Climate-related Financial Disclosures ('TCFD')

Our businesses continue to take action to help achieve our 2015 Paris Agreement-aligned ambition to limit the rise in global temperatures to well below 2°C above pre-industrial levels, and to pursue efforts to limit the temperature increase even further to 1.5°C.

We have provided climate-related disclosures in line with the requirements under section 414CB(2A) of the Companies Act 2006 and consistent with the TCFD recommendations.

As a Group, we do not set groupwide climate-related targets and metrics. In line with our devolved model, our Group's climate-related ambition will be achieved by the actions of our individual businesses. Each business establishes its own actions and commitments by considering its material risks and selecting those that are relevant, feasible, and most beneficial for their operations and the communities in which they operate. As such, the key metrics and targets that are used by some of our businesses to manage climate-related risks and opportunities are described in more detail across pages 69 to 73 and in the transition plans for ABF Sugar, Primark and Twinings Ovaltine (TwO) on pages 74 to 80.

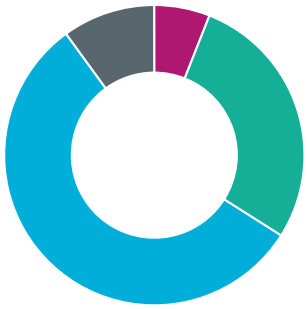
The risks and opportunities that were re-affirmed last year and their associated scenario analysis remain relevant. The initiatives disclosed in the businesses' transition plans address these risks and opportunities and continue to evolve.

A number of our businesses have had emission reduction commitments validated and approved by the Science Based Target initiative (SBTi). Where business targets are not SBTi validated, some have identified their own emission reduction targets, or are working towards setting them.

Our material businesses in terms of adjusted operating profit and scope 1 and 2 emissions are shown in the graphs to the right. Primark remains the most material contributor to scope 3 emissions. Material businesses are those that have a significant contribution to adjusted operating profit or our GHG emissions. There is no change from prior years.

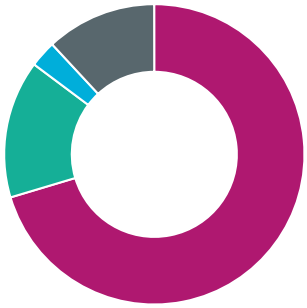
For further details on adjusted operating profit, please refer to page 3. For additional details on GHG emissions please refer pages 63 to 64.

3 year average adjusted operating profit



ABF Sugar	6%
Grocery including TwO	28%
Primark	56%
Remaining businesses	10%

3 year average scope 1 and 2 emissions (market-based)



ABF Sugar	70%
Grocery including TwO	15%
Primark	3%
Remaining businesses	12%

TCFD disclosure index

This table sets out where our climate-related disclosures of the TCFD recommended disclosures can be found across this report.

TCFD Pillar	TCFD recommended disclosures	Reference
Governance	A) Describe the board's oversight of climate-related risks and opportunities.	page 55
	B) Describe management's role in assessing and managing climate-related risks and opportunities.	pages 55 to 56
Strategy	A) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	pages 68 to 70
	B) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	pages 70 to 73
	C) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including 2°C or lower scenario.	page 69
Risk Management	A) Describe the organisation's process for identifying and assessing climate risk.	pages 68 to 69
	B) Describe the organisation's processes for managing climate-related risks.	pages 68 to 69
	C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	pages 68 to 69
Metrics and Targets	A) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	pages 70 to 80
	B) Disclose scope 1, 2 and, if appropriate, scope 3 greenhouse gas emissions and the related risks.	page 63 and 64
	C) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	pages 70 to 80
	Relevance of scope 3 emissions	page 64

Governance

The Board and its committees regularly consider climate-related issues when making major decisions, including when considering strategy, business plans and reviewing budgets and capital expenditure. Transition plans continue to be a strategic priority of the Board. The ABF Sugar and Primark transition plans continue to evolve and, in the current year, we have now also included the Twinings Ovaltine transition plan.

