025, Westmill joined other ABF businesses in hosting a session on The Importance of Metabolic Health in Peri/Menopause, alongside developing a menopause policy, providing a clear framework of support for colleagues and managers. Westmill continues to support its Employee Resource Groups ('ERGs') to cover LGBTQIA+, ethnic diversity, disabilities, neurodiversity and women. These ERGs organise celebrations and events throughout 2026.

AB World Foods builds inclusion and celebrates diversity through its Smashing Stigma programme, where employees share personal experiences on a range of topics such as ADHD, breast cancer, postnatal depression and anxiety.

Twinings Ovaltine

Twinings Ovaltine is built on a culture of wanting everyone to feel safe, included and supported to develop, and empowered to speak up. To foster such a culture, it prioritises treating people with respect, encouragement and fairness, and aims to be transparent, ready to listen and accountable.

It invests in nurturing the potential of all people across the business, regardless of their background, identity or location. This commitment encourages an environment where everyone can thrive, contribute meaningfully and grow.

Twinings Ovaltine continues to evolve its approach to DEI, as it is intrinsically linked to how it operates as an organisation, from recruitment through to innovation. It does this through three key pillars:

- Environment: Continued emphasis on inclusive physical and psychological environments. This has included carrying out an accessibility audit of its headquarters to help inform its plans, improving sites for accessibility, including meeting room signage, space for new mothers, contemplation rooms and the provision of gender-neutral facilities.
- Talent practices: These span the employee lifecycle, from attraction, recruitment and onboarding, through to personal development and career progression. Twinings Ovaltine uses software to remove bias from its recruitment adverts and balanced shortlists for hiring managers.
- Pay and policy: Twinings Ovaltine recently completed a review of workplace policies to ensure its environments are welcoming and adaptable for all. DEI learning is embedded into its global line manager capability programme with bespoke modules to support inclusive leadership at every level.

Twinings Ovaltine continues to evolve its approach and strategy by tracking its progress through a Diversity Dashboard, internal engagement surveys and ongoing feedback mechanisms. It has launched four Global Employee Network Groups, each sponsored by executive leadership, which anyone can join, to encourage open dialogue, solidarity and representation. The four Network Groups are: Cultural Inclusion, Pride, Neurodiversity and Women in Tech.

George Weston Foods

George Weston Foods businesses continued to implement diversity and inclusion initiatives during 2026. These included leadership development programmes for women, such as 'Promotable You', initiatives at Tip Top focused on supporting First Nations peoples, disability inclusion and the use of Develop Diverse software to review job advertisements, position descriptions and policies for potential bias. Businesses also delivered cultural awareness activities, conducted equity assessments, and provided inclusive leadership training, tools and resources.

ACH

ACH fosters an inclusive culture where diverse perspectives are valued as essential to organisational success, with senior leadership actively championing this focus. Its Flourishing Together framework brings this commitment to life through shared experiences, learning, expertise and wellbeing, creating an environment where employees feel supported and empowered to reach their full potential. This whole person approach extends beyond the workplace to acknowledge the important role of employees' families, strengthening overall mental, physical and financial wellbeing. A recent employee pulse survey reinforced this commitment, with 80% of respondents recognising that diverse backgrounds and experiences contribute to stronger business outcomes.

Engagement and development

Grocery Group

Grocery Group businesses provide development opportunities at all career stages, supporting both professional and leadership development.

Jordans Cereals launched its annual engagement survey 'Our Voice' with 95% participation across 300 colleagues, providing feedback on leadership, wellbeing, development and strategy. Personal Development Plans have been expanded across the business, with trained manufacturing leaders holding development conversations with every factory operative.

Westmill continues to focus on people management skills and in 2026 ran several workshops focused on trust and accountability within teams. The business also recognised long-serving employees through its Long Service Awards programme.

Acetum improved its operational structure through the creation of new Group Leader roles, filled entirely through internal recruitment to provide growth opportunities for employees.

Silver Spoon has introduced an AI team to support employee learning and awareness of AI technologies.

Twinings Ovaltine

Twinings Ovaltine's Thrive programme provides a global approach to performance, development and feedback grounded in neuroscientific principles and behavioural science. It equips managers with the tools to coach effectively and adapt their style to the needs of individuals. Thrive has been designed to:

- encourage trusting, meaningful and ongoing conversations about personal development and performance;
- support personalised learning journeys and clarity on goals;
- provide an environment that positively encourages and motivates curiosity and learning; and
- enable a more connected and engaged workforce, not least through linking individual contributions to business objectives.

Thrive is delivered through a decentralised model, where the central People and Performance team develops frameworks and resources. Business units and functions can then tailor these tools to local market requirements to ensure programmes are relevant to specific learning and development needs.

Globally, Thrive is based on four key pillars: Engage, Grow, Health and Wellbeing, and Belong.

For example, the Engage pillar is supported by a comprehensive employee listening programme provided by Workday Peakon, which enables employees to confidentially provide feedback about their experience, particularly around engagement, wellbeing and DEI. It is carried out globally at least once a year.

Thrive also includes a comprehensive suite of formal development programmes to help underpin Twinings Ovaltine's ambition for everyone to have a personal development plan. The business is already more than 70% of the way to achieving this goal.

George Weston Foods

Engagement and development remain a strong focus for George Weston Foods. During 2026, the division continued to invest in leadership development through a combination of division-wide programmes and business unit initiatives tailored to local needs.

Across George Weston Foods, initiatives such as the Thrive programme play a critical role in developing future leaders by expanding leadership capability, increasing visibility of high-potential talent and strengthening succession pipelines. This is complemented by a female leadership development programme, aimed at accelerating the progression of emerging female leaders.

Business-led initiatives also continued during the year. At Tip Top, the 'Lift' programme is focused on developing frontline leader and operator capability. The programme is expected to reach approximately 3,000 employees in Australia and New Zealand. Mauri ANZ invested in building change leadership capability to support business transformation, while DON has implemented a senior leadership team development programme centred on vertical growth, including the 'Triple Goal' leadership initiative. These programmes are complemented by leadership onboarding, mentoring and coaching, regular performance and development conversations.

ACH

ACH is committed to helping its people reach their full potential. A culture of growth is actively supported through a range of programmes and initiatives, from a library of online learning resources, to facilitated workshops on key topics. Beyond formal learning, ACH focuses on compelling career experiences to expand the breadth and depth of its organisational talent. This commitment not only enhances individual capabilities but also underpins the business's success in providing trusted brands and products for its diverse consumers across North America.

People in our supply chains and surrounding communities – Grocery

Our Grocery businesses recognise their responsibility to respect human rights and the impact their actions can have on human rights across the value chain.



Tea workers in the Twinings supply chain, Indonesia

Human and labour rights in our supply chains

Our Grocery businesses work to identify and manage adverse impacts in their supply chains and operations in line with the requirements of the Group Supplier Code of Conduct.

Grocery Group

Grocery Group businesses are monitoring human and labour rights risks by focusing on specific value chains with the highest perceived risks for workers. These include raw materials, packaging, finished goods and services (including security, cleaning, workwear, temporary labour and logistics providers).

Risks are assessed through the Supplier Ethical Data Exchange (Sedex) online platform for in-scope tier one and key tier two supplier sites in these categories. A central data management team continues to track in-scope supplier engagement and shares monthly reports with procurement and responsibility teams. These reports inform sourcing decisions and provide information on non-conformances identified during audits, allowing the businesses to work with suppliers to resolve issues effectively and promptly.

Tier one and tier two suppliers of raw materials and other key commodities are required to complete the Sedex self-assessment questionnaire, with a completion rate of 95% in 2026. In-scope suppliers are then required to upload the results of all respective SMETA audits conducted onto the Sedex platform. Any critical non-conformances identified are escalated to the Grocery Group Corporate Responsibility Leads as well as technical and procurement contacts within the relevant businesses. They then follow internal escalation and corrective action processes, with suppliers engaged to cease, minimise, prevent or mitigate the issues raised, where relevant and appropriate. All identified issues are continuously monitored and reviewed to support ongoing improvement.

During 2026, the Grocery Group engaged with a third party to investigate the effectiveness of SMETA audits in its supply chain. The results have been positive to date and there are plans to extend their use.

Twinings Ovaltine

Twinings Ovaltine has controls and processes in place to assess and manage human and labour rights risks across its global supply chain. The business is committed to embedding the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises into its sourcing, and thereby conducting business with integrity and respecting human and labour rights principles through its Code of Conduct and Human Rights Policy.

Twinings Ovaltine's due diligence approach includes audit procedures and training to support the implementation of its Code of Conduct and Human Rights Policy. These include its Factory Monitoring and Improvement Programme ('FMIP'), the Twinings Community Needs Assessment ('TCNA') programme and Modern Slavery Awareness training.

FMIP is the due diligence approach for assessing and managing human rights and worker safety across Twinings Ovaltine's own operations and tier one suppliers, including third-party manufacturers, warehouses, packaging, raw material processors, promotional items and construction services and tier two branded packaging suppliers of third-party manufacturers. It plays a central role in Twinings Ovaltine's Human Rights and Environmental Due Diligence strategy by helping to identify, assess, prioritise, address and monitor human rights risk.

Each site in scope of FMIP is risk-assessed as high, medium or low, which takes into account country, workforce and labour rights risk. Low and medium-risk sites undergo sample spot checks, while all high-risk sites, defined as those with significant potential for human rights or labour issues, require an audit. All audits are semi-announced, where suppliers are given a two-week window for an audit to be conducted by independent third parties. Twinings Ovaltine uses the Sedex platform, where appropriate, to inform its supply chain assessment process.

As of 2026, 190 of Twinings Ovaltine's 775 sites are classified as high-risk. Based on audit findings and remediation requirements, the businesses subsequently categorise sites using ratings (red, amber and green), which determines the frequency of future audits:

- red rating – re-audited following the completion of a time-bound remediation plan, with the ambition of changing their rating to amber or green (currently seven sites);
- amber rating – audited every two years (currently 118 sites); and
- green rating – audited every three years (currently 65 sites).

Where non-conformances are identified, suppliers are required to take action to resolve the issues within a specified timeframe. This includes both health and safety and modern slavery training programmes for supplier factories where non-conformances on these issues have been identified. These e-learning courses were co-developed by Twinings Ovaltine, and suppliers are able to complete the course once they have registered.

Since February 2022, 195 high-risk sites have received the health and safety training and 80 high-risk sites have undertaken modern slavery awareness training.

In 2026, Twinings Ovaltine completed a comprehensive review of its FMIP approach to risk to ensure alignment with industry best practice and emerging international standards. As a result of this review, the division has evolved its approach and processes when categorising suppliers, to place greater emphasis on severity and likelihood of human rights impacts and strengthened its assessments regarding migrant workers.

Modern slavery training continues to be rolled out for supplier factories operating in high-risk countries, with a focus on suppliers employing migrant workers. The e-learning course is developed by Twinings Ovaltine, and suppliers are able to complete the course once they have registered.

In its tea and herb supply chains, Twinings is working towards supporting suppliers to address the needs of the communities from which it sources. Twinings has never owned any tea estates, but purchases the tea used to make its blends only from Rainforest Alliance certified gardens, who may also source leaf from smallholders. To better understand the issues in its tea and herbs supply chains it complements third-party certification with its own TCNA programme across tea gardens, estates and smallholders, as well as key herbs on a risk-basis. To strengthen its approach to monitoring its tea supply chain, it has moved to an annual risk-based approach cycle. It will carry out a full TCNA in year one, which is repeated in year two for high-risk sites, and for lower-risk sites it will carry out a follow-up visit to focus on implementation of any action plans and context-specific risks.

Twinings' TCNA framework takes a holistic approach to assessing human rights risks and community needs in its supply chain. It focuses on hearing directly from workers, farmers and community members through focus group discussions, interviews, surveys and observations. This provides insight into the challenges and aspirations of these communities and helps identify areas for improvement.

A TCNA covers issues related to human rights and the welfare of workers in Twinings' supply chain such as gender, health and nutrition, children's rights, livelihoods, water and sanitation, natural resources, farming practices, housing and working conditions. This approach allows Twinings to identify specific issues and develop targeted programmes.

Following issues identified in its Kenyan tea supply chain in 2023, Twinings developed a Gender Based Violence and Harassment ('GBVH') Policy to help tea gardens effectively prevent and address GBVH, reduce risks, and aim to protect women workers. During 2026, Twinings updated this policy and the accompanying supplier guidance. In total, 100% of its tea producers have signed the policy and compliance with it is checked as part of a full TCNA.

Twinings is committed to playing a leading role in developing a progressive and thriving tea and herbs industry. It recognises that this will require collaboration with a range of stakeholders across the sector to help bring about industry-wide change. To achieve its ambitions, it works with partners on the ground in its key sourcing regions to help address societal and environmental industry-wide issues. Its partners include producers, NGOs, government agencies and industry platforms, as well as the tea and herb growing communities it sources from.

George Weston Foods

George Weston Foods continues to take steps to improve the visibility and the ethical performance of its supply chains. In response to proposed changes to modern slavery legislation in Australia and New Zealand, in 2026, the business focused on supply chain due diligence, supplier engagement, improving risk management and building internal capability.

Business units have undertaken an initial risk assessment of their supply chains to identify potential risks based on product categories and sourcing geographies. To further develop this understanding, George Weston Foods is expanding the use of external supply chain risk assessment tools, including Sedex and EIQ Analyse, to review and rate supply chain risks.

During 2026, George Weston Foods updated its Responsible Sourcing Code of Conduct, delivered modern slavery training in relevant parts of its operations and participated in a consultation with the Australian and New Zealand Governments and Parliaments to review modern slavery legislation.

Carbon and climate – Grocery

Our Grocery businesses are addressing material climate-related risks and focusing on reducing energy use and GHG emissions across their operations.



GHG emissions, energy and renewables

Solar panels, George Weston Foods, Australia

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

In 2026, across our Grocery businesses, energy consumption decreased by 1% and Scope 1 and 2 (market-based) GHG emissions increased by 5% compared to 2025.

Grocery Group

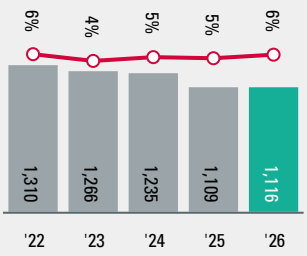
The Grocery Group UK businesses are signatories to the UK Food and Drink Pact, which outlines an ambitious set of industry-wide targets aligned to the 1.5°C pathway and a commitment to achieve net zero by 2050. These businesses have committed to reduce emissions by 50% across Scope 1, 2 and 3 by 2030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

The Grocery Group's total energy consumption for 2026 was 417GWh, the same as in 2025. Of the total energy consumed, 11% came from renewable sources.

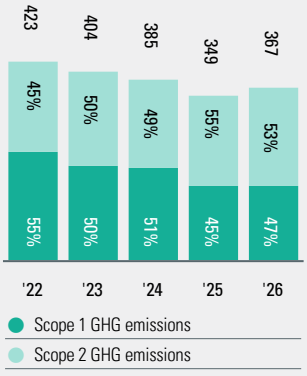
Grocery Group Scope 1 and 2 (market-based) GHG emissions decreased by 2% compared to 2025, primarily due to energy efficiency projects and purchase of renewable energy. Grocery Group businesses in the UK achieved a decrease of 52% in their total Scope 1 and 2 location-based GHG emissions compared to the 2015 baseline. These reductions have been driven by changes in operational footprint, investment in renewable energy and ongoing capital investment in more efficient equipment.

All Grocery Group businesses are in the process of mapping and calculating their Scope 3 emissions.

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



Scope 1 and 2 (market-based) GHG emissions (000 tonnes of CO_2e, % of total)



Twinings Ovaltine

Twinings Ovaltine 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 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 2026, Twinings Ovaltine's total energy consumption was 165GWh, reflecting an 8% increase from 2025. Of this total, 8% was sourced from renewable energy sources. The division's Scope 1 and 2 (market-based) GHG emissions increased by 4% compared to 2025. These increases were primarily driven by the opening of Ovaltine's new manufacturing facility in Nigeria.

Twinings Ovaltine is working closely with suppliers, farmers and partners to help them reduce their emissions, improving transport efficiency, minimising its packaging and reducing material weight.

To achieve its commitments, it continues to evolve its roadmap, informed by data to create actionable category procurement strategies to help deliver upon its targets and ambitions. Supplier engagement has been key to this process, moving from country or region emissions factors to supplier-specific data.

Improved data helps Twinings Ovaltine identify the risks and opportunities at both site-level and supplier level. It is working with suppliers on carbon action and agricultural practices. This will include suppliers reducing fertiliser usage, eliminating land use change, switching to more renewable energy sources and the implementation of lower carbon product innovations, such as lightweighting packaging and raw material alternatives. Progress will be tracked through supplier relationship management and embedding carbon into key processes including procurement KPIs, requests for quotations and supplier scoring.

Twinings Ovaltine is aware of the risks rising temperatures pose to its business and as such is taking actions in its own operations to mitigate potential issues identified through risk assessments. Its work in this area focuses on three key areas, ventilation, hydration and, where appropriate, the provision of rest and medical facilities.

George Weston Foods

George Weston Foods continues to implement initiatives aimed at improving energy efficiency and reducing GHG emissions.

Tip Top has installed solar arrays at its bakeries across Australia, including 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, aiming to reduce GHG emissions associated with bread production by approximately 64%.

In 2026, training and awareness initiatives were rolled out across finance, risk, sustainability and operational teams to build internal capability and support the integration of climate considerations into core business processes. These initiatives are also preparing the businesses for reporting in alignment with the Australian Sustainability Reporting Standards (ASRS), including ASRS S2 Climate-related Disclosures.

ACH

ACH's total energy consumption for 2026 was 12GWh and the business reported 4kt of Scope 1 and 2 (market-based) GHG emissions.

Case study – Grocery



Twinings Ovaltine SBTi validated target

Overall net zero target

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

Near-term targets

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

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

Net zero targets

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

FLAG*: Twinings 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 Twinings manufacturing facility in Swarzędz, Poland



AB World Foods SBTi validated target

Near-term targets

Energy and 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 Chilli Sauce produced by AB World Foods

Case study – Grocery

Twinings Ovaltine Transition Plan

Twinings Ovaltine's decarbonisation strategy continues to be underpinned by its SBTi-validated targets. These have been designed to drive progress in reducing Scope 1, 2 and 3 emissions.

Governance

The Twinings Ovaltine Chief Executive and Chief Financial Officer continue to have oversight and overall responsibility for climate-related risks, opportunities, overall strategy and transition plans. This includes assessing and managing material ESG matters across the business, including climate-related risks and opportunities.

The Chief Executive and Chief Financial Officer are supported by senior leadership and various committees:

- International Supply Chain Director and Chief Brand Officer support effective management of risks and opportunities.
- ESG Governance Committee oversees ESG risk and strategy implementation.
- Environmental Due Diligence Steering committee identifies, assesses and manages ESG risks and opportunities.

Implementation is the responsibility of the Environmental Due Diligence Steering Committee, a cross-functional project management team that includes business leaders representing the five main contributors to Twinings Ovaltine's carbon emissions; its manufacturing facilities, packaging, logistics, tea, herbs and raw materials and ingredients for Ovaltine.

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

Risk Management

Consistent with prior years, the annual risk process includes identifying and assessing climate-related risks and opportunities. ESG-related risks and opportunities are identified, assessed and monitored through Twinings Ovaltine's established risk management framework and dedicated ESG governance processes. Information used in risk management meetings includes outputs from the formal risk register and quarterly risk reviews, findings from horizon scanning, salient risk and double materiality assessments, third-party research and regulatory intelligence, supplier and ethical trade insights and internal subject-matter expertise across functions such as procurement, sustainability and finance.

ESG and climate-related risks are formally reassessed at least quarterly, with updates to risk severity, mitigating actions and controls reflected in the risk register. Emerging or changing ESG risks are escalated through the Environmental Due Diligence Steering Committee and reviewed at quarterly ESG Governance meetings attended by senior leadership, ensuring appropriate governance oversight and challenge. Financially material risks, including climate-related regulatory and transition risks, are refreshed regularly and embedded into strategic planning and decision-making.

Strategy, metrics and targets

GHG emissions baseline and targets

Addressing climate change is a key pillar of Twinings Ovaltine's ESG strategy. The SBTi has approved and independently validated Twinings Ovaltine's near and long-term science-based emissions targets and the businesses' 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 emissions of 42% by 2030.

Twinings Ovaltine baseline GHG emissions (2020) (tCO_2e, % of total emissions)

Total Scope 1 and 2	49,279
Scope 1 and 2 (location-based)	100%

To achieve its Scope 1 and 2 commitment, Twinings Ovaltine has categorised its plans and projects into three focus areas of energy efficiency/ energy reduction, renewable energy and fuel switch. Twinings Ovaltine does not intend to use carbon offsets.

Efficiency improvements in manufacturing and facilities focus on optimising production processes to reduce energy consumption, steam usage, machinery efficiency, material waste and associated emissions without compromising output or quality.

