

INDEPENDENT ASSURANCE STATEMENT TO THE DIRECTORS OF ASSOCIATED BRITISH FOODS

We have performed a limited assurance engagement on selected Health, Safety and Environment (HSE) performance data and statements presented in the Associated British Foods plc Corporate Responsibility (CR) Update 2018 ("the Report").

Respective responsibilities

Associated British Foods management is responsible for the collection and presentation of the information within the Report. Associated British Foods management are also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

Our responsibility, in accordance with our engagement terms with Associated British Foods management, is to carry out a 'limited level' assurance engagement on selected data and performance claims in the Report ("the subject matter information"). The subject matter information in the scope of the EY assurance has been indicated with a Δ symbol in the Report. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

Our assurance engagement has been planned and performed in accordance with the International Standard for Assurance Engagements (ISAE) 3000 Revised, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Associated British Foods' CR reporting guidance (accessible at www.abf.co.uk/cr_reporting_guidance_2018) has been used as criteria to evaluate the selected data defined below.

Summary of work performed

The procedures we performed were based on our professional judgement and included the work-steps below:

1. Conducted site visits to eight Associated British Foods locations to review local level data collection processes and controls and test data back to source evidence.
2. Conducted analytical procedures over the disaggregated data and made enquiries of management regarding data trends.
3. Reviewed the disaggregated data for a sample of local companies within each Division back to source evidence.
4. Assessed whether the data has been collected, consolidated and reported appropriately at a Group and Division level in line with Associated British Foods' CR reporting guidance.
5. Reviewed the presentation of the selected data, and narrative descriptions of performance, within the Report.
6. Reviewed supporting evidence for a sample of assertions within the Report related to Associated British Foods' HSE performance.

The above work-steps were carried out in relation to the HSE KPIs in the table below.

Selected data subject to detailed review in the Report

- Number of work-related deaths to employees
- Number of work-related deaths to independent contractors as a result of Associated British Foods work activities
- Number of Lost Time Injuries (LTIs) to employees
- Number of health and safety fines against sites
- Cost of health and safety fines received
- Number of environmental fines against sites
- Cost of environmental fines received
- Energy consumption (GWh) consisting of: electricity imported, natural gas used, coal and anthracite used, heavy fuel oil used, renewable fuel (bagasse, residue and wood) and imported steam used
- Greenhouse gas emissions (tCO₂e) consisting of: energy consumption inputs, process emissions, transport emissions and agricultural emissions
- Total volume of water used (m³)
- Quantity of non-hazardous waste sent for disposal (tonnes)
- Quantity of hazardous waste sent for disposal (tonnes)
- Quantity of waste sent for recycling or recovery or other beneficial use (tonnes)
- Quantity of packaging used for the containment, protection, handling, delivery and presentation of goods (tonnes)

Limitations of our review

Our evidence gathering procedures were designed to obtain a 'limited level' of assurance (as set out in ISAE3000 Revised) on which to base our conclusions. The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement (such as a financial audit) and, therefore, a lower level of assurance is provided.

The scope of our engagement was limited to the reporting period of 1st August 2017 to 31st July 2018, and did not include an assessment of performance information relating to prior reporting periods. Our procedures focused on HSE content within the "Environment" and "Our People" sections of the Report. We did not carry out any procedures in relation to other content within the Report.

Completion of our testing activities has involved placing reliance on Associated British Foods' controls for managing and reporting HSE information, with the degree of reliance informed by the results of our review of the effectiveness of these controls. We have not sought to review systems and controls at Associated British Foods beyond those used for HSE data.

The responsibility for the prevention and detection of fraud, error and non-compliance with laws or regulations rests with Associated British Foods management. Our work should not be relied upon to disclose all such material misstatements, frauds, errors or instances of non-compliance that may exist.

Our conclusions

Based on the scope of our review our conclusions are outlined below:

Completeness and accuracy of performance information

How plausible are the statements and claims relating to HSE within the Report?

- We have reviewed information or explanations on selected statements on Associated British Foods' sustainability activities presented in the Report, and we are not aware of any misstatements in the assertions made.

How complete and accurate (in line with Associated British Foods' reporting guidance) is the 'selected data' presented in the Report (outlined below "Summary of work performed")?

- With the exception of the limitations identified in the Report, we are not aware of any material reporting units (as defined by Associated British Foods) that have been excluded from the selected data relating to the topics above.
- Nothing has come to our attention that causes us to believe that the data relating to the above topics has not been collated properly at a Group or Division level.
- We are not aware of any errors that would materially affect the data as presented in the Report.

Observations and areas for improvement

Our observations and areas for improvement will be raised in a report to Associated British Foods management. The observations below do not affect our conclusions on the Report set out earlier in this statement.

- In the 2017-18 reporting year, Associated British Foods experienced one employee and three contractor fatalities across their operations, all of which involved vehicle-related accidents. Although these fatalities have been publically reported, Associated British Foods do not specifically report vehicle-related incidents at a Group level. In order to improve transparency in vehicle safety, Associated British Foods should consider reporting a separate metric on vehicle-related accidents to demonstrate group-wide performance in this important area of safety risk.
- We have continued to identify instances where Associated British Foods' safety and environment data review processes at a site and company level were not effective in identifying errors, particularly for waste KPIs. In some cases, the site-level errors we identified were

material at both the Group and division level, and, whilst these errors were ultimately corrected before publication, data accuracy and review processes continues to be an area of focus for the Group. Associated British Foods should consider targeted engagement with sites, companies and geographical regions identified as requiring additional support and guidance.

Our independence and competence

We have implemented measures to comply with the applicable independence and professional competence rules as articulated by the IFAC Code of Ethics for Professional Accountants and ISQC¹. EY's independence policies apply to the firm, partners and professional staff. These policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

We confirm annually to Associated British Foods whether there have been any events including the provision of prohibited services that could impair our independence or objectivity. There were no such events or services in 2017-18. Our assurance team has been drawn from our global Climate Change and Sustainability Services Practice, which undertakes engagements similar to this with a number of significant UK and international businesses.

Ernst & Young LLP

London, 6th November 2018

¹ Parts A and B of the IESBA Code; and the International Standard on Quality Control 1 (ISQC1)