The Board possesses sufficient competencies to lead the Group in responding to climate-related risks and opportunities. Please refer to pages 94 to 95 for details of the Board.

Risk management

Identifying, assessing and managing climate-related risks and opportunities

Our climate-related risks and opportunities are fully integrated within our overall risk management framework. Each year, climate-related risks and opportunities are collated and reviewed at a business and divisional level. At Group level, we aggregate the material ESG topics and risks identified by our businesses and incorporate a Group perspective. During these annual reviews, existing and emerging regulatory requirements are also considered.

Each year we perform management reviews over our climate-related risks. These reviews have confirmed that our risks previously identified in prior years remain appropriate. Last year, we supplemented this with external support. This provided information which enabled us to conclude our identified risks are appropriate. Taking the results from last year, and considering any changes in the current year, we determined, that in aggregate, there continues to be no material climate-related risks or opportunities at a Group level. Heat stress remains an emerging risk across the Group. We continue to work with our divisions to understand where this is most prevalent across our businesses for workers, in both agricultural and manufacturing sites and in our supply chains.

Where risks or opportunities were identified but not deemed material for the Group, the businesses incorporate these into their risk registers and their wider ESG strategies as appropriate.

Climate risks and opportunities

Output from the risks and opportunities assessment process		Primark	Sugar	Twinings Ovaltine	Cross-divisional
Climate impact on the Group's key agricultural crops	Physical risks	Cotton yields*	Sugar yields (UK, Eswatini, Malawi, South Africa, Tanzania, Zambia)	Tea yields (Argentina, China, India, Indonesia, Kenya, Sri Lanka)	Wheat yields (Australia, UK) Corn yields (US)
Impact of flooding on the Group's end-to-end supply chain including operations	Physical risks	Coastal and river flood risks: third-party manufacturers (Bangladesh, China) and Primark stores and warehouses	River flood risk (Malawi)		Coastal and river flood risks: key Group manufacturing sites
Heat stress Resilience of workers to mitigate or adapt to climate change	Physical risks	Heat stress impact on farmers and workers Heat impact on farmers (Bangladesh, India, Pakistan)			Heat stress impact on farmers and workers
Transition risks as the world reduces its reliance on carbon	Transition risks	Carbon pricing mechanisms	Carbon pricing mechanisms		
Carbon enablement: providing solutions to reduce carbon	Opportunities		Biofuels, renewable energy		Enzymes, animal feeds, ingredients, on-farm carbon measurement
Efficiency	Opportunities		Fuel substitution, energy efficiency, process optimisation and increased contribution from by-products		

* The focus of the cotton yield analysis was on the Primark Cotton Project locations in India and Pakistan.

Scenario analysis and strategic decisions

We performed detailed scenario analysis[1] in 2022 and a risk refresh review in 2024 which confirmed that that risks and scenarios remained appropriate. We have performed management reviews this year from which we determined that a further update to scenario analysis is not currently required.

The actions being taken by our businesses to tackle risks and embrace opportunities remain appropriate and no further update is required at this stage. Our businesses will continue to evolve their climate risk adaptation and mitigation activities. In light of the ongoing relevance of the results of our existing scenario analysis, the Group's climate-related risks and opportunities and the continued activities by our businesses in relation to climate risk adaptation and mitigation, we consider that our business and strategy remains resilient to climate-related risks and opportunities.

We recognise the extreme weather patterns in Europe and the UK this year. This will have an impact on our future crop cycles, however we believe the impact will not fall outside the range of our scenario analysis.

Financial planning

We have considered the influence of climate-related factors on our financial statements. These factors are embedded in areas such as going concern, impairment assessments, and decisions regarding capital expenditure and acquisitions. Please refer to page 162 for further details.

Each business continues to develop their own plans which detail strategic actions through which they are planning to achieve their carbon reduction ambition and, where applicable, targets. These focus on areas that will have the largest or most material impact and are also embedded in budgets and long-term plans. Disclosing the individual amounts of these plans would not provide meaningful information for investors as they are part of the overall business and capital plans.

