

AB World Foods Environment Policy

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Effective Date:	- Feb 2025
Review Date:	- Feb 2026
Scope:	- AB World Foods (All Hubs)
Associated Documents / Policies:	- Responsible Sourcing Policy
Owner:	- Supply Chain Director

OUR COMMITMENT

AB World Foods' Environment Policy has its foundations in the Associated British Foods plc (**ABF**) [Supplier Code of Conduct](#) and the [ABF Environment Policy](#).

The purpose of this Policy is to set out our commitments and goals in respect of greenhouse gas emissions reduction, energy and water management, food waste reduction and working towards a circular economy for packaging. We recognise that we need to play our role in order to adapt and mitigate the impacts of climate change, but in order to do this successfully, cooperation with others is essential to help secure a sustainable future.

As a minimum, we will comply with current applicable legislation in the countries in which we operate. We will implement management systems that will enable us to consider and document environmental risks within our own operations and wider supply chains. We will implement actions to address material risk, working in partnership with voluntary organisations and other stakeholders where it is necessary.

This Policy should be read in conjunction with our Responsible Sourcing Policy.

Our approach to good environmental stewardship is guided by the following:

- ABF Supplier Code of Conduct
- ABF Environment Policy
- AB World Foods validated near-term SBTi target aligned to the 1.5°C reduction pathway
- Courtauld Commitment 2030, of which AB World Foods is a signatory
- The UK Plastics Pact, of which AB World Foods is a signatory
- The UK's legislated goal of reaching Net Zero emissions by 2050
- Industry best practice recommendations including guidelines published by The Food and Drink Federation, The Institution of Grocery Distribution, WRAP
- OECD Guidelines for Multinational Enterprises
- The Sustainable Spice Initiative (SSI) and our commitment to their 2030 Sustainable Sourcing targets

PRIORITY FOCUS AREAS AND TARGETS

This Policy requires our business to act in pursuit of the specific targets outlined below as well as the UK Government commitment to achieve Net Zero by 2050. Specifically, we highlight the following areas of priority intervention in that context:

Greenhouse gas emissions (GHG). As a long-term signatory to the food sector-wide Courtauld Commitment, we support the targets set under Courtauld 2030 to deliver a 50% absolute reduction

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in GHG emissions associated with food and drink consumed in the UK by 2030 against a 2015 baseline, aligned to a 1.5C pathway.

However, recognising the urgency of climate action to limit global temperature rise to 1.5°C, we wanted our carbon reduction target to be robust and science based. Therefore, we sought to validate our commitment and targets with the Science Based Target initiative (SBTi). The SBTi is a globally recognised corporate climate action organisation that enables companies worldwide to play their part in combatting the climate crisis. We are pleased to announce that the SBTi approved AB World Foods' near-term science-based emissions reduction targets on 16 September 2024. The specific targets are detailed below:

Energy & Industry Target: AB World Foods commits to reduce absolute scope 1 and 2 GHG emissions 46.2% by FY2031 from a FY2021 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 27.5% within the same timeframe.

Forest, Land & Agriculture (FLAG) Target: AB World Foods commits to reduce absolute scope 3 FLAG GHG emissions 33.3% by FY2031 from a FY2021 base year*. AB World Foods also commits to no deforestation across its primary deforestation linked commodities with a target date of December 31, 2025. *Target includes FLAG emissions and removals

To ensure maximum transparency, accountability, and corporate leadership, AB World Foods Ltd will publicly report the progress against any published targets on an annual basis, together with our company-wide GHG emissions inventory. To this end, we will capture, verify, and report data relating to greenhouse gas emissions from our own operations (Scope 1 and 2) and our broader supply chain (Scope 3).

Water. Along with other signatories to the Courtauld Commitment, we will play our role in collectively working towards the goal of 50% of fresh food being sourced from areas with sustainable water management by 2050 and reduce absolute water usage in our own operations.

Food waste. We support the "Target, Measure, Act" approach developed by two charities (Waste & Resources Action Programme (WRAP) and the Institute of Grocery Distribution), in order to pursue strategies to deliver a 50% per capita reduction in food waste by 2030 against a UK 2007 baseline to minimise food waste within our operations and wider supply chain in pursuit of United Nations Sustainable Development Goal 12.3.

Working towards creating a circular economy for packaging. As a *UK Plastics Pact* member we will work collaboratively with state and civil society actors with the objective of promoting packaging circularity in pursuit of the Pact's goals [[The UK Plastics Pact](#) | [WRAP](#)].

IMPLEMENTATION

With a complex and global supply chain AB World Foods recognises that we need to work in partnership with others, including our suppliers, the private sector, governments and civil society actors to implement our environmental commitments and achieve our goals. In that context, we will:

- Capture, verify and report environmental data related to the direct operation of our supply chain.
- Encourage suppliers to adopt our values and targets as addressed above: supporting them with learning materials and best practice guidance where appropriate to encourage innovation and engagement.
- Prioritise areas for focus within our supply chain operations and, where possible, facilitate improvement and best practice using our influence and commercial leverage to support advocacy and engagement programmes.

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- On a case-by-case basis, participate in sector wide industry groups and environmental initiatives.
- Seek to regularly engage with a cross section of stakeholders in pursuit of the implementation of this Policy including customers, suppliers, civil society organisations and government organisations and their representative bodies.

We will identify material environmental risks within our supply chain and ensure these are captured in our Responsible Sourcing Policy.

POLICY GOVERNANCE

This Policy must be formally approved by the Managing Director of AB World Foods.

Our Finance Director is accountable to the Board of Directors for ensuring business compliance to this policy.

An annual review of the implementation of this Policy shall be undertaken and presented to the Board, including:

- The results of an annual environmental review considering all aspects of AB World Foods products and services
- Any relevant learnings from our ongoing assessment and monitoring
- An assessment of environmental management data related to our own operations and to all active suppliers
- An assessment of any new information (such as information from third party organisations) pertaining to potential risks within the supply chain
- Recommendations on additional areas of focus

Andy Mayhew

Andy Mayhew
Managing Director
Date: 24.2.25

Adrian Kee

Adrian Kee
Finance Director
Date: 24.2.25