Renewable energy serves as a key lever by shifting energy supply to renewable sources. Twinings Ovaltine is targeting this through Power Purchase Agreements ('PPAs') to secure renewable energy, on-site photovoltaic panels to generate clean energy and tri-generation systems to efficiently produce electricity, heating and cooling from a single fuel source.

Fuel switch targets the energy source used to generate steam and power, replacing high-carbon fossil fuels with lower-carbon or renewable alternatives.

Capital investment

In 2026, Twinings Ovaltine spent approximately £2.5m on projects supporting its transition to a lower-carbon economy. It is planning to spend £5.1m of total capital expenditure between 2027 and 2030 on similar initiatives.

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 20% reduction, 48% of its 2030 target. Twinings Ovaltine is on track to meet its carbon reduction targets.

Heat stress

In 2026, Twinings Ovaltine engaged in an assessment of the impact of heat stress on own operations. This included sites across the United Kingdom, Australia, India, China, Switzerland, USA, Poland, Thailand and Nigeria. The results of this assessment indicated that whilst not material at this stage, heat stress is an emerging risk. Twinings Ovaltine will use these results as a basis to mitigate areas in the business where heat stress could have the largest impact.

Case study – Grocery

	KPI	Base year (2020)		Previous Year (2025)*	Current Year*	Current Year vs Baseline	Methodology
Decarbonisation levers							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.
Energy reduction	Scope 1 and 2 emissions			325	1,141		
Renewable energy	Scope 1 and 2 emissions		1,532	1,348	16		
Energy switch	Scope 1 and 2 emissions		3,921	31			
Others**	Scope 1 and 2 emissions		57	-372	-1,138		
Savings implemented to 2023	Scope 1 and 2 emissions		2,523				
Total value chain emissions (Scope 1 and 2 market-based) excluding Nigeria		**49,279**	**41,246**	**39,914**	**39,895**	**19 %**	
Emissions as a % of base year			**84 %**	**81 %**	**81 %**		
Nigeria factory					1,798		
Total value chain emissions (Scope 1 and 2 market-based)		**49,279**	**41,246**	**39,914**	**41,694**		

* Expressed in tCO_2e.

** The slight increase in the other lever is predominately because of increased natural gas usage across two main manufacturing sites as a result of much colder than usual winter and also the continued implementation of a new SAP system, which meant production was continuous this year, with no scheduled shutdown period.

Assumptions, uncertainties and challenges

Availability and price of renewable fuel and energy due to political landscape

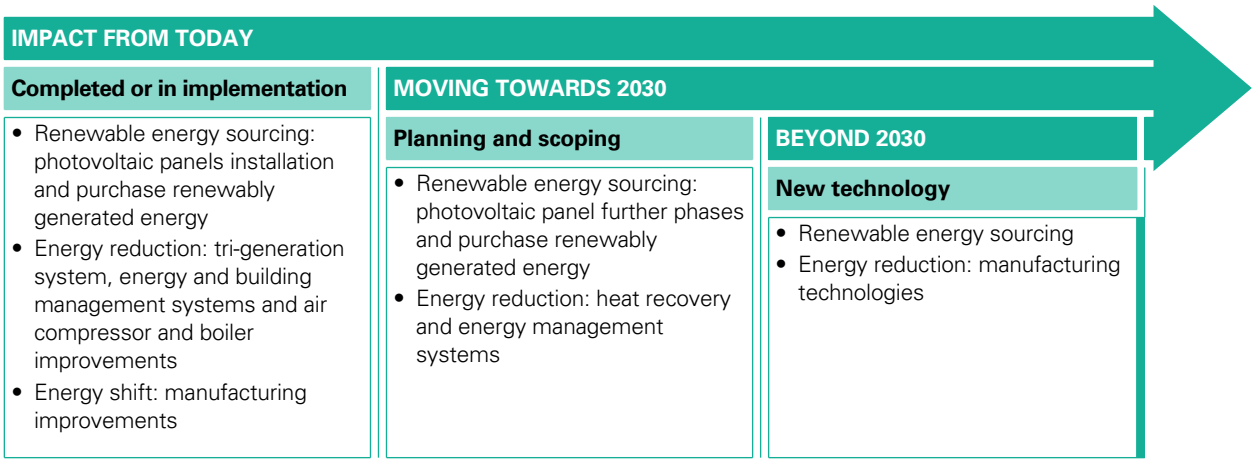
The long-term affordability of renewable electricity, biomass, or green hydrogen is highly dependent on market dynamics, technology maturity, and the evolution of carbon pricing, all of which can be influenced by shifting policy and geopolitical factors.

In addition, the availability and reliability of these energy sources - particularly emerging fuels and supporting infrastructure - may be constrained in the short to medium term, creating potential risks to operational continuity and cost competitiveness as the political and regulatory landscape continues to evolve.

Government regulation: Twinings Ovaltine recognises the evolving complexity of regulatory environments at national, regional and global levels. Dedicated teams across the organisation continuously monitor these developments to ensure relevant changes and their potential impacts are incorporated into the transition plan as appropriate.

Emissions reduction plan

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



Water – Grocery

Water is a key component in some of our Grocery businesses' manufacturing processes and businesses continue to take steps to reduce water use and identify opportunities to reuse water where possible.



Ageing barrels for balsamic vinegar of Modena at Acetum's factory in Cavezzo, Italy

In 2026, water abstraction across our Grocery businesses' manufacturing sites was mostly flat compared to the previous year, increasing by 2% overall. Our Grocery businesses reused 3% of the water entering their sites in 2026.

Grocery Group

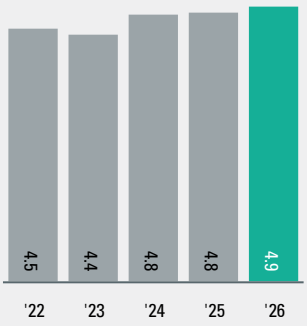
Grocery Group businesses continue to improve water efficiency by minimising water use in non-ingredient applications through operational improvements and the optimisation of production processes. In the UK, water abstraction across the Grocery Group sites has reduced by 20% since 2015. In addition, Silver Spoon's Bardney site reduced its water use by 26% compared to 2024 through improved efficiency at site over the last two years. Contributing initiatives included more efficient pump use, wash outs and recycling more water in the cooling tower.

As part of the UK Food and Drink Pact, all Grocery Group UK businesses have signed up to the WRAP Water Roadmap, which targets 50% of fresh food being sourced from areas with sustainable water management by 2030, from a 2015 baseline. They use the World Wildlife Fund (WWF) water risk tool to assess their high volume ingredients and follow WRAP stewardship guidance to reduce water risk in the supply chain.

Beyond their own operations, some Grocery Group businesses are working with suppliers and industry partners to promote efficient water management and improve water resilience across their agricultural supply chains.

For example, AB World Foods continues to provide financial support to the WRAP's Collective Action Programme in Doñana, and more recently in Mar Menor and the Segura Basin, some of Spain's most important fresh produce growing regions, where illegal irrigation, over-abstraction, pollution and tourism have placed significant pressure on water resources. This programme brings together growers, food businesses, government agencies, researchers and NGOs to improve understanding of water risks and strengthen water stewardship practices.

Total water abstracted in own operations (million m^3)



Waste and packaging – Grocery

Our Grocery businesses continue to focus on making improvements in waste and packaging.



Waste and circularity

Blue Dragon's Original Sweet Chilli Sauce in a PET bottle incorporating 30% post-consumer recycled content

Across our Grocery businesses, circularity and resource efficiency initiatives aim to reduce waste, improve operational efficiency and support cost control.

In 2026, the Grocery businesses generated 97kt of waste, a 7% increase compared with the previous year. Of the total waste generated, 85% was recycled, recovered or sent for other beneficial use.

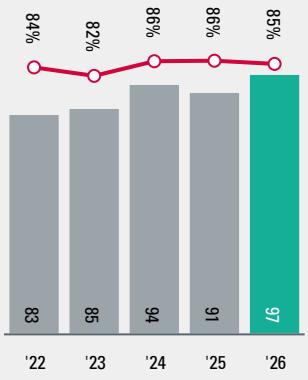
Grocery Group

With a portfolio including staples such as bread, flour, rice, noodles, bagged sugars, tea, cooking sauces and breakfast cereals, reducing food waste is a major focus for Grocery Group businesses.

In the UK, they are signatories to the UK Food and Drink Pact, which targets a 50% per capita reduction in food waste by 2030 against a 2007 baseline. Each business has set internal food waste reduction targets and is implementing strategies under the Pact's 'Target, Measure, Act' framework. For example, Jordans Cereals is working with Zest to use their AI technology to identify areas where further waste reduction can occur.

Between 2015 and 2025, food waste tonnage from Grocery Group business operations in the UK decreased by 36% due to ongoing improvements in manufacturing and a sharpened focus on food waste. By the end of calendar year 2025, 95% of food waste was sent to the animal feed sector, and a further 3% was used for energy generation as it was unsuitable for animal feed. Due to improved supply chain practices, there has been a reduction in surplus food shared directly to food banks, with 259 tonnes donated in calendar year 2025.

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



Twinings Ovaltine

Twinings Ovaltine has continued to focus on improved operational efficiencies, implementing various initiatives to reduce waste at source. These initiatives include improving machine efficiencies, reusing production waste, returning plastic packaging materials back to suppliers after use and promoting a waste segregation culture across the business.

Twinings is progressing towards its Zero Waste to Landfill target. All manufacturing waste is recycled or recovered, with organic waste sent for industrial composting or used in animal feed. All packaging waste is recycled and the business is working towards a circular model for tertiary packaging, with pallets and plastic reels returned to suppliers for reuse. Its UK and Polish manufacturing sites achieved zero waste to landfill in 2025.

The majority of Ovaltine's waste is recovered or recycled for beneficial uses, including as animal feed, fertiliser and biogas production.

George Weston Foods

Tip Top is a signatory of the Australian Food Pact which aims to halve food waste in Australia by 2030. The business has developed a Food Waste Action Plan on reducing returns and food waste in its bakeries and customers' homes.

ACH

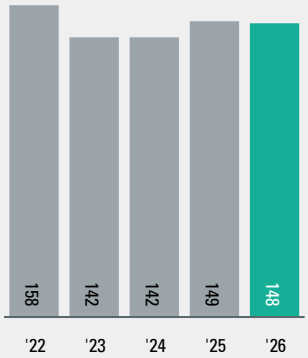
ACH continued to make investment in reducing waste by enhancing production efficiency and recycling waste materials.

Plastic and packaging

Packaging has an important role to play in ensuring the safety and quality of products. Across many programmes and initiatives, the businesses are working to reduce packaging and increase recyclability and reusability.

In 2026, our Grocery businesses' total packaging decreased by 1% compared to the previous year. Across the segment, businesses are working on changes in production mix and volumes, as well as projects within the businesses to replace plastic packaging with alternative materials such as cardboard.

Quantity of packaging used (000 tonnes)



Grocery Group

Since 2018, the Grocery Group's UK businesses have been signatory members of the UK Plastics Pact, led by WRAP, which concluded in 2026. The Pact committed signatories to eliminate problematic or unnecessary single-use packaging through redesign, innovation or alternative delivery models. The final report, due to be published in November 2026, will present the overall results and achievements of the Pact.

In calendar year 2025, 87% of packaging materials were either fully recyclable in the UK or recyclable where recycling facilities exist. Materials classified as difficult to recycle across branded foods account for less than 0.2% of all packaging and materials.

AB World Foods has continued its programme of implementing post-consumer recycled content in bottles across a range of Blue Dragon sauces, and has been developing and trialling recyclable materials for naan breads, stir fry, noodles and Paste Pots among others. The aim is to commercialise these materials once technically approved.

Silver Spoon has switched icing paper to recyclable alternatives, removing around 53t of non-recyclable fibre-based composite across the Silver Spoon brand. Caps used on Askeys and Silver Spoon brand products have been lightweighted, removing 7.4t of packaging annually.

The Grocery Group businesses in the UK have completed the Recyclability Assessment Methodology under the UK's Extended Producer Responsibility throughout 2026. As a next step, they will look to redesign packaging where relevant into a higher tier of recyclability. As well as UK regulations, the Grocery Group businesses have been taking steps to prepare for the evolving EU Packaging and Packaging Waste Regulation ('PPWR').

Twinings Ovaltine

Twinings Ovaltine is working to minimise its packaging materials, with the aim of increasing recycled content, eliminating single-use plastic and improving recyclability. It has also been taking steps to comply with and prepare for evolving and upcoming regulations, including the PPWR and EU Deforestation Regulation.

To help achieve this, Twinings takes environmental considerations into its new product development process, including design for recyclability guidelines. Twinings has removed plastic wrap from around 95% of its cartons and ensures all tea bags produced at its main manufacturing sites in the UK and Poland are made with plant-based, industrially compostable tea paper. Its string and tag bags produced in Swarzędz, Poland and Andover, UK, accounting for 86% of the bags it produces, are also third-party certified as home compostable. In terms of overall consumer packaging from these two manufacturing sites, 27% is currently compostable, 63% recyclable, 1% is designed for recycling and 9% is currently not recyclable.

In 2026, Twinings introduced Accessible QR codes across its UK and Ireland tea packs to support visually impaired consumers. Executed in partnership with the Royal National Institute of Blind People and its packaging technology partners, the changes are designed to make its products easier to navigate for blind and partially sighted consumers.

George Weston Foods

George Weston Foods is a signatory to the Australian Packaging Covenant Organisation ('APCO'), a non-profit organisation established under Australian regulation to reduce packaging waste and improve recycling methods. While APCO is a key element of its plastics and packaging strategy, the business also addresses packaging challenges through an internal Packaging Working Group and by trialling new materials.

Tip Top, DON Smallgoods and Yumi's have applied to join an industry-led soft plastics Extended Producer Responsibility ('EPR') recycling scheme that also has the backing of Australia's two largest retailers. The Australian Government is currently reviewing options to mandate EPR Schemes including for soft plastics.

ACH

ACH continues to reduce packaging through initiatives focused on optimising pack sizes and reducing material use. During 2026, a plastic reduction project for Argo Baking Powder reduced plastic use by 3.85g per bottle, equivalent to approximately 7.7t of plastic annually.

Food safety and nutrition – Grocery

Our Grocery businesses are united by our Group purpose: to provide safe, nutritious and affordable food.



Food safety

A colleague checks Westmill noodles for quality at our factory in Trafford, UK

In line with the Group approach, all Grocery businesses work to ensure the safety, legality, quality, integrity and authenticity of their raw materials and third-party and finished products, the latter comprising materials for further processing or retail products. This is achieved primarily by manufacturing sites developing and maintaining business management systems, certificated by third party audits against a Global Food Safety Initiative ('GFSI') standard. Raw materials, third-party products and finished products are monitored on a risk-assessed basis to confirm compliance with defined parameters, either in-house or by third-party accredited laboratories, and in many cases both.

Grocery Group businesses employ food safety specialists who are responsible for ensuring ongoing compliance with the required legislation, certification, in-house and customer standards, and the approval of third-party manufacturers and their products. Food Safety and Quality Culture programmes are in place across all businesses. Food safety related training is typically refreshed annually.

Processes and equipment used to measure food safety and quality parameters are subject to ongoing verification and at least annual validation. ABF commissions random food safety audits at manufacturing sites, which are conducted by RQA, an insurance-approved risk reduction company. Grocery food businesses also participate in working groups to share learnings regarding food safety issues and, where appropriate, discuss corrective actions. Grocery Group businesses sit on relevant trade bodies primarily setting standards, and promoting the sector.

Twinings Ovaltine's Polish and UK manufacturing sites are certified against the FSSC 22000, a GFSI standard, and regularly audited. It employs food safety specialists responsible for ensuring ongoing compliance with the required certification, in-house and customer standards.

At George Weston Foods, food safety and quality are the most important topics for the business and its stakeholders. As one of the largest food manufacturers in Australia and New Zealand, it has a fundamental commitment to provide safe, nourishing food for the communities it serves.

Nutrition and health

Our Grocery businesses have always taken nutritional factors into account when developing their product portfolios, which include staples such as bread, flour, rice, noodles, sugar, tea, cooking sauces and breakfast cereals.

To support this, and wherever relevant to the product category, they follow nutrition policies and a framework for communicating any health and environmental claims across their products and brands.

Grocery Group

Grocery Group businesses in the UK have internal policies to ensure compliance with relevant regulations and industry codes of practice on responsible marketing. They also carefully consider the placement, content and execution of advertising for products considered high in fat, sugar or salt (HFSS), ensuring children under 16 are not targeted.

Many products already support healthier choices, from high-fibre breakfast cereals, crispbreads and wholemeal bread to specialist sports nutrition ranges. In 2026, new product development focused on delivering non-HFSS and fibre-rich products. Dorset Cereals expanded its granola and muesli portfolio with fibre-focused innovation, launching a new No Added Sugar granola range that is also high in fibre, alongside a new Fabulous High Fibre muesli recipe. Allied Bakeries, which has since been brought together with Hovis Group as Hovis Bakeries, expanded its Allinson's sourdough range with a new Seeded Sourdough loaf, providing a source of fibre for consumers who enjoy authentic sourdough bread.

Consumer interest in products offering protein continues to influence Grocery product ranges. In 2026, Kingsmill launched Mighty White Protein Bread, a white bread with no bits, delivering 15g protein in 2 slices and providing a source of fibre. Developed with a new ingredient from AB Mauri, the protein comes from a combination of wheat protein and fava bean protein isolate. Jordans Cereals reformulated its Protein Boost Granola range to reduce sugar and increase fibre, improving recipes from a Nutri-Score D to a Nutri-Score A while maintaining its source of protein claim.

Grocery Group continues to work closely with the UK's Food and Drink Federation ('FDF'), participating in industry-wide programmes designed to deliver meaningful health benefits to consumers. Ryvita, Jordans Cereals and Kingsmill remain signatories to the FDF's Action on Fibre, an initiative to increase fibre consumption in the UK by helping to close the shortfall between the recommended daily fibre intake and current national consumption levels. Since the programme began in 2021, members across the industry have launched nearly 500 new and reformulated products, delivering an additional two billion servings of fibre to the UK population[1].

1. https://www.fdf.org.uk/fdf/our-work/our-campaigns/action-on-fibre/

Nutrition reporting – Grocery Group UK businesses

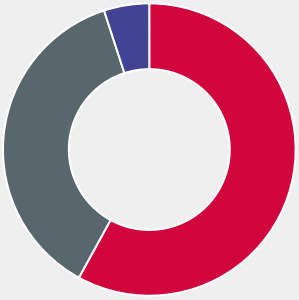
As part of its commitment to responsibly produce and market safe, nutritious and affordable food, our Grocery Group businesses in the UK report revenue based on the UK's 2004/5 Nutrient Profiling Model and the Food (Promotion and Placement) (England) Regulations 2021. The Nutrient Profiling Model uses a formula to assess the nutritional content of foods, enabling them to be categorised as either HFSS (high in fat, sugar or salt) or non-HFSS.

In 2025, the fourth year of voluntary reporting, 96% of the revenue generated from the UK Grocery Group businesses' branded portfolio, including Hovis, came from non-HFSS products or HFSS products that are not subject to restrictions under the Food (Promotion and Placement) (England) Regulations 2021. For context, this includes everyday staples like bagged sugars, cooking oils, cooking sauces and condiments that are not within the scope of public health-related sales restrictions.

Foods designated as HFSS that are also subject to sales restrictions amounted to 4% of revenue from the Grocery Group businesses in the UK. They include a small number of baked breakfast cereals, some ice cream accompaniments and a selection of baked goods. Many of these product ranges will be considered for reformulation in the future, subject to feasibility and consumer acceptance. This group of products also includes some that are classified as HFSS based on 100g servings although they are typically eaten in much smaller quantities, like cooking pastes, soy sauce and balsamic vinegar, as well as some high-fibre mueslis with no-added-sugar that are classified as HFSS due to containing natural sugars and fats from fruits, nuts and seeds.

In the same period, some 59% of revenue from the branded portfolio of Grocery Group businesses in the UK came from foods that are classified as non-HFSS. These include staples such as bread, crispbreads, tea, flour, rice and noodles, as well as some breakfast cereals (including muesli and some granola recipes), cooking sauces and condiments.

2026 Nutrition reporting – Grocery Group UK businesses (% revenue)



Non-HFSS branded products	59 %
HFSS branded products but not subject to restrictions	37 %
HFSS branded products and subject to restrictions	4 %

George Weston Foods

In Australia and New Zealand, George Weston Foods' businesses Tip Top and Yumi's support clear food labelling practices to help consumers make informed choices. Both businesses actively participate in the voluntary Health Star Rating front-of-pack labelling system.