1. Transition scenarios (IEA): <2°C: Net Zero Emissions by 2050 scenario (1.5°C) and Sustainable Development Scenario. 2-3°C: Stated Policies Scenario. Physical scenarios (IPCC): <2°C: RCP2.6, 2-3°C: RCP4.5, 4°C: RCP8.5.

Impact assessment

Risks and opportunities have been considered over the following time horizons:

	Years	Rationale
Short term	2030	Some of our material businesses, ABF Sugar, Primark and Twinings Ovaltine have set 2030 emission commitments which are supported by emission reduction plans
Medium term	2035	Transition impacts are uncertain due to lack of visibility of future policy and legislation and global market trends
Long term	2050	2050 is consistent with many national and industry targets. Primark is aligned with the UNFCCC Fashion Industry Charter goal of net zero emissions across all three scopes by 2050

When assessing our mitigating factors, we have considered several factors:

1. Greater reliance is placed on actions already underway and where we have seen evidence of the success and impacts of those actions, for example, the benefits seen by smallholder farmers in the Primark Cotton Project.
2. Physical risks from a changing climate that are already present, growing and being managed by our businesses. In many cases, risks may worsen but there is time to adapt to their impacts.

Impact assessment	Description
Low	Projected impacts from scenario analysis are positive or not significant
Medium	Impacts judged not to be significant once mitigating actions are considered
High	Impacts judged to be significant even after mitigating actions have been considered

Climate models still have several fixed assumptions and there is some uncertainty around the impacts of climate change and how governments will respond.

Some of the below metrics have been subject to limited assurance by Ernst & Young LLP. These are marked with △.

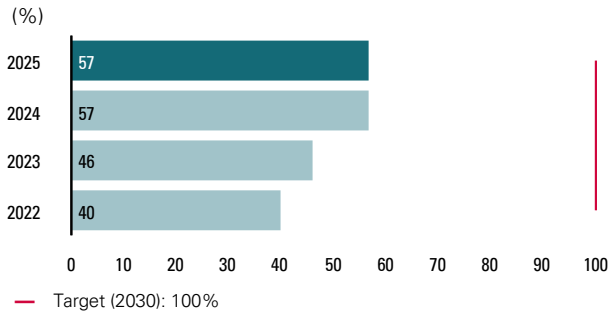
Results of the climate-related risks and opportunities assessment

All physical and transition risks and opportunities identified in the table on page 69 remain relevant, so we have set out below the risks we believe have the potential to be the most financially significant and/or of the most interest to stakeholders.

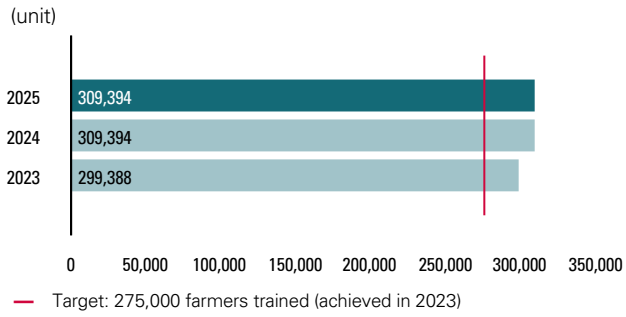
Climate impact on cotton yields

2025 update

Proportion of cotton clothing unit sales



Number of farmers trained in Primark Cotton Project



2022 assessment

Low 2030

Medium 2050

Scenarios assessed

2022	RCP2.6 and RCP8.5
2025	No update required

Assessment

2030

Under RCP 8.5 the effects of climate risks such as extreme temperatures, heavy rainfall and timing/duration of monsoon season range from virtually no impact to a reduction of approximately 4%.

2050

Outcomes project a negative impact on yield of 14% under RCP 8.5 and 4% RCP 2.6 before mitigating activities.

Mitigation

Regenerative practices Primark achieved its original target of training 275,000 farmers in the Primark Cotton Project in 2023. Primark has worked with CottonConnect to further develop the program under the REEL Regenerative Code. This aims to help farmers build resilience towards climate change through use of more regenerative agricultural practices. The majority of farmers have adopted at least two agricultural practices that are considered 'more regenerative' in the 2025 cotton cycle.

Increased use of recycled cotton Through its partnership with Recover, Primark has significantly increased the use of high-quality cotton fibre and cotton fibre blends in its India, Pakistan and Bangladesh supply chains.

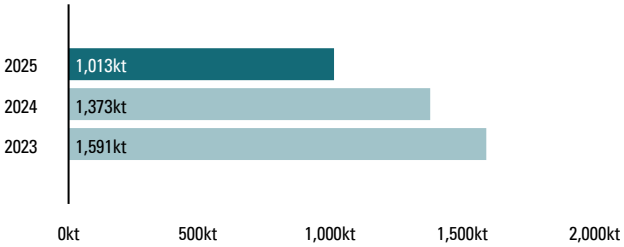
Diversified sourcing regions for cotton This year Primark began sourcing cotton from Africa, in partnership with Cotton made in Africa ('CmiA') to diversify their sourcing regions for cotton.

Impact of climate on sugar yields (Malawi, South Africa, Tanzania, Zambia)

2025 update

Sugar Production

(kilo tonnes)



Target: No defined target. We track the impact of the risk using this metric

2022 assessment		Assessment	Mitigation
Low	2030	**2030** Under the USDA's EPIC crop model, the outcomes indicated a range from no change in yields to a decline of 10%. **2050** The outcomes using the same model indicate a 5% gain to a 29% decline in yields.	Our sugar businesses in Africa already experience and manage significant climate variability and their responses to weather events are well developed. The businesses are focusing on improving irrigation efficiency and overall farming methods to mitigate the risk of drought, including investing in drip irrigation and river defences to reduce storm damage to their operations. Irrigation efficiency projects have been implemented in Eswatini, Malawi, Tanzania and Zambia. Last year we disclosed aggregate water usage as a metric, however we are moving to a business based approach. Each business is developing a drainage master plan. The South African Sugar businesses will be designing the plans throughout 2026. The drainage master plans will aim to increase effective water stewardship and drive effective mitigation actions that are relevant to each business.
Medium	2050		

Scenarios assessed

2022	RCP2.6 and RCP8.5
2025	No update required

Impact of climate on tea yields

2025 update

Since the impact of climate change on tea yields is assessed as low, no metrics are disclosed. We will continue to monitor this risk and will develop a metric at such a time where the risk could be material.

2022 assessment		Assessment	Mitigation
Low	2030	**2030 and 2050** The outcomes show a positive impact on tea yields. However, the crop model has limited representation of acute weather events such as extreme temperatures, heavy rainfall and droughts.	Twinings' sourcing capability coupled with its blending capability enables the business to manage localised yield issues. It has a well-grounded experience in understanding volatility in regional tea yields as a result of weather events and by extension the world's tea-growing regions. With this, Twinings can respond to extreme weather events by sourcing tea products from multiple locations to continue to produce tea to its set standards. Where this is not an option for single origin blends, the impact would not be material to the business.
Low	2050		

Scenarios assessed

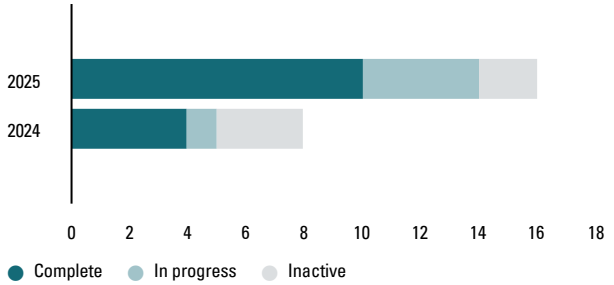
2022	RCP2.6 and RCP8.5
2025	No update required

Impact of flood risk on Primark's significant third-party manufacturers with significant flood risk and all container freight stations

2025 update

Number of Primark supplier factories subject to high flooding risk

Bangladesh



Target: No defined target. We use this metric to track the risk. Additionally, this assessment has been undertaken by Primark and relates only to its relevant supply chain.