Yumi's displays the Health Star Rating across its entire range, while Tip Top was one of the first bakery brands to adopt the Health Star Rating system in Australia. Since 2018, 100% of all Tip Top retail products in Australia have displayed a Health Star Rating, with 95% achieving a 3.5 or higher. Tip Top continues to support the Australian Government's Healthy Food Partnership by improving the nutritional profile of its bread products. In 2026, 80% of the bread range met the Government's recommended reformulation targets for the category.

In 2026, Tip Top relaunched its Bürgen range, which all carries a 5 Health Star Rating. The business has also expanded its flagship Tip Top The One range with the launch of Tip Top The One Digestive Health, a new bread, available in soft white and soft wholemeal varieties. The new range provides 30% of an adult's recommended daily fibre intake in two slices and also carries a 5 Health Star Rating. Tip Top also launched a Nutrition Policy outlining its approach to nutrition and health based on transparency, choice and responsible advertisement.

Agriculture and farming practices – Grocery

The businesses within our Grocery segment are highly dependent on agricultural commodities and supply chains to produce their products and deliver their ESG agendas.



Responsible agriculture, biodiversity and land use

Basmati rice being grown for Westmill Foods near Eminabad, Pakistan

Our Grocery businesses have strong links to the global farming sector, sourcing products from crops grown on farms, tea gardens and smallholdings around the world. The approaches they take reflect the complexity of supply chains and the nature of their operations.

As they adapt to the evolving regulatory ESG landscape, our Grocery businesses are broadening their approach to managing environmental and social risks, opportunities and impacts in agricultural supply chains. Recognising the critical need for collaboration across the industry, they are working with civil society partners and other industry players to help address supply chain issues.

Our Grocery businesses are assessing environmental risks such as deforestation and biodiversity loss within their key supply chains. They are also prioritising water reduction and yield increase for certain key commodities such as rice. Climate change is particularly impactful in the supply chains across the division, as extreme weather and natural disasters continue to affect the growth of healthy crops and the livelihoods of the communities that rely on them.

Several businesses leverage third-party certification schemes from organisations such as the Rainforest Alliance, Fairtrade, the Sustainable Spices Initiative ('SSI') and the Roundtable for Sustainable Palm Oil ('RSPO'). Twinings is also actively involved in the International Cocoa Initiative, The Swiss Platform for Sustainable Cocoa and the Ethical Tea Partnership ('ETP').

How our Grocery businesses approach responsible agriculture across some of their most material commodities is presented below.

Rice

Traditional rice-growing methods are water-intensive and release a significant amount of GHG emissions into the atmosphere, and account for an estimated 8% of global methane emissions. Westmill, a UK-based Grocery Group business and leading supplier of food products to the Indian, Chinese and Thai foodservice sectors, is a founding member of the Sustainable Rice Platform ('SRP').

The SRP is a multi-stakeholder partnership established by the United Nations Environment Programme. Through this partnership, Westmill supports initiatives that aim to promote climate-smart agriculture, protect biodiversity, address the impacts of climate change and support smallholder farmers. By adopting SRP standards, Westmill helps produce high-quality rice while reducing the social and environmental impacts of rice farming.

In Pakistan, where Westmill sources basmati rice, the business is now in the seventh year of its collaborative project with Galaxy Rice, a key supplier in Pakistan. The project aims to benefit both farmers and their communities, and covers topics such as water management, pesticide management and agribusiness techniques. In particular, the training has focused on the use of water-saving technologies, including laser land levelling and alternate wetting and drying techniques, which can reduce methane emissions from flooded rice fields by up to 48%. This figure relates to methane only and does not represent the total carbon footprint of the rice.

As of May 2026, the project included 1,400 farmers across 75km of land. Project data from May to November 2025 showed that participating farmers within the project have seen a 31% reduction in water usage, a 13% increase in net yield and a 39% increase in net income compared to a set of non-SRP farmers. During the same period, Westmill bought 67% of rice from the SRP Project in Pakistan.

Tea and spices

Twinings sources approximately 13,500 tonnes of tea and more than 70 species of herbs and spices from up to 62 countries annually. It does not own any tea or herb estates, farms or gardens and is selective about who it sources from, purchasing tea only from Rainforest Alliance-certified gardens across eight countries: China, Kenya, India, Sri Lanka, Argentina, Indonesia, Rwanda and Japan.

Its tea supply chain includes more than 200,000 workers and smallholder farmers. Central to Twinings' responsible sourcing programme is Sourced with Care, which aims to drive positive change through empowering women, supporting incomes and helping improve living standards within these communities. Through this initiative, Twinings recognises and supports the vital contributions of people and communities in tea and herb production, through programmes which are designed to address issues identified through its TCNA programme. The business also collaborates with key partners in the tea sector, such as the ETP, IDH and Rainforest Alliance. Participating in these forums gives it access to peer companies and experts to help keep Twinings up to date with best practices, trends, regulation and industry-wide challenges. Twinings also collaborates with a wide variety of NGOs to gain greater understanding of issues specific to different countries. This aids it in its ambition to deliver lasting change in line with its sustainability commitments.

Twinings publishes a sourcing map on its website detailing the tea gardens it buys from, as well as the countries from which it sources its key herbs and spices, as part of its efforts to drive collaboration and greater transparency of reporting.

Twinings has had full visibility of the gardens and estates its tea comes from since 2018. For its 17 key herbs and spices[1], it has 96% traceability by volume, back to farm or producer community. Across all herbs and spices sourced, Twinings has reached 91% traceability by volume.

AB World Foods and Westmill are members of the SSI. Both businesses achieved the SSI target of sourcing 25% of spices in their top three categories among spices, herbs and dehydrated vegetables from SSI-recognised certifications by 2025, and have committed to increasing this to 50% by 2030. In 2026, Westmill sourced 43% of its top three spices (turmeric, chilli and cumin) from Rainforest Alliance-certified sources. AB World Foods sourced 37% of its top three products (coriander, paprika and kibbled onions) from SSI-certified sources. In 2026, AB World Foods also purchased 25% of turmeric, 33% of chilli and 25% of cumin from certified sources recognised by the SSI.

Since 2019, AB World Foods has been working on Project SPICE with partner GRAVIS, a community development organisation in Rajasthan, India, to support rural cumin and coriander farming communities (see case study below for more information).

In 2026, AB World Foods also continued to work with its key supplier Suree in Thailand to support improved chilli farming practices, including training on minimising pesticide use and effectiveness of drip irrigation systems to 143 chilli farmers covering 146 hectares of land. This involved AB World Foods launching a new initiative to reduce GHG emissions from open field burning in the Sukhothai region of Thailand, providing five woodchippers to help support 57 chilli farmers. The woodchippers enable the chilli farmers to convert the chilli plant residues into organic mulch and fertiliser, supporting improved soil health and reducing reliance on chemical fertilisers. By turning agricultural waste into a valuable resource, the initiative promotes circular farming practices while helping to reduce GHG emissions associated with crop residue burning. This initiative builds on previous investments in drip irrigation systems, which have helped farmers improve water efficiency, increase yields and reduce labour requirements.

1. The 17 key herbs and spices are: apple, blackberry leaf, camomile, cardamom, cinnamon, ginger, hibiscus, lemongrass, lemon peel, liquorice, orange, peppermint, rosehip, rooibos, spearmint, turmeric and vanilla.

Cereals

The Grocery businesses buy around 4% of the UK milling wheat crop, which is a core ingredient for Allied Mills, Hovis Bakeries, Jordans Cereals, Ryvita, Silver Spoon and Westmill. Jordans Cereals and Ryvita also source UK oats and rye.

Jordans Cereals, a premium cereal brand within our Grocery Group, sources the majority of its oats through the Jordans Farm Partnership, which covers its branded sales volume in the UK and France. This collaboration pays a premium to the farmers producing their oats, wheat and barley in exchange for them managing at least 10% of their land for the benefit of wildlife. Since 1985, Jordans Cereals has worked with these farmers to promote biodiversity on their land.

Allied Mills ensures all the UK wheat it sources is Red Tractor or TASCC (Trade Assurance Scheme for Combinable Crops) assured. The business is currently six years into its Wheat Sustainability Supply Project, where select farmers adopt techniques that aim to improve soil health and support wildlife.

Silver Spoon, through Allied Mills, is working with two wheat farmers in partnership with Frontier, to source wheat grown using more regenerative agriculture practices, which include crop rotation, soil health, carbon footprint reduction and enhancing biodiversity. This wheat has been used in Allinson's 1kg Strong White Flour since 2025.

Deforestation

Several Grocery businesses source agricultural ingredients that are linked to potential risk of deforestation and biodiversity loss.

Westmill, Jordans Cereals, Allied Mills, Hovis Bakeries, AB World Foods and Silver Spoon have Responsible Sourcing Policies that address environmental risks including deforestation and biodiversity loss. These policies set expectations for suppliers and support a risk-based approach to responsible sourcing.

Twinings Ovaltine is in the process of developing a policy to set out its approach and guidelines, to prevent, reduce and ultimately eliminate deforestation linked to its activities. This is in line with its commitment to responsibly source key commodities. Its action plan to address the European Union Deforestation Regulation ('EUDR') requirements includes undertaking a deforestation risk analysis for raw ingredients in scope of the regulation, where required.

The AB World Foods and Twinings Ovaltine businesses have set Forest, Land and Agriculture related targets, which include no-deforestation targets across their primary deforestation-linked commodities, validated by the Science Based Targets initiative.

Animal health and welfare

Grocery Group

The Grocery Group makes products primarily derived from ingredients of plant origin, except for a small quantity of dairy products, eggs, poultry, seafood and honey. It believes in the importance of high animal health and welfare standards within agricultural systems and supports the principles of the Group's Animal Welfare Position Statement.

In 2026, all eggs sourced for own-brand products were cage free, and private-label products transitioned to cage-free eggs in September 2026. For more information, please read here.

George Weston Foods

George Weston Foods purchases ingredients derived from animals, including eggs, dairy products, pork and other meat. The business believes in maintaining and improving animal welfare and meeting relevant animal welfare standards, including the internationally recognised Five Domains.

George Weston Foods piggeries in Australia have been sow stall-free since 2010, with directly owned and supplier owned piggeries in Australia certified by the Australian Pork Industry Quality Assurance programme. For pork sourced by George Weston Foods from Europe and North America, suppliers are required to meet its animal welfare standards and all legal requirements.

Case study – Grocery



Jordans Farm Partnership

The Jordans Farm Partnership ('JFP') is a UK programme built through a partnership between Jordans Cereals, The Wildlife Trusts, Linking Environment and Farming ('LEAF'), and the UK oat farms that Jordans Cereals partners with ('JFP Farmers'). Through this programme, JFP Farmers are supported as they grow oats that meet the JFP Standard for use in certain Jordans Cereals products. It is a working collaboration where each partner brings a different area of expertise to shape the JFP, including habitat creation and restoration knowledge from The Wildlife Trusts, insights on more sustainable farming practices from LEAF, and on-the-ground experiences of their own unique farming model from the JFP Farmers.

All JFP Farmers agree that their farm will meet the JFP Standard. The JFP Standard includes a requirement that JFP Farmers receive LEAF Marque certification. As of 2025, all JFP farms are certified to LEAF Marque Standard Version 16.1.

In addition, JFP Farmers are required to meet additional criteria on wildlife and habitat provision. Specifically, each JFP Farmer works with a dedicated wildlife adviser from their local Wildlife Trust to make sure that at least 10% of their land is managed for wildlife on their farm (the average for the year 2023-2024 was 30%). By working with the JFP Farmers, The Wildlife Trusts and LEAF, the JFP has managed 4,320ha for wildlife since 2015.

As part of the Jordans Cereals oat sourcing process, it follows an industry-standard mass balance approach. As a result, the Jordans products may contain a mix of JFP and non-JFP oats. Rather than diverting resources to build a costly system to segregate the JFP oats, it believes its resources are best invested in the JFP, to support JFP Farmers and help them to protect wildlife habitats.

For more information refer to Jordans Cereals website.

A Jordans Farm Partnership farm in Hampshire, UK

Case study – Grocery



Project SPICE: Award-winning initiative empowering farmers and building climate resilience in rural India

Since 2019, AB World Foods has funded Project SPICE, working in partnership with GRAVIS, a community development organisation in Rajasthan, India, to support the livelihoods and resilience of rural cumin and coriander farming communities. During its first phase, the project organised 1,000 farmers into 50 Farmer Interest Groups ('FIGs'), created 30 model farms, delivered focused agronomy and business skills training, and supported the creation of two formal government approved Farmer Producer Organisations to help strengthen governance of farmer collectives.

The second phase of the initiative focused on strengthening climate resilience. AB World Foods funded the installation of 50 'taankas' (drinking water storage tanks), 50 bio-sand water filters, and 50 'khadins' (drainage dykes) for those families identified by the FIGs as most in need.

Taankas significantly improved water access while bio-sand filters remove impurities, providing safe drinking water. Khadin interventions increased cultivable land by 22% and average yields by up to 52%.

The project supports women's empowerment through the formation of 50 Self-Help Groups, providing training in financial literacy and business skills. It also delivers adolescent health education and water, sanitation and hygiene ('WASH') training across participating communities.

Farmers continue to be supported to adopt integrated pest management ('IPM') practices, and in 2026, 14 tonnes of cumin met the IPM standards for sale into the export market.

Recognising its impact, Project SPICE won the 2025 Edie Sustainability Project of the Year.

In 2026, the programme entered its third and final phase. Building on the achievements of the previous phases, SPICE III aims to promote more regenerative agricultural practices to help improve the resilience of farms through the installation of irrigation dykes and the responsible use of fertilisers and pesticides. In addition, the programme looks to enhance biodiversity through the planting of 1,500 fruit trees and establishing border crops to support more resilient farming systems. The aim is to give farmers practical guidance on managing their farms more efficiently, while improving crop quality, resource use and overall farm resilience.

Farmers collecting water from their taanka, Phalodi, India

Case study – Grocery



Allied Mills Wheat Sustainability Supply Project

Since 2020, Allied Mills has partnered with Frontier Agriculture, an ABF joint venture, to deliver a Wheat Sustainability Supply Project with a group of growers in south-east England. The initiative supports the adoption of more regenerative farming practices, such as crop rotation, minimal tillage and precision agriculture, aimed at improving soil health, supporting biodiversity and reducing GHG emissions. Participating farmers receive a premium for the wheat they grow under this project.

Emissions from participating farms were found to be 22% lower than standard UK wheat emission factors, with lower nitrogen fertiliser use identified as the most significant driver of emissions reduction. Nitrogen fertiliser accounts for over 60% of milling wheat's carbon footprint.

Building on this success, Allied Mills has extended the trial through to 2029, with plans to expand into new regions. The next phase will explore low-emission fertiliser technologies, nitrification inhibitors and enhanced nitrogen optimisation strategies to further reduce environmental impact while maintaining crop quality and yield.

Since 2025 Allied Bakeries has been using LEAF Marque certified wheat for two of its Allinson's lines, The Champion Wholemeal and Scandalous Seeds.

The on-pack copy states:

'Allinson's is proud to support farms independently certified by LEAF, helping to deliver environmental benefits such as nurturing the soil and sustaining habitats for wildlife. We do this by sourcing wheat from LEAF Marque farms, following a mass balance approach to cover 100% of the wholemeal wheat flour needed to make these loaves.'

A farm in south-east England that has participated in the Wheat Sustainability Supply Project

ESG at Ingredients

Our Ingredients businesses are investing to improve performance across a wide range of material ESG topics.



Wastewater treatment at AB Mauri Maya's yeast plant in Bandrima, Türkiye

ESG Governance

Each Ingredients business manages its ESG impacts, risks and opportunities independently, tailoring strategies to its specific business needs.

AB Mauri

Responsibility for managing ESG topics at AB Mauri sits at the country and the business level, enabling local teams to respond to the needs of their markets, operations and stakeholders. A divisional ESG Steering Group provides guidance and oversight to local teams on common priority areas. Global subject matter champions support key programmes including health and safety, water stewardship and energy efficiency, by providing technical expertise, promoting best practice and facilitating knowledge sharing across businesses.

For more information on ESG at AB Mauri please see its website.

ABFI

ABFI's ESG strategy is based on three pillars: People, Planet and Customers. These pillars reflect its efforts to help protect people, preserve the environment, and to respect its partners. This framework guides the division's approach, while its decentralised structure allows each business to define and implement specific ESG goals and activities that are relevant to their respective industries, markets and communities.

The ABFI Chief Executive is responsible for the ESG agenda including impacts, risks and opportunities. The ABFI Divisional Safety, Risk and Sustainability Director serves as the liaison between the ABF Group and its businesses, facilitating communication, collaboration and strategic direction on ESG matters. The business-level managing directors have overall responsibility for the implementation of each business's ESG strategy and for their performance. A cross-business Sustainability Committee also supports collaboration and knowledge sharing.

For more information on ESG at ABFI please see its website.

Our people – Ingredients

Our people are central to the success of our Ingredients businesses. Each business focuses on having a positive impact across health, safety and wellbeing, diversity, equity, inclusion and work-life balance.



A quality control manager samples finished product for testing at Ohly in Hamburg, Germany

Health, safety and wellbeing

Keeping people safe remains the top priority for our Ingredients businesses.

In 2026, the number of employee on-site Lost Time Injuries ('LTIs') across our Ingredients businesses decreased from 24 in 2025 to 14, resulting in an employee LTI rate of 0.23% in 2026 compared to 0.39% in 2025. The number of contractor on-site LTIs decreased from five in 2025 to three. In 2026, 81% of Ingredients production sites recorded zero employee or contractor LTIs.

AB Mauri

AB Mauri has a health and safety steering group responsible for developing and overseeing new strategies, supported by health and safety champions and a health and safety leadership team. The leadership team is made up of regional health and safety managers, who coordinate and implement activities across regions.

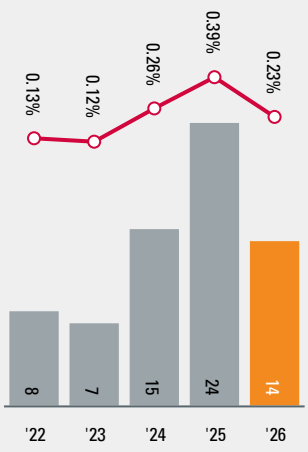
Despite the continued focus on health and safety, we are deeply saddened to report a contractor fatality in Brazil in 2026. Following this tragic incident, AB Mauri's immediate priority has been to support his family. A detailed root cause analysis has been carried out to identify learnings and corrective actions.

Health and safety topics are prioritised at all meetings of AB Mauri's Global Management Team, where performance is closely monitored through benchmarks and reviews of work-related accidents, to identify areas for improvement and implementation of corrective actions.

AB Mauri's Programme SAFE, Safety For Everyone, is designed to strengthen awareness of health and safety issues, promote best practice and reduce or eliminate risk wherever possible. The programme is embedded in the culture of its businesses and continues to evolve as the division learns from its experiences. Additionally, AB Mauri's health and safety awards programme further contributes to a culture of strong performance through highlighting and sharing outstanding achievements.

AB Mauri have been managing two greenfield projects in India, which commenced operations in 2026 and achieved a combined total of 10.1 million hours without any LTIs between 2021 and 2026.

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



ABFI

Health and safety considerations are integrated into the strategy of each ABFI business, through risk management processes, regular audits and engagement with regulators and local communities.

Across the division, businesses continued to implement initiatives aimed at reducing risk and improving workplace safety.

At Ohly, automation and workplace design improvements were introduced in packaging operations, including automated conveyors, pneumatic lifting equipment and optimised workstations.

PGP International has installed a robotic palletiser at its Evansville site in March 2026, reducing manual handling of heavy loads. Further automation phases, including a full case-packing automation, have been implemented throughout 2026 to continue enhancing workplace safety and efficiency.

At the AB Enzymes site in Finland, more than 355,000 contractor hours were completed in 2026, including major capital projects, while maintaining over 1,311 consecutive days without an LTI.

SPI Pharma's Grand Haven site is embedding safety into daily operations through its GEMBA programme. With over 150 audits conducted in 2026, the team identified 197 instances of potential hazards which could lead to a safety incident while reinforcing 148 positive practices, contributing to a 50% reduction in accidents.

Mental health and wellbeing

Our Ingredients businesses deliver a range of programmes to improve employees' mental and physical health, providing support, protection and education to employees and their families.

AB Mauri

A wide range of health and wellbeing initiatives are available across AB Mauri, reflecting both divisional priorities and local needs.

Across the EMEA region, this approach is reflected in a variety of local programmes. In the UK and Ireland, its Thrive programme provides support through initiatives focused on healthy minds, healthy bodies, healthy homes and healthy work. Across Spain and Portugal, a dedicated Physical and Mental Wellbeing team provides support through monthly meditation sessions and activities that promote physical wellbeing and social connection. In the Netherlands, the Share and Care programme supports wellbeing through road safety training, sporting activities and health awareness campaigns on issues such as breast cancer.

In Brazil, AB Mauri provides health education and employee support through initiatives covering men's and women's health and financial wellbeing, alongside an Employee Support Programme offering psychological, social, legal and financial guidance to employees and their dependents.