2022 assessment

Low	2030
Medium	2050

Scenarios assessed

2022 Bangladesh	RCP2.6 and RCP8.5
2022 China	RCP8.5
2025	No update required

Assessment

Bangladesh 2030 and 2050

Bangladesh is exposed to both coastal and river flooding. The flood risk outcomes through to 2030 are minimal, but by 2050 there is an expected increase.

China 2030 and 2050

Coastal flooding is projected at 1% in 2030 and less than 2% in 2050. River flooding is projected at less than 5% for 2030 and 2050. Primark has a large geographical spread of supplier factories and container freight stations ('CFS') which would require a large number of rivers and coastlines to flood simultaneously for there to be a material impact.

Mitigation

Primark's sourcing strategy continues to be focused on geographical diversification. This creates a more balanced global footprint and develops risk mitigation strategies to increase flexibility and agility when unexpected events occur.

The majority of Primark's suppliers and CFS in Bangladesh continue to be located in areas of Dhaka which are less susceptible to flooding.

Primark continues to ensure a geographical spread of supplier factories across China.

An extension to the Primark Structural Integrity Programme was implemented in 2023, in specific regions, to assess sites at high risk of flooding and support the implementation of mitigating actions. Flood Risk Assessment Inspection reports and corrective action plans ('CAP') continue to be issued by Primark to manufacturers and CFS in the pilot, that are deemed to be high risk, along with guidance notes. Remediation meetings are then held with the factories to address items noted in the CAP.

Structural Integrity Programme flood pilot update:

- Bangladesh: Please refer to the chart above.
- China: 27 factories and CFS sites were subject to a flood risk assessment in 2024. CAPs were issued to these sites in 2025. Remediation work has started in 2025 and an update will be provided in 2026.
- Pakistan: Primark has started a pilot where one site is being covered by a flood risk assessment.

Impact of carbon pricing mechanisms on ABF Sugar[1]

2025 update

Please refer to the ABF Sugar transition plan

2022 assessment	Assessment	Mitigation
Medium 2030 Scenarios assessed 2022: 2022 International Energy Agency's Net Zero Emissions by 2025 scenario, Sustainable Development Scenario and Stated Policies Scenario Assessment 2025: No update required	**2030** Incremental impact ranges from £0m to £48m in 2030. ABF Sugar has developed a plan to reduce Scope 1 and 2 emissions to achieve their SBTi target, achieved through a series of fuel substitution and energy efficiency programmes that are generally expected to have a return on investment above 15%. Beyond 2030, while some technologies exist, they are not yet commercially viable. A lack of visibility of future policy and legislation beyond 2030 also limits the ability to make further assessment.	Please refer to the ABF Sugar transition plan on page 74 to 76. The plan focuses on fuel switching from coal, solar electricity and tactical electrification and new sugar process technology. The plan does not assume the purchase of carbon offsets.

Impact of carbon pricing mechanisms on Primark

2025 update

Please refer to the Primark transition plan

2022 assessment	Assessment	Mitigation
Medium 2030 Scenarios assessed 2022: 2022 International Energy Agency's Net Zero Emissions by 2025 scenario, Sustainable Development Scenario and Stated Policies Scenario Assessment 2025: No update required	Incremental impact ranges from £55m to £155m in 2030, driven by hypothetical carbon taxes on Scope 3 upstream emissions. Scope 1 and 2 make up less than 2% of Primark's total emissions. Primark's decarbonisation programme is managed as an integral part of the Primark Cares strategy with a road map to reduce absolute emissions by 50% by 2030 and mitigate potential exposure to increased carbon taxation.	Please refer to the Primark transition plan on pages 76 to 78. The plan focuses on Primark's top five sourcing markets and supporting suppliers in implementing energy efficient measures and making a switch to renewable sources. The plan does not assume the purchase of offsets.

1. Impact of carbon pricing mechanisms have been assessed to 2030. Modelling beyond 2030 is subjective and we recognise that required innovation solutions do not yet exist.

Transition plans

ABF Sugar

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

Governance

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

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

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

Risk management

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

Strategy, metrics and targets

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

1. Immediate term: Focusing on reducing operational GHG emissions, investing in energy efficiency with the aim of reducing energy consumption and eliminating coal.
2. Short term (to 2030): Targeting key sites and pairing them with key technological resources.
3. Long term (to 2050): Focusing on employing low emission technologies, managing climate-related risks across the value chain, and partnering to innovate at factories across the business.

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

ABF Sugar GHG improvement roadmap

	Impact from today	Moving towards 2030	Beyond 2030
GHG Improvement Roadmap – Scope 1 and 2	**Plan and execute** • Fuel switch from coal • Efficiency programmes • Co-generation in Africa • Feed drying	**Develop projects / commercial relationships** • Solar electricity • Tactical electrification • EU Biogas / Biomass	**Monitor the horizon** • Hydrogen / CCUS / negative carbon (Other) • General electrification • New sugar process technology
Yield	• Farming system characterised by regen practices and outcome metrics • Irrigation and drainage modernisation • Using field data to drive optimisation	• Precision agriculture • Variety optimization and breeding • Green cane harvesting	• Adaptation • Pest and disease • Technologies • Irrigation innovations

Figure ABF Sugar roadmap 1.

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

Assumptions and challenges

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

Progress to target

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

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

ABF Sugar has a continued focus on Scope 1 and 2 as this is the most material risk to the business and is an area of significant spend. In 2025 ABF Sugar spent approximately £285m on 447 approved projects. To date 20 of these projects have contributed a saving of 83.5 $ktCO_2e$. For its decarbonisation plan, ABF Sugar is planning to spend 66.5% of its planned capital expenditure to support its climate change strategy and ESG initiatives.

Scope 1 and 2 reduction by 2030

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

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

Projects supporting carbon reduction

Entity	British Sugar – Bury
Project	Decarbonisation steam reduction (Phase 1) – Efficiency programme
Description	This project is in the process of replacing four existing Roberts type evaporators with three new falling-film type evaporators. This is realising a significant reduction in LP liquid propene gas burn for sugar manufacturing (approx. 25%) as well as increasing engineering reliability of the station. The second main element of the project is the upgrade to the Raw Juice Heating Station. This project has replaced the station as a whole, eliminating the planned essential replacement plan spend, and will allow the factory to realise the full gas burn reduction of the three new evaporators as well as improving engineering and process reliability of the site.
Year of approval	2024
Expected tCO_2e saving (annual)	19,500
Target project close-out date	1 December 2026

Entity	British Sugar – Cantley – Efficiency programme
Project	Provision of modular steam and power – Efficiency programme
Description	This project has re-established a steam generation capacity of up to 60 t/hr at the Cantley factory to meet a range of business requirements within upcoming medium combustion plant directive emission limits. The low-pressure 'modular technology' utilised is in the process of delivering process/maintenance simplification, improving process safety, as well as enabling operational effectiveness through 'Industry 4.0' methodology.
Year of approval	2024
Expected tCO_2e saving (annual)	16,000
Project close-out date	1 September 2025

Projects supporting carbon reduction continued

Entity	Azucarera – Miranda
Project	Energetic improvements APRO (Phase 1) – Efficiency programme
Description	The objective of the project is to modify the heating of raw juice, improving the use of pan vapours and reducing the consumption of steam in the heating of the purification stage.
Year of approval	2024
Expected tCO_2e saving (annual)	1,000
Target project close-out date	1 December 2025