In 2026, AB Mauri's UK Head Office provided access to health helplines, including Family Mental Healthlines, alongside dedicated wellbeing support services.

ABFI

Many ABFI businesses provide employee assistance programmes ('EAP') that offer employees access to mental health and wellbeing support and resources. For example, Ohly offers free and confidential external mental health and life events coaching. Similarly, SPI Pharma provides EAP resources and delivers training to help employees understand the support available.

SPI Pharma France continues to promote a culture of respect and inclusion through employee-led initiatives. Building on the success of its Respect week programme, the Septèmes site publishes regular Respect newsletters covering topics such as respectful communication, gender discrimination, disability awareness, embracing differences and sharing diverse perspectives. The programme is informed and driven by employees.

Diversity, equity and inclusion ('DEI')

Through a range of initiatives, our Ingredients businesses are working to build a diverse pipeline of talent and strengthen high performing teams by promoting equal opportunities and fostering inclusive workplace cultures.

AB Mauri

AB Mauri operates in 32 countries and adapts its DEI activities to local business needs and cultural contexts. Senior AB Mauri Executives represent the division at the ABF DEI Network and share expertise and promote best practice globally.

During 2026, AB Mauri continued initiatives aimed at improving gender representation, particularly within leadership, manufacturing and science, technology, engineering and mathematics ('STEM') related roles. In France and the Netherlands, awareness, training and external partnerships helped promote respectful workplaces and increase the visibility of female role models in the baking industry. The business continued its Annual Girls Day at the AB Mauri Global Innovation Centre in the Netherlands, allowing female high school students to experience a day working as scientists.

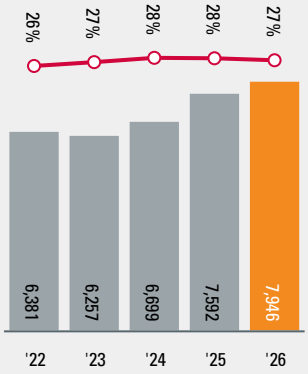
In 2026, AB Mauri established a monthly steering group to support women in developing their careers and professional networks through mentoring and peer support. The business has also committed to diversity in its recruitment, with an expectation to always have at least one female candidate for consideration. AB Mauri monitors its gender balance throughout the organisation, and the balance of candidates and hires in its top 100 positions. These KPIs are also reviewed by the senior leadership team monthly. The business has seen a continual increase in the number of women in its top three layers of management, including in key operational roles like plant management, maintenance, engineering and product development, from 24% in 2016 to 35% in 2026.

AB Mauri is embedding DEI practices across its businesses, including family-friendly policies, awareness and education, unconscious bias training, external partnerships and support of charities. AB Mauri Brazil has gender-neutral hiring and promotion policies, with centralised salary decisions aimed at providing equitable pay. In Spain, the UK and Ireland, businesses are developing female pipeline succession planning for key roles such as sales and new product development. Enhanced paid parental leave is provided in North America, the UK, Ireland and Italy. Since 2021, AB Mauri Italy has expanded professional opportunities supporting disability inclusion in the workplace and community.

ABFI

ABFI continues to support DEI initiatives across its businesses. During 2026, businesses implemented programmes reflecting local priorities and workforce needs. For example, Ohly has DEI committees at each site, made up of volunteers from across the business who lead awareness activities. AB Enzymes continues to focus on increasing the representation of women in management roles, offering targeted support and development. Since 2016, the AB Enzymes Women's Business Forum has supported the development of women to help towards reaching gender equality in the business.

Number of employees highlighting percentage of women in the workforce



Engagement and development

Building the skills and experience of their people is an important focus for our Ingredients businesses. Across the segment, businesses provide learning and development opportunities and use a range of engagement activities to keep employees informed about business priorities and performance.

AB Mauri

AB Mauri combines on-the-job experience with formal training, coaching and mentoring. Individual businesses tailor learning approaches to specific local needs. Technical experts from AB Mauri's Global Technology Centre in Etten-Leur, Netherlands, developed a Technology Bakery Ingredients training programme, designed to build knowledge on specific bakery product applications. Training is available in all regions and provided at foundation, specialist and master levels through a combination of online and in-person sessions.

AB Mauri Italy launched a local programme created for junior employees following the ABF Early Career Network sessions. Through monthly in-person meetings, the initiative provides a dedicated space for reflection, open dialogue and personal development.

AB Mauri businesses engage with employees through periodic employee engagement surveys, town hall meetings, toolbox talks, newsletters and updates. It has conducted surveys in all regions and most countries over the last two years, with an average participation rate of 93%. Its average engagement score of 83% performs ahead of the industry norm. All surveys are followed up with participants to ensure tangible action plans are created where needed.

AB Mauri businesses have been acknowledged by external organisations, with AB Mauri Sri Lanka and AB Mauri Brazil receiving the Great Place to Work® certification for the seventh and third year running respectively. AB Mauri Sri Lanka has also been named among the Best Workplaces™ in Manufacturing & Production in each year since 2023 and was also acknowledged as one of the Best Workplaces™ in Sri Lanka for Young Talent in both 2024 and 2025.

ABFI

ABFI supports learning and development through a combination of division-wide programmes and business-specific initiatives tailored to local needs.

ABFI's Development Academy delivers virtual and classroom training alongside an on-demand learning platform covering technical and soft skills. Its Study Sponsorship Programme offers employees access to fully funded, higher-level education.

The Lead to Grow Framework, launched in 2025, defines the leadership capabilities required across ABFI and provides toolkits and development resources to employees. In addition, ABFI's six cross-business operating boards, covering areas such as leadership and culture, operations, and innovation, provide colleagues with exposure to strategic projects and development opportunities beyond their core roles.

Alongside these division-wide initiatives, businesses continue to deliver programmes tailored to local needs. For example, SPI's 'SPI University' enables colleagues and subject matter experts to deliver training in areas including Six Sigma, project management and technical areas such as spray drying.

A division-wide engagement survey was carried out in October 2025, achieving a 94% response rate and an overall engagement score of 84%. Results were shared with colleagues and action plans were developed to address identified priorities.

Since 2017, the ABFI annual awards, relaunched as the Special Ingredients Awards, have recognised achievements across health and safety, sustainability, innovation, customer centricity and overall performance, celebrating teams who drive excellence across the organisation.

In April 2026, AB Enzymes was recognised as a Top Company to Work For by kununu, a platform for workplace reviews, based entirely on independent employee feedback.

People in our supply chains and surrounding communities – Ingredients

Our Ingredients businesses understand the importance of working conditions and labour standards within their supply chains and seek to operate as responsible neighbours to their surrounding communities.



AB Mauri programme for unemployed people with bakery skills, Chile

Human and labour rights in our supply chains

The global and often complex nature of ingredient supply chains means human and labour rights require careful oversight, with potential implications for the wellbeing of workers, responsible sourcing practices and our Ingredients division's reputation.

AB Mauri

Some AB Mauri businesses use desk-based screening to identify suppliers deemed to be at a potentially higher level of risk of human rights issues. A supplier self-assessment questionnaire is sent to high-risk suppliers to assess working practices.

Certain AB Mauri businesses also use the Sedex (Supplier Ethical Data Exchange) online platform to help identify suppliers that may be at risk of human rights issues and to support their procurement process.

ABFI

ABFI uses desk-based screening processes to identify potential risks associated with human rights in its supply chains, based on product origins. Where potential risks are identified, ABFI engages with relevant suppliers to investigate further. Where necessary, ABFI proactively works with supply chain partners to provide training and education to increase awareness of social accountability practices and standards. The majority of ABFI businesses use the Sedex online database for supply chain mapping and risk management, as well as to promote supply chain transparency and data exchange among industry partners.

ABFI has an online training module for senior leadership members, as well as other relevant employees in different teams across the businesses, to help them understand the risks of modern slavery within the industry. The objective of this training is to equip its employees with knowledge and tools they can use to identify relevant issues that may arise.

Supporting communities

AB Mauri and ABFI pursue opportunities to add value to communities beyond their business operations. Areas of focus include donating food and promoting education and inclusion.

AB Mauri

AB Mauri supports local communities through initiatives designed to create a positive social impact and contribute to the long-term wellbeing and resilience of the communities in which it operates. In South America, AB Mauri has a longstanding tradition of supporting the training of professional artisan bakers and pastry chefs. In recent years, its businesses have established partnerships with a college in Chile and a university in Argentina to deliver certified training programmes. These initiatives open doors for individuals from disadvantaged backgrounds, equipping them with professional qualifications and improving their employment prospects. Between 2019 and 2025, more than 700 individuals have graduated from these programmes, with many now working in the baking and pastry industry.

In Sri Lanka, AB Mauri is continuing its initiative seeking to address the lack of safe, potable drinking water in rural villages, a challenge that has contributed to chronic kidney disease ('CKD') affecting 8-20% of the population. As part of this initiative, AB Mauri funded the construction of a reverse osmosis water treatment plant which was constructed in 2024 at a community school in a rural village in Anuradhapura district. The plant, with a daily capacity of approximately 10,000 litres, serves 2,500 community members including more than 1,000 students, providing clean water and helping reduce the risk of CKD. AB Mauri in Sri Lanka is continually looking for opportunities to extend this initiative.

ABFI

ABFI continues to promote science, technology, engineering and mathematics ('STEM') careers to young people in its local communities. Since 2022, AB Enzymes has welcomed school children into its laboratories in Darmstadt, Germany, offering hands-on experiences in enzyme technology and encouraging students to explore STEM careers. AB Enzymes' newly created Social Impact Team is supporting the coordination of grassroots initiatives and charitable donations across its regional sites, including employee volunteering. Similarly, PGP International continues to support local communities in California and Indiana in the US through charitable contributions and employee volunteering.

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.



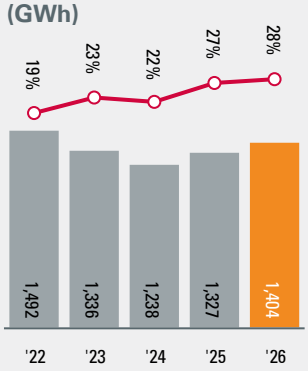
The anaerobic digestion facility at AB Mauri's yeast plant in Hull, UK

GHG emissions, energy and renewables

AB Mauri and ABFI are looking to improve the efficiency and resilience of their operations by aiming to produce more while using less energy and switching to renewable energy sources. They also seek to help customers reduce their greenhouse gas ('GHG') emissions.

In 2026, our Ingredients businesses consumed 1,404GWh of energy, a 6% increase compared to 2025, driven by higher production volumes and a more energy-intensive product mix. Efficiency improvement initiatives continued during the year across businesses, helping to mitigate the impact of increased production activity. Scope 1 and 2 (market-based) GHG emissions decreased by 1% compared with 2025, primarily due to increased use of renewable energy. Of the total energy consumed, 28% came from renewable energy sources including biogas, wood and on-site solar generation. Seven sites within the Ingredients segment operate on-site solar installations, accounting for 8% of the total self-generated renewable energy across the Group.

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



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.

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 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 2026, a number of AB Mauri sites purchased renewable energy from external suppliers, with some sites in Brazil, the Netherlands and Italy using 100% purchased renewable electricity. Seven sites in Italy, Spain, the US and Mexico also now have on-site solar installations. At six of AB Mauri's yeast plants, biogas created from biological wastewater treatment is turned into a source of heat and/or energy for operations where feasible.

AB Mauri has undertaken a number of projects to reduce Scope 1 and 2 GHG emissions 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 addition, AB Mauri's Casteggio plant in Italy has upgraded its yeast driers reducing overall energy consumption per unit of product.

In 2026, AB Mauri continues 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. Given the division's decentralised operating model, responsibility for reducing energy consumption and emissions sits with individual businesses, which develop roadmaps tailored to their operations, supply chain and local context. During 2026, businesses continued to implement energy efficiency and decarbonisation initiatives, while three sites sourced 100% of their electricity from renewable sources.

At its Hamburg site in Germany, Ohly is progressing its transition from natural gas to renewable electricity while investing in new fermentation and spray-drying facilities. To support this transformation, a new medium-voltage installation has been commissioned, increasing the site's electrical capacity.

In 2024, AB Enzymes installed a heat recovery system at its Finland facility, capturing waste heat for use in heating and hot water. This initiative reduces steam consumption by around 5,700MWh and avoided approximately 160tCO_2e in 2025 calendar year. The site also sources its electricity from renewable sources, supported by certified Renewable Energy Guarantees of Origin under the European Energy Certificate System.

PGP International's Woodland site in the US implemented targeted process changes to reduce electricity use during peak hours. By optimising production schedules, adjusting equipment use, and increasing energy awareness, the site achieved an 11% reduction in peak-hour electricity consumption while maintaining production performance. A comprehensive energy reduction initiative was delivered across SPI's Lewes and Seaford sites in the US, with over 95% of lighting converted to energy-efficient LEDs and motion sensor controls installed. These changes have reduced electricity use at Seaford by 800kWh per month, cutting emissions equivalent to 7,684 miles driven.

In 2026, some ABFI businesses have continued to map and calculate their Scope 3 emissions.

Carbon enablement

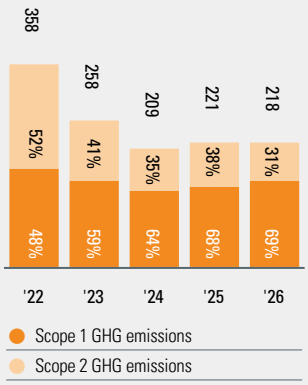
Some Ingredients businesses provide products and services that have the potential to assist others in reducing their carbon emissions, often referred to as carbon enablement. Carbon enablement is integral to these businesses' customer proposition and a key focus for investment and innovation.

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®, COROLASE®, and VERON® that help customers reduce GHG emissions in comparison to using traditional products, with no impact on product performance.

SPI Pharma has initiated product carbon footprinting for certain products to support customers and contribute to industry-wide decarbonisation efforts.

Scope 1 and 2 (market-based) GHG emissions (000 tonnes of CO_2e, % of total)





ECOPULP® cutting mill emissions

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 challenges. Findings show at least a 3% reduction in cradle-to-gate GHG emissions when using enzymes in the refining process in carton-board mill.

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



COROLASE® optimising processing

Traditionally, fish and meat rendering demands significant energy inputs to achieve effective phase separation, concentration and drying. COROLASE® is an easy drop-in solution that optimises the rendering process, improving phase separations and enabling drying cost savings. Key benefits for customers include significant stick water viscosity reduction, increased soluble protein content, improved fat separation, and energy savings. COROLASE® enzyme application can enable around a 10% reduction in GHG emissions in the production process, mainly driven by lower steam consumption in the process.

At AB Enzymes, fish raw material is prepared for application testing to explore how enzymes can support more efficient and sustainable processing

VERON® improving environmental performance in bread manufacturing



Bread improver manufacturing typically involves blending functional ingredients, such as emulsifiers, enzymes, oxidants and flour-treatment agents, to standardise dough performance, improve volume and extend shelf life in industrial baking. Traditionally, chemical emulsifiers (e.g. DATEM or mono- and diglycerides) play a key role in strengthening dough structure and stabilising gas retention, but these functions can increasingly be achieved with enzymes, enabling a reduction in GHG emissions and cleaner-label formulations. According to AB Enzymes' life cycle assessment, replacing DATEM in a typical DATEM-based bread improver with enzymes can reduce GHG emissions of that improver by approximately 65%, representing a significant improvement in environmental performance.

At the AB Enzymes baking labs, enzyme solutions are developed and tested for more sustainable baking applications

Water – Ingredients

Water is vital to our Ingredients businesses, in particular AB Mauri which relies on water as the medium in which yeast cells grow and reproduce.

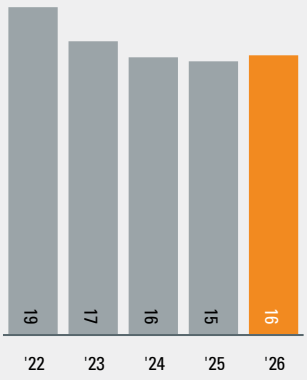


A wastewater treatment plant at SPI Pharma's manufacturing site in Lewes, United States

Our Ingredients businesses aim to minimise their impact on local water resources, communities and biodiversity by working to use water more efficiently and return it safely to the environment after use.

In 2026, Ingredients businesses abstracted 15.8 million m^3, a 2% increase compared to 2025, driven by higher production volumes and a more water-intensive product mix. Efficiency improvement initiatives, including increasing the reuse of water by 9% compared to 2025, continued during the year across businesses, helping to mitigate the impact of increased production activity. Of the water abstracted, 73% is attributed to AB Mauri which continues to reduce its need for water through targeted water management initiatives. Across the Ingredients segment, 3% of water was reused, compared with 2% in 2025. The amount of waste water generated across the Ingredients businesses remained the same as in 2025. The Ingredients businesses have ongoing projects to manage effluent quality and quantity to meet permitted requirements.

Total water abstracted in own operations (million m^3)



AB Mauri

AB Mauri's water strategy focuses on reducing water use, reusing water where possible, and recycling it after treatment where feasible. Any water returned to the environment is managed as safely as possible. To support this strategy, AB Mauri has developed in-house expertise in water usage and wastewater management, supported by guidance documents, reporting tools, procedures and standards. A Global Water Champion works with a group of regional water leads to implement this strategy.

Since 2010, AB Mauri has invested USD 160m in improving its wastewater treatment facilities. Production facilities in several locations have on-site effluent treatment plants that include conventional and advanced biological processes, high pressure membranes and evaporators that can produce reusable water and useful co-products. The selection of technologies addresses the local aquatic sensitivities and water quality objectives.

The division continues to focus on reducing its water intensity ratio (the quantity of water consumed per tonne of product, excluding by-products). Initiatives include large, capital-intensive projects such as the installation of separators in La Salle, Canada, which reduced the site's total water abstraction by more than 25% between 2010 and 2026, and continuous improvement projects such as enhancing Cleaning in Place Performance by streamlining dry ingredient silo emptying in Cedar Rapids, USA, resulting in a 33% reduction in water intensity since 2025. Since 2018, AB Mauri has reduced its water use intensity by over 29%.

To manage water risks, AB Mauri has developed an internal tool to assess current and future water supply risks and flood risk using data from the WWF Water Risk Filter and Aqueduct platforms, as well as local site knowledge. The tools evaluate water-related risks and are updated annually at all relevant sites. Results are reviewed by senior leadership teams and inform the division's water reduction strategy to 2030.

ABFI

ABFI businesses continue to identify opportunities to improve water management and increase efficiency, including through water recirculation initiatives. For example, at ABITEC's Janesville site in the US, a distributed control system was installed to reduce the water used in cooling chemical reactors. Following the system optimisation, which began in January 2023, water consumption decreased from a five-year average of around 179 litres per kilogram of product to around 73 litres per kilogram over the subsequent three years, resulting in water savings of 1.26 million m^3. At Ohly's Boyceville site in the US, a wastewater pH treatment project reduced pH variability by 83% in calendar year 2025, supporting more stable and efficient wastewater management.

Waste water is treated before discharge and ABFI businesses monitor various wastewater parameters across their operations. This regular monitoring is essential to help ensure compliance with environmental regulations and to maintain high operational standards.

Waste and packaging – Ingredients

Our Ingredients businesses are committed to protecting finite resources and reducing waste generated by their operations.



Waste and circularity

Anaerobic digestion plant at AB Mauri's site in Hull, UK

Across our Ingredients businesses, waste streams are increasingly repurposed for new uses and markets. If waste cannot be eliminated or repurposed, it is recycled wherever possible.

In 2026, waste generated within the Ingredients segment increased by 4% compared to last year, largely driven by higher production volumes and changes in manufacturing processes including in wastewater management, which resulted in greater waste generation. Of the total waste generated, 79% was sent for recycling or other beneficial use. The businesses have undertaken a range of initiatives to manage waste, including recycling paper and plastics and repurposing waste streams for fertiliser and animal feed.

AB Mauri

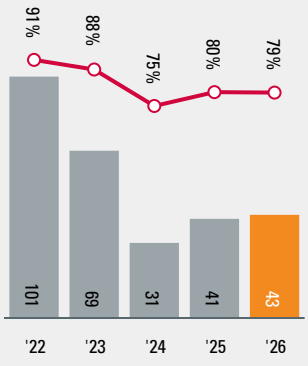
AB Mauri aims to reduce waste by continuously improving the efficiency of its operations and by ensuring the production of quality co-products that convert waste into useable products.

In several locations, by-products from bakery ingredient and yeast manufacturing are collected and sold for further use, creating value from materials that might otherwise become waste. A dedicated co-products technology team evaluates opportunities to increase the use of these materials, supported by a monthly steering group chaired by the AB Mauri Chief Executive. One example is vinasse, a by-product of yeast production, which is used in fertilisers and high-value animal feed. Similarly, soya husks from the Royston site in the UK are sent for processing into animal feed, helping the site maintain zero waste to landfill.