Entity	Illovo Sugar – Malawi, Nchalo
Project	Irrigation and Drainage Upgrade – Shire Valley Transformation Project – Irrigation and drainage modernisation
Description	The project entails reversing the existing on-farm pumping infrastructure of Nchalo Estate (from east to west) to a gravity pressurised pipeline distributed system from the Shire Valley Irrigation Project ('SVIP') high-level canal. The SVIP potentially represents a significant opportunity to reduce production cost for Nchalo by reversing the existing irrigation infrastructure from an electricity intensive lift pumping system to a gravity water feed system with energy savings of up to 91% of the current energy consumption and approximately 17.5% saving in irrigation bulk water consumption due to the change from an open channel canal to an embedded pipeline.
Year of approval	2025
Expected tCO_2e saving (annual)	23,140
Target project close-out date	Delivered in phases through 2028 and 2029

Entity	Illovo Sugar – Nakambala
Project	Farming system – yield
Description	The Nakambala sugar cane estate in Zambia has implemented a new farming system to improve resource stewardship, yields and agricultural profitability. Following early analysis of the data gathered, results show that the system has led to significant improvements in yield, with an increase of 20 tonnes per hectare compared to the previous growing cycle
Year of approval	2025
Expected tCO_2e saving (annual)	2,000
Target project close-out date	System implementation delivered in phases over the near term.

Emission reduction plan

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

Short term

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

Long term

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

Primark

Governance

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

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

Risk management

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

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

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

Strategy, metrics and targets

In 2021, Primark launched its Primark Cares strategy, building on the work of its Ethical Trade and Environmental Sustainability ('ETES') programme. Under the strategy, Primark has set out a number of public commitments up to 2030 which are aimed at supporting our transition to a lower-carbon economy[1]. As such, in the medium-term Primark's Plan aligns to the Primark Cares strategy. Currently Primark does not include carbon offsets in the Plan. Primark plans to review its ESG strategy in 2026 to make sure it stays focused on the areas where it can make the most meaningful difference.

GHG emissions baseline and targets

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

Primark's baseline GHG emissions (2019) (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%
Comprised of:	
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

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

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

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

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

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

Distribution mode optimisation and fuel switching: emissions related to transporting goods from suppliers to Primark depots, and from depots to Primark stores, represent the third key contributor to Primark's baseline emissions in the supply chain. Primark already ships most of its products by sea freight, which has a lower environmental impact than air transport. Primark has launched a partnership with its shipping partner Maersk to use more sustainable fuel alternatives, such as Maersk's Eco Delivery Ocean biofuel, instead of fossil fuel, when shipping Primark products. The biofuel must be certified by a third party to verify that the stated GHG emissions savings are accurate. Once certified, it is blended with conventional fuel and used on Maersk shipping vessels.

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

Primark's own energy procurement and consumption: emissions from running Primark stores, offices and distribution centres, as well as the corporate fleet, represent a small fraction of Primark's emissions but is also where Primark has the most direct influence and can impact change. Initiatives in this area will continue to focus on energy efficiency improvements, like LED fitting of Primark stores, and scaling low-carbon energy[1] 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.

1. Low-carbon refers to lower carbon dioxide (CO_2) emissions than conventional energy sources. There are four main types of low-carbon energy: wind, solar, hydro or nuclear power.
2. RE100 is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to using 100% renewable electricity.

Capital investment

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

Progress to date

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

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

	KPI	Base Year*	Previous Year*	Current Year*	Current Year vs Baseline	Methodology
Decarbonisation levers		5.2	5.2	5.0	(4)%	We have developed detailed reporting guidance in line with the GHG Protocol, covering estimations, calculation methodologies and assumptions. Annual emission calculations are in scope of EY limited assurance.
Supply chain energy procurement and consumption	Scope 3 emissions from purchased goods and services – Tier 1, 2, 3	3.6	3.8	3.4	(6.6)%	
Raw materials	Scope 3 emissions from purchased goods and services – Tier 4	0.9	1.0	1.2	37.4%	
Distribution mode optimisation and fuel switching	Scope 3 emissions from upstream transportation	0.5	0.3	0.3	(38.8)%	
Primark's energy procurement and consumption	Scope 1 and 2 emissions (market-based)**	0.2	0.1	0.0	(70.9)%	
Other Scope 3 categories		1.2	1.1	1.1	(13)%	
Total value chain emissions (Scope 1, 2 and 3 market-based)**		**6.4**	**6.3**	**6.0**	**(5.7)%**	

* Expressed in mln tCO_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.