Several AB Mauri businesses also repurpose waste as an ingredient in organic fertiliser or send it for composting, reducing reliance on nitrogen-based fertilisers that are carbon intensive to produce.

In addition, in six manufacturing sites, biogas captured from yeast wastewater treatment is reused on-site, replacing natural gas for heat and electricity generation.

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



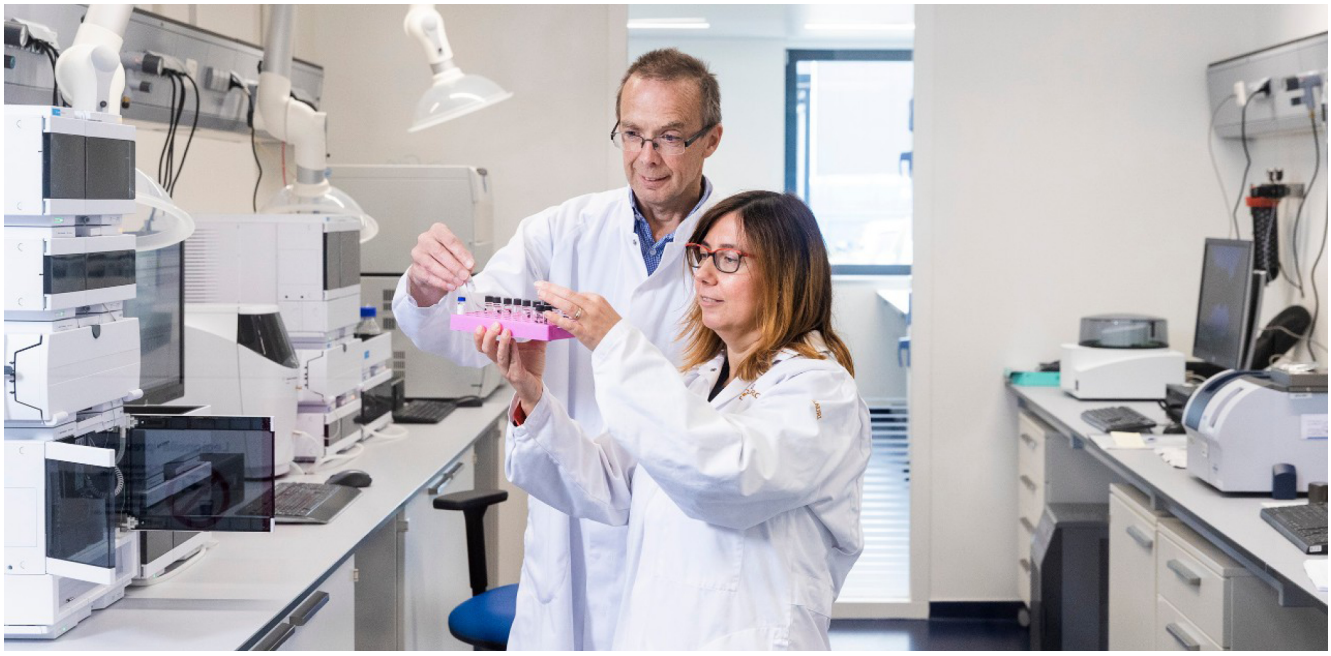
ABFI

ABFI businesses are focused on reducing waste at source, increasing reuse and recycling, and collaborating with value chain partners to identify beneficial uses for waste materials. Training and awareness initiatives help employees identify opportunities to improve waste management, while ISO 14001 certified environmental management systems support the implementation of site-specific waste strategies.

Across ABFI, businesses continue to implement initiatives that support a more circular approach to resource management. For example, SPI Pharma recovers energy from non-hazardous waste through third party incineration, while its Lewes site in the US has converted product waste into a soil enrichment product used by local farmers. At AB Enzymes' facility in Finland, over 94% of production waste was recycled or composted in 2026. At the PGP International Evansville site in the US, a waste handling improvement project involving new vendor arrangements and reusing bulk bags diverted 32 tonnes of material from landfill in calendar year 2025. At Ohly's Boyceville site in the US, new recycling processes and a compactor were introduced in 2026 to increase the recovery of cardboard, plastics and other materials, expecting to reduce landfill waste and supporting additional recycling schemes.

Food safety and nutrition – Ingredients

The quality and safety of products are critical to our Ingredients businesses, alongside developing healthier and more nutritious products.



AB Mauri Chromatography Analysis, Global Technology Centre laboratory, Etten-Leur, Netherlands

Food safety

Our Ingredients businesses identify and assess emerging food safety and regulatory risks through their risk management processes. These risks are proactively evaluated and managed through their risk registers.

AB Mauri

AB Mauri's food safety and quality approach is based on risk-based food safety and quality ('FSQ') systems focused on assessing, mitigating and controlling potential hazards both at production facilities and throughout the supply chain. These FSQ systems, along with scorecards and toolkits that provide procedures, guidance and best practices, reinforce food safety initiatives at every level of the organisation. All AB Mauri FSQ toolkits aim to meet the requirements of one of the Global Food Safety Initiative ('GFSI') recognised standards, such as FSSC 22000, Safe Quality Food, British Retail Consortium Global Standard ('BRCGS') and International Featured Standard ('IFS').

Activities are governed by the AB Mauri Global Food Safety internal policy. The FSQ steering group sets the overall approach and direction, while the strategy is implemented through the FSQ leadership team, which consists of regional FSQ heads. The Global Head of Food Safety collaborates with the FSQ leadership team to enhance capabilities through toolkits, scorecards and performance monitoring. AB Mauri conducts formal management reviews of its FSQ management systems annually to ensure their effectiveness.

Many AB Mauri sites participate in World Food Safety Day activities to raise awareness and educate employees, sometimes extending activities to employees' families and local community organisations and schools.

ABFI

Food and product safety are paramount to ABFI, which maintains high standards across its operations. ABFI has developed robust governance structures and holds regular product safety working group sessions to share best practices among its businesses. Each business has internal teams focusing on safety performance tailored to its product portfolios.

The division conducts regular assessments by third-party auditors to help with compliance with recognised safety standards, such as GFSI and certifications like FSSC 22000, SQF, BRCGS and IFS. In the event of a food safety incident, ABFI works with its product safety consultant, RQA, to review business continuity and crisis management plans.

ABFI integrates product safety into its innovation process, helping to ensure that all new ingredients meet strict internal and external safety standards, including compliance with regulations. For example, since 2020 ABITEC has continuously invested in process and analytical improvements to reduce 2- and 3-MCPD and glycidyl esters in line with European food safety regulations. This has ensured compliance, supported continued customer trust, created new business opportunities, and reinforced ABITEC's leadership in Medium-Chain Triglycerides quality.

ABFI also includes food safety assurance programmes within its supply chains, helping supplier compliance through rigorous testing and risk assessments.

Additionally, ABFI collaborates with customers to ensure that its ingredients perform safely and effectively in their end-use applications. The division provides guidance on formulation, application and labelling.

Nutrition and health

Our Ingredients businesses develop and produce a range of ingredients that aim to offer health and wellbeing solutions for customers in the food and beverage, functional food, nutraceutical and pharmaceutical industries.

AB Mauri focuses on producing healthier alternatives that prioritise taste and nutritional content, aiming to contribute to a shift towards healthier consumption patterns. Its Global Technology Centre in the Netherlands has successfully developed solutions for its sweet bakery portfolio that enable significant reductions in sugar and fat for different applications, as well as increasing the fibre content, further enhancing their nutritional value.

ABFI focuses on fostering healthy lives and promoting wellbeing across all ages. With a diverse portfolio of specialty ingredients serving the food, beverage and health sectors, ABFI is well positioned to contribute to global health and nutrition challenges. Health and nutrition are central to its long-term purpose, and science and innovation are leveraged to develop solutions that support better health outcomes, while meeting customer expectations and regulatory standards. The growing focus on health, wellbeing and preventative nutrition, alongside evolving regulatory expectations, makes this an important area of opportunity for ABFI.

Agriculture and farming practices – Ingredients

Our Ingredients businesses create products from a range of agricultural commodities.



A harvested rice field, California, United States

Biodiversity and land use

Our Ingredients businesses source agricultural ingredients linked to potential risks related to deforestation and biodiversity loss, such as palm oil. Their practices aim to manage those risks wherever relevant.

AB Mauri

As part of the Group's membership of the Roundtable on Sustainable Palm Oil ('RSPO'), AB Mauri is committed to sourcing palm oil that is certified to RSPO standards. Where physical certification is challenging, AB Mauri purchases RSPO book and claim credits through its sourcing partner AchieveNow, which maintains direct relationships with RSPO-certified producers globally and conducts due diligence. In 2026, AB Mauri's UK and Ireland business increased the proportion of palm oil purchased through Identity Preserved, Segregated and Mass Balance RSPO supply chains to 98%.

AB Mauri's UK and Ireland business operates to the standards set out in its Responsible Soya Sourcing Policy. The policy includes commitments to sourcing deforestation and conversion-free, non-GMO, fully traceable soya, requiring direct suppliers to adopt and cascade the same commitment. More than 99% of the business's soya products were sourced from crops grown in Canada, which is identified at low-risk of deforestation by the SAI platform, and they are certified through the Canadian Identity Preserved Recognition System for soybeans.

ABFI

Some of ABFI's businesses source agricultural raw materials that can be associated with environmental and social risks, including deforestation and biodiversity loss. Some of those businesses use Sphera Risk, an online risk management procurement tool to assess the environmental risk across their sourcing locations and raw material supply chains.

ABITEC, which sources a limited amount of palm-related raw materials, has covered all of its palm oil ingredients using the RSPO-certified book and claim supply chain model since 2016.

PGP International primarily sources rice and rice flour from California and the southern states of the US. The business continues to participate in the USA Rice Millers' Association, an organisation advocating for environmental responsibility, biodiversity preservation and conservation efforts as a part of the USA Rice Group. The business is also strengthening traceability, supplier verification and deforestation risk assessment in preparation for the EU Deforestation Regulation.

Animal health and welfare

ABFI uses certain animal-derived raw materials within parts of its portfolio and, in limited cases, conducts animal testing via third-party organisations to meet regulatory requirements. Its approach focuses on sourcing practices and alignment with applicable animal welfare standards throughout the value chain. Where animal testing is required, ABFI applies the principles of the 3Rs: Replacement, Reduction, and Refinement. ABFI works with qualified third-party organisations to minimise the need for animal testing, avoid unnecessary repeat testing, and support the use of alternative methods wherever scientifically valid and accepted by regulators, including New Approach Methodologies such as in-vitro systems and computer modelling. Through these measures, ABFI seeks to meet high standards of animal welfare while maintaining product quality, safety and regulatory compliance.

ESG at Sugar

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



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

ESG Governance

In 2026, ABF Sugar continued to strengthen its governance framework to better integrate social and environmental risks and opportunities into decision-making and strategic five-year plans at both divisional and business level.

The ABF Sugar Chief Executive has oversight and overall responsibility for overseeing ESG-related risks, impacts, opportunities, overall strategy and action plans. Managing directors of each business are responsible for setting strategies and action plans based on their business's material risks, regulatory requirements and customer expectations. They are also responsible for assessing and managing material ESG matters across the business, including climate-related risks and opportunities, which are reviewed at least annually.

The Chief Executive and managing directors are supported through the following:

- the ABF Sugar ESG Forum, which monitors business performance on all ESG matters including climate change and GHG emissions reduction targets;
- the ABF Sugar Results Delivery Office supports project management, change management and strategy execution expertise related to all ESG areas to ensure plans will be delivered and savings captured; and
- strategic ESG including climate change KPIs continue to be included in incentive plans for directors.

To support the governance of ESG matters, the ABF Sugar Risk Committee has a dedicated ESG Risk session annually to oversee that ESG matters are integrated into the overall risk management process of each business.

ABF Sugar 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.

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.

In 2026, British Sugar retained its Gold EcoVadis rating.

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

Our people – Sugar

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



Health, safety and wellbeing

British Sugar colleagues in the control room at the Wissington sugar factory, UK

At ABF Sugar, caring for people is a core value guiding all its businesses. Its Chief Executive leads a division-wide programme designed to ensure that everyone working for ABF Sugar returns home safely, every day, everywhere, with no compromises. It equips divisional leaders with the tools and knowledge needed to promote a robust and consistent safety culture. Managing directors of each business are accountable for their business's health and safety strategy and for integrating safety priorities into their strategic five-year plans.

It is with great sadness that we report the loss of four colleagues during the year as a result of fatal injuries connected to ABF Sugar work activities.

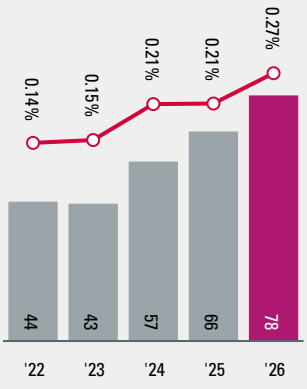
In Zambia, an employee was struck by a vehicle while crossing the road and a contractor was fatally injured while inflating a tyre of an agricultural vehicle. In Malawi a contractor was killed when a fire extinguisher exploded while being pressurised. In the UK, a contract delivery driver was fatally injured in a road traffic accident.

In-depth investigations have been carried out following these tragic cases. The findings have resulted in recommendations relating to pressure vessels, contractor management and change management. Their implementation is being tracked across the division.

Our number of employee on-site Lost Time Injuries ('LTIs') has increased from 66 in 2025 to 78 resulting in an employee on-site LTI rate of 0.27%. Similarly the same number for contractors increased from 30 in 2025 to 33.

After the sad events of the year ABF Sugar's commitment remains strong with continued work on fatal risk management, safety leadership and safer workplaces in our operations.

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



In 2026, ABF Sugar businesses focused on three key areas: behavioural change through the Personal Choices programme expansion, ways of working and safety leadership.

The Personal Choices programme encourages individuals to reflect on how they assess and respond to risk, exploring the subconscious factors that influence decision making, including habit, time pressure and the gap between intention and behaviour. The Programme has been adopted by British Sugar, Illovo Sugar Malawi, Zambia Sugar and Illovo Sugar South Africa, with each business tailoring its approach to reflect local cultural contexts. At Illovo Sugar South Africa's Eston operation, the Personal Choices programme continued to be implemented during 2026 through employee engagement and coaching activities. At British Sugar, a programme is being rolled out to review and reset safe systems of work across all its sites, supported by a new learning management system and activities designed to encourage discussion of safety concerns and working practices.

At Illovo Sugar South Africa's Sezela operation, the Vula Mehlo ('open your eyes') programme is engaging employees on health and safety through daily, safety-focused discussions that encourage open dialogue and shared ownership of safety across employees and contractors. In 2026, the programme was extended to additional operational areas with higher risk profiles to broaden its reach among employees undertaking safety-critical tasks.

Zambia Sugar continued to implement its behavioural safety programme, branded Busongo (meaning 'wisdom'), at its Nakambala site. The programme encourages employees to reflect on daily decisions, empowering them to adopt safer behaviours through workshops and theatre performance.

All businesses also continued to focus on safety leadership and competency development. At Azucarera in Spain, the Leadership Evolution Programme supports the Executive Committee and Operations Directors in integrating health and safety considerations into corporate strategy and decision making. It focuses on individual action roadmaps covering communications, periodic meetings, site visits and other leadership activities.

At Illovo Sugar Malawi, 80 participants completed the Human Focus Safety Resilience Programme in 2026. This programme focused on building resilience and embedding safe work practices. This is a reflective process that helps build team dynamics and safer working environments.

For the second year in a row, British Sugar received six Royal Society for the Prevention of Accidents Gold Awards, showcasing the business's commitment to health and safety excellence across its manufacturing sites.

Wellbeing

ABF Sugar businesses provide a range of health and wellbeing programmes for employees, their families and local communities designed to promote physical, emotional, mental, social and financial wellbeing.

Across its sugar businesses in Africa, primary healthcare and occupational health services are provided to colleagues and their families living on the estates, including pre-employment, periodic and exit medical examinations, lung function tests, hearing tests, biological monitoring and vision screening.

In 2026, Illovo Sugar Malawi continued the upgrade of the existing clinic at Dwangwa Estate into a fully equipped, 40-bed hospital. The facility will include an expanded occupational health section, as well as an operating theatre, intensive care unit, paediatric unit, maternity unit, dental unit and ophthalmic unit. The hospital will also serve as the referral centre for eight government run clinics in the district.

In South Africa, the business has partnered with employee wellbeing service providers, Kaelo, to provide emotional, social and financial wellbeing services to employees.

ABF Sugar's African operations continue to 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. More than 30 health champions 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. As part of Breast Cancer Awareness Month activities, a mobile mammogram screening service was brought to the One Centre Durban office, providing convenient access to breast cancer screening for female employees and partners and dependent children of employees. Male employees also had access to prostate cancer screening, supporting the early detection and prevention of cancer. At Illovo Sugar Malawi, the Menstrual Health and Hygiene initiative was completed, reaching and training over 1,000 women.

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 in both staff and community housing. The aim is to significantly reduce malaria incidence. Zero or negligible cases are recorded across our estates in Zambia, Eswatini and Tanzania.

British Sugar has implemented several holistic wellbeing initiatives to support both office-based and site-based employees. In-person and remote health screenings have been trialled. A range of provisions are being delivered across all sites, with access to dedicated quiet rooms and wellbeing gardens. Additionally, CPR training is continuing, which aims to equip staff with the skills and confidence to intervene in life-saving situations. Financial support and advice is also available through an independent adviser to help employees manage their finances more effectively.

In 2026, Azucarera strengthened its wellbeing programmes by consolidating three key initiatives: a free physiotherapy service at its production sites to prevent and treat musculoskeletal issues, a gynaecological screening programme for women over 40, and a digital health platform for office employees offering resources on fitness, wellbeing, finance and nutrition.

Mental Health

ABF Sugar's mental health initiatives continue to improve awareness and access to support services across its African operations. Employees are making use of available support channels, including self-referrals and peer-supported referrals. At British Sugar, all employees have access to trained Mental Health First Aiders at each site, as well as the Employee Assistance Programme and BUPA support services.

Accommodation provided by our sugar businesses in Africa

ABF Sugar's businesses in Africa have estates situated in rural and remote areas. They provide accommodation for many employees and their families, and each relevant business has a plan for investment.

In 2024, ABF Sugar began implementing its Housing and Living Standards Programme following a review of housing and living conditions across its sugar estates in Zambia, Malawi, Eswatini, South Africa and Tanzania. The review identified priority areas for improvement and where investment was needed.

Each relevant country team has a set of minimum standards informed by the ILO Recommendation No.115 on Workers' Housing and other internationally recognised best practice.

The programme is divided into three streams of work:

- implementing action plans to address outstanding maintenance and repairs. In 2026, ABF Sugar upgraded and rebuilt more than 500 houses across its African operations, building on the renovations completed in the two previous financial years;
- ensuring all entry-level estate houses meet updated minimum standards, with completion of remedial activities and improvements expected by 2030 across more than 5,000 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 impacts business performance, innovation, talent attraction and retention, and employee wellbeing.

In 2026, ABF Sugar continued to strengthen its pipeline of women leaders across its businesses. Women accounted for 32% of its most senior appointments during the year, supported by initiatives to improve recruitment practices and address barriers to progression, including pay and development opportunities.

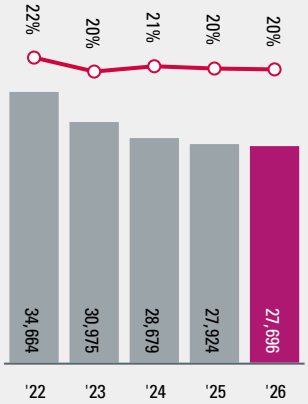
In 2022, Illovo Sugar Malawi established a Women in Leadership Forum designed to support the recruitment, retention and advancement of women across the business. In 2026, the annual Women's Conference brought together over 80 female leaders across Illovo Sugar Malawi to reinforce alignment with its DEI and Belonging agenda. Female representation in Malawian managerial roles increased from 16.5% in 2025 to 19% in 2026, reflecting its sustained focus on progression. In partnership with the Malawi University of Science and Technology, Illovo Sugar Malawi is supporting the Endowment Fund, which is focused on financial support for female science, technology, engineering and mathematics ('STEM') candidates.

At Azucarera, the implementation of its Equality Plan continued in 2026. The business renewed its commitment to the 'Fundación para la Diversidad', reaffirming its commitment to fostering a diverse, equitable and inclusive workplace.

In Illovo Sugar South Africa over 100 management employees attended DEI awareness workshops, covering STEM and gender equality. 'The Women's Circle' platform continued to support women in the workplace through networking and development opportunities. The Masterclass for Disability Awareness learning programme also continued during 2026, combining training, workplace accessibility improvements and practical learning experiences to promote inclusion.

In 2026, British Sugar's Inclusion and Diversity committee hosted numerous events, including a panel discussion for International Women's Day and campaigns for Neurodiversity Week, Stress Awareness Month, Pride Month and Men's Health Week.

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 growth through targeted learning, leadership development and mobility initiatives that strengthen the future talent pipeline. Each business tailors its approach to reflect local needs, delivering learning interventions to build the critical capabilities needed to drive performance and future growth.

Within ABF Sugar there are a number of development programmes designed to support talents in the African sugar businesses. Its Manager in Training and Apprenticeship programmes are designed to build a strong pipeline of emerging talent to support the organisation's long-term growth and sustainability for African business employees. These initiatives invest in early-career professionals, equipping them with critical skills to fill future business needs and succession roles. The Senior Management Development Programme is an 18-month internal technical leadership development programme for current and emerging leaders in manufacturing and agriculture for African business employees.

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

Apprenticeships continue to be strategically important, particularly in developing leadership capability and strengthening critical role pipelines. Over 80% of apprentices still work for the business after 10 years. ABF Sugar is committed to developing the next generation of talent and welcomes applicants from all backgrounds.

All businesses use different engagement techniques. For example, a new programme was introduced in 2026 for factory employees of our sugar businesses in Africa, providing them the opportunity to engage directly with a director or senior leader from another factory to discuss their aspirations and development opportunities.

Azucarera carried out a series of sessions called 'Meaningful Encounters' to support all employees following the restructuring process. The business also conducted an engagement survey across all sites in May 2026.

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 sugar cane 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 2026, each ABF Sugar business launched a Human Rights Policy, guided by international standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO's Decent Work Agenda. Each business has nominated a 'Single Point of Contact' for human rights to lead and develop its human rights action plan.

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

In response to evolving regulatory requirements, the ABF Sugar businesses have completed their annual assessment of environmental and social impacts in their operations, supply chains and community activities. This assessment, guided by a risk-based approach, identified opportunities for improvement. ABF Sugar continues to work 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 mitigating human and labour rights-related risks. All head office and business unit employees 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 2026, ABF Sugar supported capability training for its top 30 suppliers. This aims to equip suppliers with essential knowledge and tools for implementing human rights due diligence, including health and safety, climate impacts, working conditions, grievance mechanisms and remediation. The training was implemented in collaboration with AIM Progress, Partner Africa and Quizzr.

Both British Sugar and Azucarera have 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. In 2026, both businesses were audited against the Sedex SMETA 7.0 standard to meet customer expectations.

Supporting communities

ABF Sugar businesses continue to invest in their relationship with local communities and key stakeholders. In Africa, sugar estates are often located within rural communities where some businesses support access to services including healthcare, education and local infrastructure that benefit employees, their families and, in some cases, surrounding communities.

In 2026, initiatives implemented by ABF Sugar businesses in Africa focused on helping provide access to potable water, offer natural disaster relief, improve healthcare, advance education and develop infrastructure. Businesses in each country in which they operate have developed, or are implementing, plans to address infrastructure maintenance requirements and improve sanitation facilities across schools, supporting safer and more conducive learning environments for learners and teachers.

In South Africa, the Thuthuka Nathi science, technology, engineering and mathematics ('STEM') Programme is supporting education in five partner schools. Support is provided through tutoring, teacher development, resources and community partnerships. Top-performing students are eligible for Illovo bursaries for university studies.

In 2026, British Sugar supported over 200 local charities, good causes and community projects across East Anglia and the East Midlands. In addition, many teams and colleagues volunteer at food banks, for local schools and youth groups, at homeless charities and many more.

Carbon and climate – Sugar

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



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

Climate change is affecting ABF Sugar, with changing weather patterns, extreme climate events and an increasing lack of water security. To address these challenges, the division is seeking solutions to reduce its carbon footprint, understand its greenhouse gas ('GHG') emissions across Scope 1, 2 and 3, and drive innovation in agriculture, transportation and its manufacturing sites. In 2026, it launched updated heat stress guidelines in Africa.

GHG emissions, energy and renewables

ABF Sugar aims to reach net zero GHG 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 Forest, Land and Agriculture ('FLAG') 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 its science-based targets. 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 15,298GWh of energy in 2026, in line with 2025. Of this total energy, 68% came from renewable sources, primarily from bagasse, the plant-based fibre that remains after the juice is extracted from crushed sugar cane stalks.

In 2026, ABF Sugar's Scope 1 and 2 (market-based) GHG emissions decreased by 20% compared to the previous year, driven mainly by site closures. These emissions were 38% lower compared to the 2018 baseline. The reduction against baseline reflects changes in the operational footprint, ongoing improvements in production efficiency, investment in new technology and fuel switching to lower-emission energy sources.

ABF Sugar continues to implement projects focused on energy efficiency, renewable energy and process improvements. Initiatives that have already been implemented include heat recovery, steam reduction and renewable energy power purchase agreements. Continued focus is being placed on efficient drying processes and fuel switches. Beyond 2030, ABF Sugar plans to explore hydrogen use and further develop biomethane production, electrification and anaerobic digestion technologies.

Combined heat and power ('CHP') plants are used across many of ABF Sugar's sites to supply steam and electricity for 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. Surplus electricity is exported to national grids in the UK, Spain, South Africa and Eswatini.

British Sugar, Azucarera and Illovo South Africa are the largest carbon-intensive energy users and are critical to delivery of ABF Sugar's Scope 1 and 2 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, the dry fibrous material that remains after crushing sugar cane and extracting the sugar, as their main energy source.

British Sugar, the largest contributor to ABF Sugar's Scope 1 and 2 GHG emissions, has made significant investment across its sites to reduce GHG emissions. Between 2018 and 2026, British Sugar has invested approximately GBP 138m in various initiatives across its sites, contributing to a 35% reduction of Scope 1 GHG emissions and a cumulative reduction of 166kt of CO_2e.

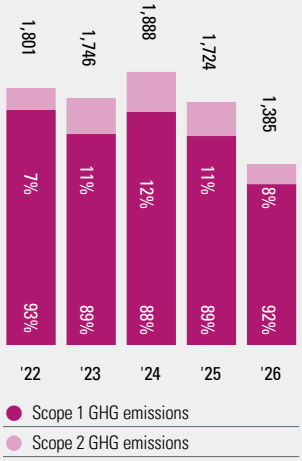
At Wissington, a GBP 43m investment in a new steam drying project will replace the existing animal feed gas dryers with a steam drying plant that uses steam generated by the site's CHP to dry beet pulp. The project is expected to reduce 52,000t of CO_2e of Scope 1 GHG emissions and is due to be commissioned and fully operational during the 2027 sugar beet campaign.

At Bury St Edmunds, evaporators commissioned in 2025 completed their first full sugar beet campaign in 2026, delivering increased energy efficiency. Additional energy reduction projects mirrored the success of similar initiatives implemented at Wissington and reduced the site carbon emissions by over 19,000t of CO_2e in 2026.

At Newark, focus remains on improving reliability through ongoing investment into energy efficiency, steam usage and optimising existing systems. A GBP 2.4m investment in a new white sugar pan seeding system is expected to improve the reliability and energy performance of the refinery process.

Looking ahead, British Sugar plans to develop its decarbonisation strategy through further efficiency improvements, while exploring alternative fuel and technology options.

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



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 FLAG activities. Its businesses are developing plans to gain a deeper understanding of the emissions factors linked to their agriculture activities.

As the sugar industry faces the impacts 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 the use of synthetic nitrogen fertiliser and vehicle field movements as the two highest sources of GHG emissions within its agricultural operations and supply chain. Reducing GHG emissions from these two sources has the potential to support efforts towards maximising yield which is central to ABF Sugar's agricultural strategy. For instance, minimising vehicle 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 vehicle 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. Using regenerative agricultural principles such as the SAI Platform Farm Sustainability Assessment ('FSA') 3.0 tool improves the potential for higher-yield crops.

Case study – Sugar



ABF Sugar's SBTi-validated target

Overall net zero target

ABF Sugar commits to reach net zero GHG emissions across its 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.

British Sugar's factory at Wissington, UK

Case study – Sugar

ABF Sugar's transition plan

ABF Sugar's decarbonisation strategy continues to be underpinned by its SBTi-validated targets, which have been designed to support the articulation of progress in reducing Scope 1, 2 and 3 emissions as well as other elements disclosed in this transition plan.

Governance

The ABF Sugar Chief Executive and business unit managing directors continue to have oversight and overall responsibility for overseeing climate-related risk, opportunities, overall strategy and transition plans. Managing directors of each business are accountable for setting strategies and action plans based on their business's material risks, regulatory requirements and customer expectations. This includes assessing and managing material ESG matters across the business, including climate-related risks and opportunities, which includes at a minimum an annual review.

ABF Sugar management supports the Chief Executive and business unit managing director through the following:

- the Finance Director and Financial Controller who assist ABF Sugar in determining the potential financial impact of ESG matters, including climate-related issues;
- the ESG Director who leads the decarbonisation strategy and ensures the sustainability strategy aligns with the company's strategy, mission and vision;
- the ESG Forum who monitors business performance on all ESG matters including climate change and GHG emissions reduction targets; and
- the ABF Sugar Results Delivery Office ('RDO') supports project management, change management and strategy execution expertise to all ESG areas to ensure plans will be delivered and savings captured.

Strategic ESG including climate change KPIs, continue to be included in incentive plans for directors.

Risk management

Consistent with prior years, the annual risk process includes identifying and assessing climate-related risks and opportunities. Climate-related risks and opportunities are collated and reviewed both at an overall division and site level. Any newly identified risks or opportunities will be added to the risk register where it is determined to have a material impact. The results of this are presented to ABF annually at a minimum. All material climate-related risks and opportunities are fully integrated within the risk management framework.

Once integrated into the risk register, each business within ABF Sugar develops action plans as a response. 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 approved by the ABF Sugar Chief Executive and business unit managing directors.

Strategy, metrics and targets

GHG emissions baseline and targets

ABF Sugar has SBTi-validated targets which are aimed at supporting its transition to a lower-carbon economy. The SBTi has classified ABF Sugar's Scope 1 and 2 target ambition as in line with a 1.5 degree trajectory.
ABF Sugar has a defined path to achieve these targets; however, this will evolve as and when uncertainties become clear, new technology becomes available or there are changes to the political and regulatory global landscape.

ABF Sugar's baseline GHG emissions (2018)
(000 tonnes of CO_2e, % of total emissions)

Total Scope 1 and 2	2,226
Scope 1 and 2 (location-based)	100%

To seek to achieve its public commitments, ABF Sugar is focusing its efforts on decarbonisation levers. These levers are aligned with business strategy and where ABF Sugar believes it can make the most meaningful difference. These levers focus on the most material emission sources for ABF Sugar. To reflect this we have evolved the disclosure from a list of projects to a lever based framework which is consistent with other businesses. ABF Sugar does not intend to utilise carbon offsets in its decarbonisation strategy.

Efficiency improvements: Steam has been a core utility in sugar manufacturing, used for evaporation, crystallisation and drying, making it one of the largest drivers of on-site energy demand. Improving process efficiency to reduce steam demand offers a targeted way to lower both energy consumption and emissions intensity across production.

Fuel switch: Fuel switching targets the energy source used to generate steam and power, replacing high-carbon fossil fuels with lower-carbon or renewable alternatives such as biomass, biogas or electrification. Given that fuel combustion is a primary source of direct emissions in ABF Sugar's manufacturing process, the choice of fuel has a significant impact on overall carbon intensity. Transitioning to cleaner fuels therefore provides a direct pathway to materially reduce emissions while maintaining the energy required for core production processes.

Migration to lower emission practices: Migration to practices such as green cane harvesting targets a major source of emissions in the supply chain by eliminating the pre-harvest burning of cane. Burning releases significant GHG and particulates, whereas green harvesting avoids these emissions while retaining crop residues that can enhance soil health and carbon retention. Transitioning to this approach offers a meaningful reduction in overall emissions intensity without changing production volumes.

Soil health improvement: improving soil health can materially reduce reliance on synthetic fertilisers by enhancing nutrient availability, water retention and overall soil productivity. The production and application of these fertilisers are emission-intensive, therefore lowering their use directly reduces the carbon footprint associated with cultivation. Strengthening soil-management practices as a result supports both emissions reduction and longer-term agricultural resilience.

Capital investment

In 2026 ABF Sugar spent approximately £206m on 457 approved projects. To date 16 of these projects have contributed a saving of 48 $ktCO_2e$. For its decarbonisation plan, ABF Sugar is planning to spend 43% of its planned capital expenditure to support its climate change strategy and ESG initiatives.

Progress to target

ABF Sugar has seen movement in its Scope 1 and 2 (market-based) emissions from its 2018 baseline year; Shown as:

- British Sugar: reduction 36%
- Sugar businesses in Africa: reduction 0.07%
- Azucarera: reduction 38%

Vivergo ceased production of bioethanol and animal feed by 31 August 2025. The decision to close followed extensive discussions with the Government to find a regulatory and financial solution that would enable Vivergo to operate on a profitable and sustainable basis. We have considered whether this closure requires a restatement of baseline and prior years. Having considered the ABF scope and restatement policy and the GHG Protocol, we will not restate our baseline or prior year emissions as whilst operations have ceased, we still retain control of the site.

Heat stress

Heat stress is an emerging risk within the business. Over several years, ABF Sugar has been implementing initiatives to mitigate the impact of heat stress on workers. Some initiatives that have been implemented include: monitoring heat exposure and stopping work when conditions become unsafe, improving workplace conditions such as increasing air movement and ventilation, changing work practices to reduce heat stress; hydration programmes; acclimatisation and medical surveillance, mandatory work-rest schedules; providing agricultural operations shaded rest areas, heat alert programmes and training awareness.

	KPI	Base Year (2018)*	2018 to 2024*	Previous Year*	Current Year*	Current Year vs Baseline*	Methodology
Decarbonisation levers							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.
Efficiency improvements	Scope 1 and 2 emissions (market-based)**	—		35	2	0.1 %	
Fuel switch	Scope 1 and 2 emissions (market-based)**	—		11	8	0.4 %	
Migration to lower emission practices	Scope 1 and 2 emissions (market-based)**	—		4	4	0.2 %	
Soil health improvement	Scope 1 and 2 emissions (market-based)**	—		3	2	0.1 %	
Other projects, production variances and factory efficiencies	Scope 1 and 2 emissions (market-based)**	—	338	111	323	14.5 %	
Annual lever movement			338	164	339	**15.2 %**	
Movement (year vs baseline)			**338**	**502**	**841**	**37.8 %**	
Total value chain emissions (Scope 1 and 2 market-based)		**2,226**	**1,888**	**1,724**	**1,385**		

* 000 tonnes of CO_2e

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

Assumptions, uncertainties and challenges

Capital availability: Availability of sufficient capital to fund process upgrades, fuel switching and changes in agricultural practices underpins the transition to a lower-carbon economy. Limited or delayed access to financing could constrain the pace and scale of implementation and delivery timelines.

Infrastructure availability: The availability of required infrastructure such as specialised machinery, upgraded facilities and field availability deployable at the necessary scale is a key assumption in delivering the transition to a lower-carbon economy. Constraints in this could slow implementation or increase costs.

Government regulation: ABF Sugar recognises the evolving complexity of regulatory environments at national, regional and global levels. Dedicated teams across the organisation continuously monitor these developments to ensure relevant changes and their potential impacts are incorporated into the transition plan as appropriate.

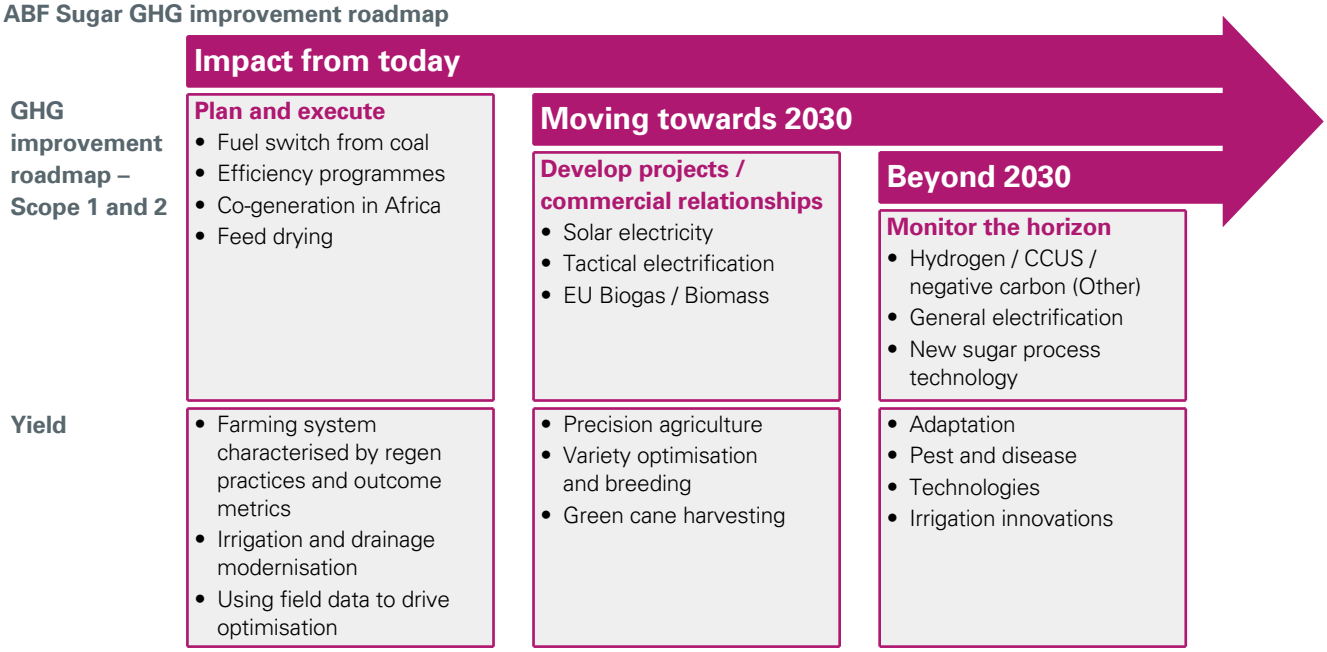
Innovation gap: ABF Sugar's current transition plan targets areas where meaningful difference can be made. However, ABF Sugar continues to explore decarbonisation potential in other levers. A number of these are hindered by gaps in technology.

Emission reduction plan

Per the following roadmap, ABF Sugar has a strong pipeline of accretive GHG decarbonisation priorities. This list highlights areas of focus by the business.

- British Sugar: energy efficiency, steam reduction, coal elimination and alternate pulp drying technologies;
- sugar businesses in South Africa: energy efficiency and farming systems; and
- Illovo Sugar South Africa: coal elimination, efficiency programmes, farming systems, irrigation and drainage, fuel switching and new sugar processes.

ABF Sugar GHG improvement roadmap



Water – Sugar

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



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

Water is essential to ABF Sugar's agricultural and manufacturing operations, particularly as it operates in water-constrained landscapes. As a result, water management remains a key focus alongside other nature-related dependencies and risks. 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.

Each ABF Sugar business conducts a water risk assessment and, where water use is identified as a material risk, develops a targeted action plan within its five-year strategy. A number of sites across ABF Sugar's African businesses have been identified as being located within regions of water stress. You can read more about this in our CDP submission.

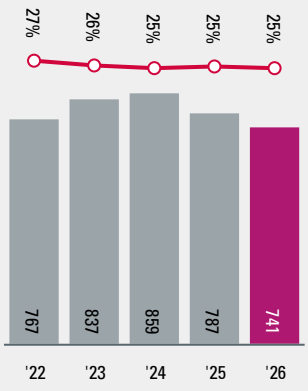
Earlier seasonal rainfall and higher rainfall levels compared to the previous year across some of its sugar businesses in Africa resulted in a reduction in ABF Sugar's water abstraction of 6% compared with 2025. Additionally, 25% of the total abstracted water was reused before being returned to the environment.

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 continue to invest in improved irrigation systems across their estates. Water management programmes are implemented across their operations in Zambia, Malawi and Eswatini, which collectively account for 89% of the water abstracted in ABF Sugar. To reduce water consumption, these businesses focus on reducing bulk water losses, reducing infield water losses and improving irrigation and drainage systems.

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 responsible water use.

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



The Shire Valley Transformation Project will reconfigure the bulk irrigation water distribution system around the Nchalo estate at Illovo Sugar Malawi, with the installation of 56km of water pipelines and associated works. Once completed, the electricity currently required to pump water to and around the estate is forecast to reduce by 89%. Water efficiency is expected to improve by 17%, representing savings of approximately 34 million m^3 annually as a result of using enclosed pipelines instead of open canals. The project is being undertaken in partnership with the International Finance Corporation, the World Bank and the Malawian Government.

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 aims to 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.

Water use across supply chains

ABF Sugar's Spanish business, Azucarera, continues to leverage innovative and smart irrigation technology across 80 irrigation systems in collaboration with AIMCRA (the Research Association for Sugar Beet Crop Improvement). Since 2014, AIMCRA has been promoting solutions to reduce irrigation energy costs and improve the profitability of sugar beet cultivation. While progress has not been as rapid as initially expected, the tools and expertise continue to be offered to interested growers.