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.

Twinings Ovaltine

Governance

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

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

Risk Management

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

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

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

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

Strategy, metrics and targets

Addressing climate change is a key pillar of 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 business' commitment to achieve net zero across its value chain by 2050. It has also validated the near-term commitment to an absolute reduction in their Scope 1 and 2 GHG emissions of 42% by 2030.

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

Emissions reduction plan

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

Impact from today

Completed or in implementation

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

Moving towards 2030

Planning and scoping

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

Beyond 2030

New technology

- Renewable energy sourcing
- Energy reduction: manufacturing technologies

Progress to target

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

- Renewable energy sourcing:
  - Photovoltaic panel installation in the largest three of six main sites
  - Renewable energy sourcing in Switzerland, Poland, Australia and the UK
- Energy reduction:
  - Energy management system in China
  - Building management system in the UK
  - Tri-generation system in Poland
  - Air-compressor optimisation in Poland and Australia
  - Boiler upgrades in China
- Energy shift:
  - Manufacturing improvements in Thailand to reduce steam usage, shifting to supply of lower CO_2 energy supply

Projects supporting carbon reduction towards 2030 target

Project	Renewable Energy: photovoltaic panels in the manufacturing facilities (Phase 1, 2, 3)	Energy Reduction: Tri-generation	Energy Shift: System technology change	Energy Reduction: Energy management systems	Renewable Energy: Purchased energy from renewably generated sources	Energy Reduction: LED light bulbs
GHG improvement	6%	5%	8%	2%	8%	< 1%
Sites	UK, Poland, Thailand, Switzerland and Australia	Poland	Thailand	China and the UK	Switzerland, Poland and Australia	Poland, the UK Thailand and Switzerland
Start year	2023	2022	2024	2023	2024	2024
Description	Installation of photovoltaic system for solar energy generation onto site roofing across all major production sites	Installation of turbines producing electricity from natural gas, which is less carbon intensive than fossil fuels	Technology and equipment change in key production stages to remove steam usage and improve use of condensers, shifting from LPG to lower CO_2 energy source	Technology and equipment measuring real time data to support improved building energy management and performance (data on energy intake and CO_2 emission)	Shifting energy provider to renewably generated sources. Switzerland shifted to hydropower in 2024, expected 3% savings. Poland wind power and Australia shifted late 2025	Essential replacement of light bulbs in the manufacturing facilities combined with installation of movement sensors to reduce unnecessary energy usage
Total tCO_2e savings (annual)	2,808	2,430	3,973	1,022	3,871	No visible CO_2 benefits
Underlying uncertainties, challenges and assumptions	Risk – Weather reliance on solar energy source. Expected savings based on analysis at time of implementation, subject to production volume and weather fluctuations each year. These changes will be assessed with actual consumption tracking each year	Risk in the increased exposure to natural gas prices. Opportunities are in alternative fuel use for higher efficiency	Expected savings based on production process and volumes at time of implementation	Real-time monitoring enables early identification of issues, resulting in increased efficiencies (e.g. identifying equipment failures through the system to prevent water wastage and gas leakage). Ongoing monitoring by a qualified production and energy management team	Cost of renewable energy fluctuates depending on renewable generation variability and seasonal demand	
Progress to date (narrative)	Completed phases 1 and 2. Phase 3 in progress	Completed	Completed	Completed	Completed in Switzerland, Poland and Australia. The UK is in progress	Completed in Poland, the UK and Thailand; in delivery in Switzerland
Project close out date	September 2026	October 2023	May 2025	February 2024	December 2025	December 2025