Additionally, the organisation is working with a pilot group of farmers supporting them with the installation of water meters, rain gauges, weather stations, soil sensors and other monitoring tools. These farmers help demonstrate and share irrigation best practices within their local farming communities.

In parallel, AIMCRA is advancing an innovative irrigation management tool based on continuous measurement of evapotranspiration and crop coefficients, aimed at improving water-use efficiency and optimising crop development.

At national level, Azucarera coordinates the Voltagro project, an operational group partially funded by the Spanish Ministry of Agriculture, the EU and several academic institutions. The project is assessing the compatibility of agricultural production with solar panel installations, with the aim of developing integrated crop and photovoltaic models to optimise agrivoltaic systems. The project is expected to conclude in 2027.

Water efficiency is also a priority for British Sugar, as most of its growers are based in East Anglia, a region facing water shortage challenges. The business works with growers, external organisations and the National Farmers Union Sugar Board to minimise water usage and reduce water pollution throughout the supply chain.

In Africa, Ubombo Sugar is partnering with the Lower Usuthu Smallholder Irrigation Project ('LUSIP-II'), a government-backed agricultural development initiative. The project aims to expand irrigation infrastructure in drought-prone areas and support the development of approximately 4,000ha of smallholder sugar cane production, creating opportunities for wider participation in the sugar value chain and supporting local incomes.

Water treatment

British Sugar treats all the water it uses on-site before discharging it into the environment, as required by environmental permits.

It has invested over GBP 20m 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 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.

British Sugar is a step closer towards achieving water self-sufficiency at its Wissington sugar factory, as a result of the new steam drying plant and the creation of a new reservoir on the site. Once operational, this reservoir will hold condensed water that would otherwise have gone into the atmosphere as steam.

Waste and packaging – Sugar

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



Waste and circularity

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

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 sugar cane waste into a range of commercially viable products through 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.

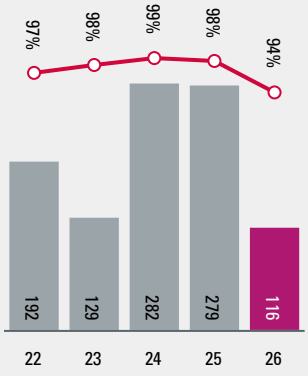
Its sugar businesses in Africa use bagasse, the dry fibrous material that remains after crushing sugar cane and extracting the sugar. This renewable source is used for energy, which means that more than 91% of the energy used on-site comes from renewable sources. It also provides the opportunity to co-generate 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.

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 in brick manufacture, ready-mix concrete and fill material.

In 2026, ABF Sugar decreased the total amount of waste produced through its activities by 59% compared with last year, with 94% sent for recycling or reuse. The decrease was primarily driven by the reduction of the beet manufacturing footprint in Azucarera.

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



Plastic and packaging

ABF Sugar continues to reduce packaging where possible while recognising the role packaging plays in maintaining product quality and safety.

In 2026, ABF Sugar's total packaging decreased from 15kt in 2025 to 12kt. Its businesses continue to explore innovative packaging to reduce the volume of materials used.

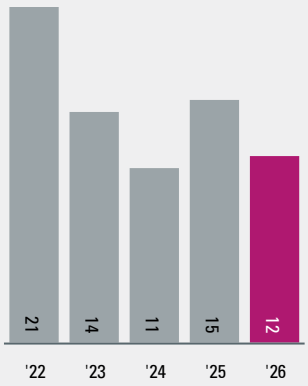
Azucarera implemented various initiatives to reduce plastic use and increase the share of recyclable and recycled plastics. Key measures include gradually reducing the weight of plastic used for pallet banding, testing a higher percentage of recyclable material in bale shrink wrap and developing a new,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

In 2026, ABF Sugar refocused its packaging technology resource to target both packaging weight and waste in our African operations. This identified opportunities across all sites related to specification change, material changeovers and stretch wrap usage which are being actioned for delivery in the year ahead. These initiatives build on strategic investments made in Malawi and Tanzania with further roll-out planned in Zambia in 2027.

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 GBP 20m investment at the Bury Customer Supply site 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. As a result, single-use labels were eliminated, plastic use was reduced by more than 60% through increased use of cardboard, and brown and white paper waste was reduced by more than 45%. A new packaging design was introduced across the 20kg and 25kg bag range, including recyclability information to support customers' packaging waste decisions.

Quantity of packaging used (000 tonnes)



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.

The majority of sites are accredited to FSSC 22000 and maintained certification in 2026. Other sites operate in line with ISO 9001 and, where appropriate, will progressively transition to FSSC 22000 as investment in infrastructure and technology allows. Businesses continue to identify and address emerging risks, resulting in targeted improvements to technology, procedures and behaviours across several sites.

Zambia Sugar received several national and regional awards in 2026 in recognition of the strength of its quality management systems. Education, training and coaching continue to strengthen ownership and accountability for food safety and quality across its facilities.

Following the implementation of a new packing facility in Olivewood, Malawi, additional investments in packing and warehousing facilities are also being rolled out in Tanzania and Zambia. These investments will further strengthen food safety and quality controls across ABF Sugar's African operations by supporting the implementation of standards and processes designed to prevent contamination, promote hygienic handling and maintain product integrity throughout the packing process.

Nutrition and health

Making Sense of Sugar is ABF Sugar's global platform dedicated to providing access to factual information 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 UK 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.

Agriculture and farming practices – Sugar

ABF Sugar's businesses are working to deploy improved 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 Nakambala sugar estate in Zambia

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 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 Resilience, a sustainability intelligence company, to comprehensively assess its material nature-related dependencies, impacts, opportunities and risks. The insights gained from this project continue to inform the strategic direction and plans of ABF Sugar's businesses 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 2026, ABF Sugar's businesses experienced a range of extreme weather events, including heatwaves, droughts and floods, which affected agricultural operations and farming practices. These events have reinforced the focus on development of innovative approaches that seek to strengthen resilience of agricultural systems 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 continual improvements 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®), which all our South African growers use.

ABF Sugar has maintained 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.

This process of assessing, improving and validating on-farm sustainability using SAI's FSA tools aims to 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.

Azucarera, through AIMCRA, conducts soil analyses for all growers to provide tailored agronomic recommendations on fertilisation, water and nutrient management. These analyses assess soil nutrient availability and often find that natural levels, especially of phosphorus and potassium, are enough to meet crop requirements.

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 continual 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:

- 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.

As part of its Science Based Targets initiative (SBTi) validated Forest, Land and Agriculture (FLAG) targets, ABF Sugar has committed to maintaining no deforestation across its primary deforestation-linked commodities. The primary deforestation-linked commodities produced or sourced by ABF Sugar do not individually account for 5% or more of its total gross FLAG emissions.

In 2023, ABF Sugar completed a deforestation risk assessment to identify the most significant areas of production and sourcing within its value chain. This assessment identified sugar as its priority commodity. The business is working with external experts to map and monitor its sugar supply chains and to support alignment with relevant regulatory requirements, including the EU Deforestation Regulation, where applicable.

ABF Sugar is also promoting biodiversity and ecosystem health across its operations and supply chains through various initiatives. These include 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 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 alternative solutions for controlling Virus Yellows has become a priority for ABF Sugar's UK and Spanish businesses as set out in the case study below.



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

In 2026, British Sugar continued its collaborative work within its Virus Yellows Pathway, alongside NFU Sugar and the British Beet Research Organisation ('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 to distract the aphids from identifying the crop. The BBRO also has a series of trials evaluating the effectiveness of grasses containing endophytes, which are thought to repel insect pests and alter soil chemistry. Initial reports are showing promising results. In 2027, there will be six partially Virus Yellows-tolerant seed varieties available on the Recommended List that growers can choose to sow. These are not tolerant to the most damaging of the viruses. All this activity is backed up by an extensive monitoring programme that supports growers and advisers to make the correct agronomic decisions.

British Sugar is collaborating with agriculture biotechnology company Tropic and the plant science institute, The John Innes Centre ('JIC'), to explore how to genetically edit sugar beet to confer resistance to the three yellowing viruses that make up the Virus Yellows disease complex. The project, now in its third year, makes use of Tropic's Gene Silencing (GEiGS®) technology platform to make minimal and precise gene edits in sugar beet enabling the crop to resist infection. Work to date has focused on developing the sugar beet transformation platform, successfully generating gene-edited DNA solutions (GEiGS®) and testing their efficiency in cells. Multiple solutions with high silencing efficiencies are now available for testing in plants. This work, scheduled to begin in late 2026, will determine a shortlist of solutions to take forward for the generation of plants later in the project.

In February 2026, the project secured an additional GBP 1.1m of grant funding from Innovate UK's Farming Futures R&D Fund, building on the GBP 660,000 received in 2024 at the initial stages of the research. This was jointly awarded to British Sugar, Tropic and JIC. The BBRO continues to support the projects.

The latest funding will allow the project team to advance research towards ensuring that precision bred solutions can be implemented across commercially relevant sugar beet varieties, conferring resistance to the most damaging and hard to target beet yellows virus.

By the end of the decade, it is hoped that the project team will have confirmation of Virus Yellows resistance in gene edited plants in the lab, which can then be assessed in field trials.

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. The team continues to regularly test various plant varieties and assess their impact on production, analyse resistance to fungicides, and develop strategies related to beet cultivation.

AIMCRA has also implemented an agronomic strategy and provided recommendations for the prevention of cercospora infection, as well as conducted trials in this field. It also proposed and coordinated the strategy to combat the yellows virus, identifying the most suitable active substances for its prevention and mitigation, and carried out fertilisation trials and alert systems across different geographical areas of Spain. In addition, it has conducted trials with various seed varieties adapted to address these diseases.

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



Pilot to help improve soil biodiversity

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

Overall, this project will 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.

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.

In 2026, UCT conducted training on the protocols at Nakambala in Zambia, Nchalo in Malawi and Ubombo in Eswatini, supporting the businesses in developing implementation roadmaps for their adoption.

Soil samples being collected at the Nakambala estate, Zambia



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. The 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
- 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 Spring 2026, British Sugar announced its collaboration with the Soil Association Exchange ('SAX'), to financially reward its growers for improvements in UK sugar beet production's sustainability credentials. The SAX independently verifies and financially rewards environmental improvements using measurements across six key areas, including soil, water, biodiversity and carbon.

The Exchange Market is open to UK growers to register verified improvements in environmental performance and access funding for activities that support reductions in UK sugar beet's GHG emissions.

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. It has also installed a series of Wilder Sensing bird sensors around the perimeter of its Wissington factory to listen for birdsong and understand which species are in the local ecosystem.

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

ESG at Agriculture

AB Agri is passionate about helping to create a world where responsible nutrition is available to all.



A colleague sampling feed at a customer farm in Somerset, UK

AB Agri's goals and initiatives are designed to support the agriculture industry's long-term sustainability, characterised by its capacity to produce food that is more responsible and affordable.

ESG Governance

AB Agri developed its responsibility strategy and governance framework following a full materiality assessment carried out in 2022, and conducted a materiality refresh in 2026 to identify its key ESG impacts, risks and opportunities. The assessment included consumer surveys, research on future trends in retailer demand and government policy, and an analysis of the scientific evidence behind policy and consumer perceptions. In 2026, this strategy and governance framework was reviewed to ensure it remained relevant and aligned with business priorities and customer requirements. Following this update, AB Agri retained its nine 'Care' factors, and grouped them across three themes:

- environment: to reduce greenhouse gas ('GHG') emissions, resource use, land use, plastic waste and to protect water and biodiversity;
- human rights and societal impact: to respect human rights across its supply chain; and
- animal welfare: to safeguard animal health and wellbeing.

A cross-business steering group has been established for each theme to oversee progress against its respective Care factors through defined metrics, action plans and performance monitoring. These steering groups meet quarterly and comprise representatives from across AB Agri's businesses.

In addition, the AB Agri's Managing Directors' Responsibility Forum meets quarterly, bringing together managing directors or their delegates from each business. This forum facilitates the connection of senior management across businesses and integrates the management of ESG actions with commercial decisions and business strategy.

AB Agri has a Responsibility Policy, along with a number of related policies and statements, all available on its website. In November 2025, AB Agri introduced an Environmental Stewardship Policy outlining its approach.

For more information on ESG at AB Agri please see its website.

Our people – Agriculture

AB Agri's ambition is to create workplaces where every colleague can develop and succeed. Its action is focused on diversity and inclusion, safety and wellbeing and talent development.



A laboratory technician at National Milk Records, Four Ashes, UK

AB Agri provides a range of initiatives to support skills development, career progression and talent development across the business. Alongside development opportunities, the business continues to promote an inclusive working environment through a range of people and culture initiatives.

Health, safety and wellbeing

AB Agri manages health and safety through its Target Zero programme, which also covers feed safety, site environmental compliance and security.

AB Agri has an internal Health, Safety and Wellbeing Policy that sets expectations across its global operations. A dedicated group of health, safety and environment ('HSE') leads provide strategic oversight and support consistent implementation of protocols across the division. Each business unit operates a continuous improvement roadmap focused on three pillars: risk reduction, training and competence development, and the reinforcement of a positive safety culture.

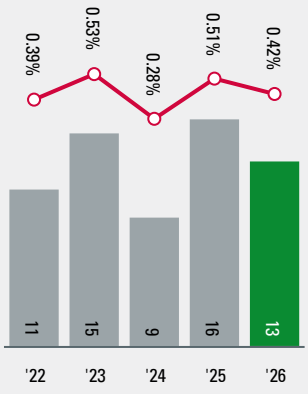
In 2026, the Target Zero leadership training programme continued to be implemented across the division, with a focus on leading by example, involvement, communication, positive reinforcement and reward. In addition, over 200 senior managers have completed dedicated leadership expectations training.

AB Agri has also continued to expand the use of technology to support health and safety. Building on a successful pilot, an AI-powered camera system to support the identification of potential hazards and create safer working environments has been expanded to additional sites. The system provides data-driven insights that support risk identification and preventive action.

The division is targeting incident reduction through a severity-focused approach. It assesses all incidents, near misses and learning opportunities according to their potential severity to prioritise proactive prevention measures. Information gathered through this process supports risk reduction roadmaps and monitoring of safety performance. Investigative capability has been further strengthened through Incident Cause Analysis Method root-cause investigation training for several HSE and site leadership team members. In 2026, over 5,300 e-learning training modules were completed, while Safety Learning Opportunity reporting reached a record high with over 3,700 raised across the division. This includes the introduction of positive safety learning opportunities, which recognise colleagues observed doing something exceptionally well and reinforce a culture of positive recognition alongside hazard reporting.

AB Agri made progress in its safety performance, with the number of employee on-site Lost Time Injuries ('LTIs') reducing from 16 in 2025 to 13, resulting in an employee on-site LTI rate of 0.42%. In addition, one contractor experienced an on-site LTI in 2026. All incidents were in the lowest severity category. Working days lost reduced significantly compared to the prior year.

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



AB Agri's safety culture is anchored in the Take 2 approach, which empowers every individual to pause and reflect for two minutes before any task begins, based on the principle that all incidents and injuries are preventable. This was reinforced through AB Agri's 2026 World Health & Safety Day, which focused on driving for work safety and was supported by the launch of a new driving for work risk management framework. Operations across the business paused to conduct safety briefings and toolbox talks, engaging colleagues with driver risk awareness and training.

Continued focus has been placed on critical-to-life risk standards, with awareness sessions delivered globally and enhanced internal audit processes ensuring all protocols align with the Target Zero commitment.

Wellbeing

AB Agri is committed to creating a healthy working environment and supporting the wellbeing of colleagues across the business. Each year we participate in World Wellbeing Week, helping to raise awareness of the importance of physical, mental and social wellbeing both inside and outside of work. In 2026 colleagues from around the world took part in a range of activities including walks, meditation sessions, resilience talks and skills-sharing events. Many of our businesses also used the week to launch fundraising activities in support of our charity partner, recognising the strong connection between doing good and feeling good that emerged through colleague feedback. This approach has helped build momentum beyond a single week, encouraging participation in a variety of physical and social fundraising activities to keep wellbeing front of mind throughout 2026.

A number of services are in place to help colleagues balance work and family commitments, manage stress and enjoy a healthier lifestyle. These include:

- Nudge – a financial education platform that coaches people to better understand their finances, manage their money and plan for their future;
- Employee Assistance Programme – a service that delivers advice and solutions on mental health, practical problems, medical and nutrition worries, and any legal or financial issues; and
- Mental Health First Aiders ('MHFA') – with over 40 trained colleagues providing initial support, and signposting to appropriate sources of help for employees. All MHFAs receive refresher training every three years.

Diversity, equity and inclusion ('DEI')

AB Agri supports diversity, equity and inclusion through its 'This is Me' inclusion campaign, supported by internal policies, targeted programmes, leadership initiatives and inclusive recruitment practices.

AB Agri has established several employee network groups, such as LGBTQIA+, Parents and Carers, Women at AB Agri, Fusion Culture, Enable (Disability Inclusion) as well as support groups covering menopause and men as carers. Each group has a sponsor from the senior leadership team and the leads for each group meet regularly with the AB Agri Chief Executive and the AB Agri Group People and Performance Director to discuss challenges, advocate for underrepresented groups and seek support.

At the beginning of 2026, these network groups started working together as a 'Network of Networks' creating and delivering joint awareness sessions and other initiatives, to recognise the intersectionality of some of the groups. As a result, the network has gained over 470 additional members with posts viewed more than 100,000 times on its Viva Engage employee community platform.

AB Agri focuses on attracting, developing and retaining a diverse workforce. Senior leaders embed DEI into business strategy and all have an inclusion measure in their objectives. Line managers are equipped with toolkits to promote diversity, lead inclusive conversations and provide support. In 2026, the division provided access for all leaders to Onvero, a not-for-profit organisation that helps employers build diverse teams and inclusive cultures through podcasts, white papers, case studies and videos.

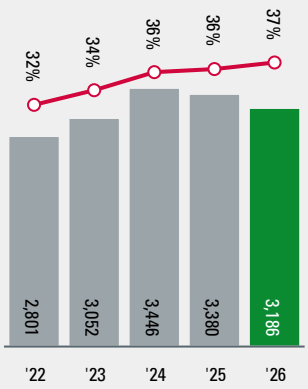
The division has maintained a GB gender pay gap below 2% (1.1% in 2025) for the fifth year. In line with the commitment to fair and equal pay, the division voluntarily reported their GB ethnicity pay gap at 0.3% as of April 2025.

AB Agri collaborates with the Armed Forces Careers Transition Service to reach military personnel transitioning to civilian careers, with STEM Women to engage female talent in science and engineering fields, and with Job Centre Plus to support individuals facing barriers to employment, including older workers and those with disabilities.

Recruitment outcomes have seen increased applications, interviews and offer acceptance rates among women and individuals with disabilities. AB Agri prioritises fair and inclusive recruitment practices to ensure a diverse talent pool of candidates from a variety of sources, enabling the business to find the best candidate for each role. The division actively promotes gender balance when recruiting and selecting senior roles across all its businesses by encouraging a balanced shortlist of male and female candidates. It also uses CV anonymising practices to mitigate unconscious bias.

Globally, all recruitment agencies working with AB Agri are required to sign an agreement confirming their adherence to the Group Supplier Code of Conduct. This agreement also references AB Agri's Equality, Diversity, Inclusion and Dignity at Work Policy.

Number of employees and percentage of women in the workforce



Engagement and development

Attracting talent is an industry-wide challenge for agriculture, with a need to compete for specialist skills in areas such as technology, marketing, engineering and data insights. In response to this challenge, AB Agri has established four key focus areas aligned to its business strategy:

- build high-performance practices to drive excellence across businesses;
- develop future-proof capability to expand impact across markets;
- make everyday teamwork and collaboration a strength to enable performance and growth; and
- invest in people and performance tools and technologies to enable data-led decision making.

AB Agri provides a range of development initiatives to support career progression and cultivate a deeper talent pool. Potential senior leader successors are offered career conversations with their executive and people leads to identify individual requirements and support progression. The Shadow Board initiative readies potential board members for the next steps in their career by working together to address business challenges.

In 2026, 650 colleagues participated across 74 development workshops. These were delivered through a combination of virtual and in-person sessions, supported by e-learning programmes available in five languages.

AB Agri offers levy-funded apprenticeships for employees who reside in England, giving colleagues the opportunity to study for a formal qualification and support their development and potential career progression.

AB Agri also supports the next generation of food and farming talent. This includes funding for PhD students by AB Vista, its feed additives technology business.

AB Agri engages with colleagues through a range of channels designed to gather feedback, share information and strengthen collaboration across the division. The quarterly Engagement survey, Pulse, allows colleagues to provide feedback, ideas and suggestions on subjects such as wellbeing, inclusion, work-life balance and trust in leadership. Results are reviewed by line managers and People and Performance teams, with toolkits available to support team discussions and action planning. Intranets, town halls and internal publications are used to communicate business updates and share key initiatives, while business- led conferences and events are used to launch initiatives and drive connections. In addition, the annual awards event, RoadRunner, engages colleagues on what excellence looks like within AB Agri.

People in our supply chains and surrounding communities – Agriculture

AB Agri recognises the risk of human rights impacts in its businesses' global supply chains and its responsibility to respect human rights.



A quality control technician speaks to the site manager while testing ingredient samples at Premier Nutrition, Fradley, UK

Human and labour rights in our supply chains

AB Agri's businesses source around 2,500 different raw materials from over 1,200 suppliers, including bulk commodity suppliers and ingredient manufacturers. AB Agri values supply chain diversity and seeks to support small and mid-sized suppliers in upholding its standards. If the business needs to implement new standards or data collection requirements, it aims to work in partnership with its suppliers and engage them as early as possible.

AB Agri's Responsible Sourcing Policy and its internal Responsible Sourcing Standards apply to all its businesses. The Policy outlines areas of focus, including deforestation and conversion of natural ecosystems, human and labour rights, and efficient and more sustainable resource use. It also explains the roles and responsibilities of the businesses and their employees in the procurement process. The Responsible Sourcing Standards, based on the Group Supplier Code of Conduct and the Ethical Trading Initiative Base Code, describe the sourcing approach and processes required for different sourcing categories.

AB Agri has continued to implement the requirements of its Responsible Sourcing Policy, starting with raw materials. This category includes a wide range of bulk agricultural commodities such as cereals, oilseed meals, macrominerals, feed additives and co-products. The division has committed that all procurement categories will adhere to the Responsible Sourcing Standards by 2030.

Human and labour rights risks linked to certain raw materials are identified and monitored using the Verisk Maplecroft global risk analysis tool and the Sedex ('Supplier Ethical Data Exchange') online database. AB Agri uses information from its risk analysis to inform conversations with relevant suppliers, and works collaboratively with its suppliers to uphold the Responsible Sourcing Standards.

AB Agri has mapped the country of origin for over 95% of its raw material. Based on this information, an initial rating on human and labour rights risks is assigned using the Verisk Maplecroft global risk analysis tool. Certain high-risk raw material suppliers are then required to complete an online Sedex assessment, which is reviewed by the AB Agri ethical compliance team who determine whether an on-site audit is required.

Throughout this process, AB Agri focuses on supporting its suppliers to achieve its Responsible Sourcing Standards and only considers alternative sourcing where efforts to use its leverage to address any relevant issues have failed.

In 2026, 97% of AB Agri's raw material suppliers had either received a low-risk rating according to the Verisk Maplecroft evaluation or were actively engaged in ongoing risk mitigation efforts in line with its Responsible Sourcing Standards.

In 2026, AB Agri continued to work collaboratively with its suppliers, particularly those identified as higher risk. For example, the business engaged with raw material suppliers to share insight on their supplier approval processes and any subsequent audit process. AB Agri seeks partners that can demonstrate robust ethical oversight across their supply chains. It also commissions social audits, including audits at a third-party warehouse and repacking facility in India and a palm oleochemical product supplier in Malaysia. These audits resulted in positive actions from suppliers to address non-conformances and to align with the ABF Supplier Code of Conduct in 2026.

AB Agri also provides information and training on issues relating to human rights for new employees as part of its induction process. Regarding its own operations, all AB Agri manufacturing sites have completed an annual Sedex self-assessment. In 2022, AB Agri developed a plan to conduct audits at all its manufacturing sites globally. In 2026, over 90% of these have been completed with the remaining sites to be completed in the coming year.

AB Agri has developed a new bespoke software system that is being rolled out to its feed businesses across a majority of markets, to manage relevant supplier and product data. It aims to ensure that its businesses engage with suppliers more efficiently and consistently across their supply chain. The software captures data required to support feed safety compliance, enable responsible sourcing risk assessments, and provides technical review across suppliers and products.

Carbon and climate – Agriculture

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



GHG emissions, energy and renewables

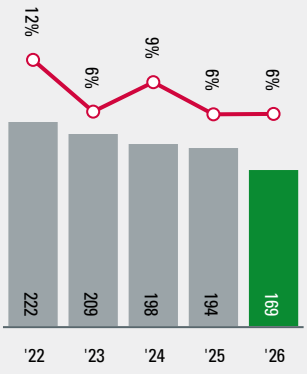
AB Agri's premix plant in Nanjing, China, which was commissioned in August 2025

AB Agri seeks to improve energy efficiency and reduce the fossil fuel reliance of its sites globally. The business has set a roadmap for energy and greenhouse gas ('GHG') emissions reduction, in line with the ISO 50001 energy management system in place across all UK sites. Energy used in manufacturing and distribution operations is its priority focus area.

AB Agri's total energy use in 2026 was 169GWh, a decrease of 13% compared with 2025. Of that total energy consumption, 6% came from a renewable source and four of AB Agri's sites use self-generated solar power as a renewable energy source. During 2026, AB Agri exported 37GWh of energy to the UK national grid and continued to implement energy efficiency measures across its sites, while monitoring the feasibility of larger-scale solutions.

AB Agri's Scope 1 and 2 (market-based) emissions were 62kt CO_2e in 2026, a 12% reduction compared to 2025 reflecting the combined impact of process efficiency projects, investments in technology, fuel switching to lower emission energy sources and lower production volume in the UK.

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



AB Agri continues to make progress in transitioning to lower emission energy sources across its operations. In addition to the solar panels already installed, the division has also completed the process of swapping out lighting to LED at its Global Supplements site in Monmouth, UK. Additionally, its anaerobic digestion plant in Yorkshire, UK, produces renewable gas from food and feed waste, equivalent to 60% of the gas used to power AB Agri's UK manufacturing sites.

AB Agri continues to work on mapping and calculating its Scope 3 emissions, focusing first on its most material businesses.

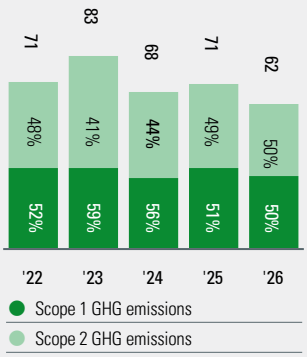
In 2026, AB Agri announced its intention to sell four of the compound feed mills operated by its UK monogastric feed business, ABN. It subsequently announced its intention for ABN to exit this sector and began exploring options, including divestment, for its remaining mills. These decisions will result in significant changes to AB Agri's manufacturing footprint and will materially affect its Scope 1, 2 and 3 GHG emissions profile. The division is reassessing its total GHG emissions, to understand the implications for its businesses' reduction roadmaps going forward.

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 every stage of AB Agri's value chain, from sourcing crops for feed to manufacturing operations and customers' farm businesses.

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.

Scope 1 and 2 (market-based) GHG emissions (000 tonnes of CO_2e, % of total)



Waste and packaging – Agriculture

AB Agri takes pride in its heritage and track record of sourcing ingredients for animal feed that would otherwise go to waste, reducing the use of primary products.



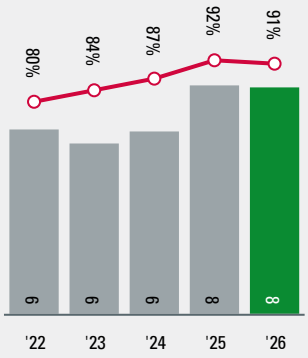
Testing anaerobic digestion feedstock at Amur Energy's lab in York, UK

Waste and circularity

AB Agri applies its nutritional expertise to make use of food industry co-products that might otherwise have limited value. Examples include fibre-rich sugar beet pulp and grains remaining from the brewing and distilling of beer and whisky, which are incorporated into animal feed. Any co-products and food waste not suitable for animal feed are used to generate bio-energy through its specialist anaerobic digestion business, Amur.

In 2026, AB Agri's total waste decreased by 1% from 7.8kt in 2025 to 7.7kt. Of this waste, 91% was recycled or sent for reuse, with less than 0.7kt being sent to landfill. The reduction was driven by operational improvements that reduced process-related material losses.

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



Plastic and packaging

At AB Agri, the use of plastic packaging for finished goods is low with most of its products being delivered as bulk. There are some businesses where it is more significant, due to the nature of the products and services being offered, in particular at Global Supplements and National Milk Records (NMR).

In 2026, AB Agri used 4.8kt of packaging, a 28% decrease compared to 2025, reflecting lower production volumes in the UK and a shift towards a higher proportion of production supplied in bulk.

Food safety and nutrition – Agriculture

Animal feed safety is non-negotiable for all AB Agri's businesses. The division strives to supply safe products, services and advice, supported by clear and consistent policies and standards.



Piglet feed, AB Neo Centre of Excellence, Spain

Delivering feed safety and quality in a continually changing global environment poses significant challenges, particularly with risks related to economic, biological, technological and labour factors. To address these, AB Agri adopts a systematic approach to identifying, assessing and mitigating risks related to feed safety and quality.

Food and feed safety

AB Agri manages feed safety through its Target Zero programme, which also covers health and safety, site environmental compliance and security. Target Zero aims to equip all teams to deliver their feed safety responsibilities by driving collaboration across the businesses and continuously seeking effective solutions to meet current and anticipated safety and quality challenges.

Building on previous years' efforts to strengthen consistency and rigour in its Feed Defence programme, AB Agri further enhanced its Hazard Analysis and Critical Control Point ('HACCP') framework in 2025. This focused on improving the identification, assessment and control of unintentional risks within its own operations, with particular emphasis on the role of human factors in hazard analysis and critical decision making.

A cross-business task force was established to review HACCP approaches across the business. The review considered how controls are defined, implemented and verified across different operating environments, together with the effectiveness of supporting training, competency and governance arrangements. It also provided valuable insight into the consistency of HACCP application across sites, helping to identify opportunities to strengthen standardisation, share best practice and further enhance risk management processes.

As a result, AB Agri updated its internal HACCP policy and supporting guidance to reflect harmonised best practice across the organisation. All operating companies are progressing updates to their HACCP studies, supported by enhanced tools, standardised methodologies and strengthened central oversight. Ongoing assurance is delivered through established audit and verification processes.

Nutrition and health

As a supplier of animal nutrition and farm performance services to the agri-food supply chain, AB Agri recognises the growing importance of responsible and affordable nutrition for both people and animals. AB Agri is committed to supporting the agriculture industry in providing affordable, safe and nutritious food. This includes meeting the growing demand, particularly in developing markets, for accessible protein sources such as chicken, milk and eggs.

Dairy products are widely recognised for their nutritional value and dairy processors are increasingly rewarding farms that produce milk meeting higher environmental standards, aligning profitability with both output and environmental stewardship. AB Agri has developed a comprehensive portfolio of products and services for the dairy industry. This includes data and advisory services through its NMR, IFCN, Kite Consulting businesses and its feed and on-farm carbon measurement services from AB Sustain. This unique offering allows AB Agri to provide extensive insights into both output data, such as production volumes, milk quality and on-farm emissions, and input data, including genomics and feed analysis.

As global dietary habits shift and nutritional challenges emerge due to population growth, rising incomes and changing consumer preferences, AB Agri is strategically positioned to anticipate and respond to future food demands.

Agriculture and farming practices – Agriculture

For AB Agri, building more sustainable ecosystems means optimising land use across both individual farms and entire food systems. This approach helps to ensure that land is effectively utilised at all levels for food and feed production, carbon storage, energy generation and human activities.



Dairy cows at a customer farm in Somerset, UK

AB Agri evaluates the livestock farming ecosystem to identify commercial opportunities and develop solutions to address key challenges within the agricultural sector. These include improving the efficiency of essential agricultural inputs, such as carbon dioxide for plant growth and nitrogen for livestock feed, which contribute to climate change. Improving the efficiency of these inputs and optimising the use of nutrients can help to reduce GHG emissions per unit of food produced while helping to maintain food affordability.

Science and research are the cornerstones of AB Agri's approach. Underpinned by its community of scientists, all commercial solutions developed by its businesses are rigorously assessed for safety and to demonstrate efficacy. Its businesses invest in researching scientific advancements by collaborating with universities and use their own laboratories and trial sites. These include the AB Neo Centre of Excellence trial farm in Spain and the Amur laboratory at the University of York Science Park.

Industry groups and bodies play an essential role in agriculture. They help to improve food production standards and represent agricultural businesses in interactions with stakeholders such as consumers and governments. AB Agri businesses and employees actively participate in industry organisations at national and international levels. These include representation on the Agriculture Industries Confederation ('AIC'), FEFAC, the International Feed Industry Federation, the British Equestrian Trade Association, and the Global Feed LCA Institute, to which AB Agri's Product Innovation Expert was appointed as Vice Chair in early 2026.

Responsible agriculture, biodiversity and land use

For AB Agri, more sustainable ecosystems relate to both individual farms and whole food systems, where land use is optimised for food and feed production, carbon storage, energy generation and human use.

Supporting food and farm ecosystems

Supporting customers to improve their farm ecosystems is an increasingly important part of AB Agri's approach in this area.

AB Sustain connects farmers, processors and retailers with practical tools and programmes, including its Farm Footprints service, which enables major food producers to measure their on-farm GHG emissions.

Kite Consulting provides on-farm advisory services, including support to help improve nutrient efficiency and GHG emissions reduction. Partnerships, such as the 2025 Müller Fast Track programme, demonstrate how real-time data and digital tools, including Feedlync, can enable more responsive, data-driven decision-making at farm level.

Alongside this advisory capability, AB Agri has committed to calculating the environmental footprint of all branded animal nutrition products by 2027. This work, underpinned by robust datasets and externally peer reviewed methodology, will enable customers to better understand and potentially reduce feed-related GHG emissions, with tools such as Premier Nutrition's Equine Feed Emissions Calculator, translating complex data into practical insights. Together, these initiatives illustrate how AB Agri is integrating science, data and advisory services to support more efficient, lower-impact farming systems.

AB Agri invests in researching and developing alternative protein sources. NovaPro, its dairy feed produced from UK-grown rapeseed, was awarded the UK's Royal Dairy Innovation Award in 2021, in recognition of its ability to boost productivity while entirely removing the need for soya in dairy cow diets.

Traceability and risks

In managing its supply chain, AB Agri prioritises the safety and quality of its products while respecting the lives and livelihoods of those within the supply chain and the environment. AB Agri recognises the unique contribution that each business along the value chain plays, from micronutrient producers for animal feed to milk processors. AB Agri assesses its supply chain risk against criteria aligned to its Care Factors and has prioritised mapping specific ingredients with high inherent risk or where a single market supplies over 90% of global demand. In complex areas where traceability is challenging, AB Agri believes that transparency and strong supply chain governance are critical and recognises the opportunity to further enhance traceability through effective use of technology.

Deforestation

As a user of soya and palm oil derivatives, AB Agri aims to mitigate the risks associated with forest-risk commodities.

New laws addressing deforestation, such as the EU Deforestation Regulation ('EUDR'), will require new supply chain practices across global markets, especially with respect to traceability and data management. AB Agri is working closely with external bodies such as the European Feed Manufacturers' Federation ('FEFAC'), AIC, suppliers and customers, and internally with its purchasing and commercial teams, to build knowledge, capability and develop enhanced processes across its supply chains to address these requirements. AB Agri has reassessed its forest-risk commodity targets, taking into account new regulatory requirements, as well as emerging market expectations and best practices.

AB Agri has a long-standing commitment to managing deforestation risk in its supply chains. Its approach focuses on the agricultural commodities most relevant to the business and where there is a recognised risk of deforestation within global supply chains. For AB Agri businesses, these commodities are palm oil, soya and maize.

To manage deforestation risk, AB Agri requires these commodities and their derivatives to meet at least one of the following requirements:

- Sourced from a low-risk origin[1];
- Sourced under an AB Agri-approved sustainability certification scheme[2];
- Sourced in alignment with applicable deforestation legislation[3].

AB Agri's progress against these requirements for calendar year 2025 is set out below:

- Palm oil: 100% of palm oil and its derivatives are Roundtable on Sustainable Palm Oil ('RSPO')-certified;
- Soya:
  - AB Agri's UK, EU and North American businesses: 100% met the requirements above, with 17.2% of soya sourced from low-risk origins and 82.8% of soya sourced to FEFAC-benchmarked certified schemes;
  - AB Agri China: 26.8% of soya is sourced from low-risk origins. Local commercial conditions remain challenging and the business has committed to increasing the proportion of soya meeting the requirements above year-on-year; and
- Maize: 97.2% is sourced from low-risk origins and 2.8% is certified.

1. Countries classified as low risk under the EUDR country benchmarking system.
2. AB Agri-approved schemes are RSPO for palm oil, FEFAC-benchmarked schemes for soya and Round Table on Responsible Soy Association ('RTRS') for maize, either under a book and claim chain-of-custody model or higher (e.g. mass balance, segregated or identity preserved supply chain models).
3. Where a commodity falls within the scope of deforestation-specific legislation such as the EUDR, compliance with that legislation is accepted as meeting this requirement.

Animal health and welfare

Consumers expect the global agricultural industry to uphold high standards of animal health and welfare in livestock farming. AB Agri uses its technical expertise to help support animal health through advanced technology and better nutrition. Animal health and welfare relates to a broad spectrum of considerations, from disease prevention to stocking density and other living condition factors. These are best described by the Five Domains Model for animal health and welfare, which forms the basis of AB Agri's Animal Health and Welfare Policy.

Antimicrobial resistance is recognised as a threat to human health and the livestock sector has been making efforts to reduce antibiotic use for decades. In 2016, a UN declaration encouraged governments to work together on responsible antibiotic use and international co-operation on the topic. While significant progress has been made, concerns remain around the risk and impact of disease, which can lead to reduced production rates and lead to waste. To minimise this risk, AB Agri has operational procedures in place to prevent being a vector in the spread of diseases in customer farms.

AB Agri's Animal Health and Welfare Policy also describes the indirect roles that its NMR laboratory services business and its dairy consultancy business, Kite Consulting, play in supporting improvements in animal health and welfare in dairy farms across the UK. AB Agri's Animal Health and Welfare Steering Committee, which is responsible for monitoring and responding to animal health and welfare challenges, has mapped the top five focus areas across its species groups: pigs, poultry, ruminants, pets and equines. They are:

- prevalent diseases;
- commercial and economic pressures;
- product regulatory requirements;
- problems associated with inefficient production; and
- animal robustness.

AB Agri has mapped where its businesses can offer support to livestock farmers and horse and pet owners in these areas.

It annually reviews these five areas of focus to ensure it continues to offer relevant products and services, including technical consultation to improve health and welfare across the industry. Four material components: genetics, nutrition, management and testing and monitoring, work in harmony to better support animal health and welfare today and in the future.

AB Agri's approach is to focus on proactively protecting animal health and supporting immune systems through nutritional strategies, monitoring and advice.

Building nutritional knowledge to support animal health

AB Agri's business, AB Neo, which focuses on neonatal and maternal stages in animals, uses its Centre of Excellence trial farm facility in Spain to better understand the impact of early nutrition for piglets. This has included trials focused on supporting gut health during the transition period when a piglet's diet shifts from milk to solid feed. This is a critical period for piglets, due to significant changes in the gut environment. By optimising the diet during this phase, AB Neo aims to harness its transition-period expertise to help the animal maintain robust health.

Alongside its investment in scientific research and trial capabilities, AB Agri continues to extend its expertise into complementary areas of animal health and wellness. In 2026, Global Supplements launched the Natural VetCare brand, a veterinary-led pet supplementation range designed to support everyday wellbeing through proactive, nutrition-based care. Developed by veterinary professionals and nutritionists, Natural VetCare offers a portfolio of clinically formulated products targeting key areas such as mobility, digestion, skin health, calmness and healthy ageing, using proven ingredients at effective inclusion levels.

The range reflects a broader shift from reactive treatment towards preventative, daily health management, helping to maintain quality of life and support long-term vitality rather than addressing issues only once they arise. By combining AB Agri's nutritional science capabilities with veterinary insight and brand-led consumer engagement, Natural VetCare strengthens the Group's ability to apply its knowledge beyond traditional livestock nutrition, supporting animal wellbeing across a wider ecosystem while reinforcing its focus on responsible, science-led approaches to animal health.

Animal testing

The AB Agri Animal Health and Welfare Steering Committee oversees the AB Agri Animal Testing Policy, which applies to all its business activities involving animal testing[1]. As part of the approval process for any trials that are defined as animal testing, an independent third-party expert reviewer evaluates all new trial protocols and the justifications for performing the trial. The reviewer has the authority to challenge any aspect of the trial, and it cannot be approved until any concerns have been satisfactorily addressed. For any further information on this process, please see the AB Agri Animal Health and Welfare Policy on the AB Agri website.

1. Defined as scientific procedures performed on living animals outside of what an animal would expect to experience either in its natural environment or in a typical domestic or farmed situation.