TRANSFORMING LIVES THROUGH THE SCIENCE OF FOOD

ANNUAL REPORT 2022

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Visit tateandlyle.com/purpose to read more about our purpose

PURPOSE-LED GROWTH

Our purpose is transforming lives through the science of food.

Today, the demand for more nutritious food and the desire to live healthier lifestyles are greater than ever. Through our deep scientific knowledge, passion for innovation and leading expertise in sweetening, mouthfeel and fortification, we create solutions that make food and drink healthier and tastier.

Working with our customers, we reduce calories, sugar and fat in their products, and add fibre, to make people's favourite foods even better.

Every day, across the world, millions of people enjoy products containing our solutions.

A SNAPSHOT OF TATE & LYLE

Open any fridge or kitchen cupboard, in any household, in practically any part of the world, and you're likely to find products containing our ingredients and solutions.

OUR BUSINESS

FOOD & BEVERAGE SOLUTIONS
Provides customers with innovative ingredients and solutions that deliver sweetening, mouthfeel and fortification to a wide range of foods and beverages. This business includes sucralose, although we report its results separately.

Read more on → **PAGE 32**

INNOVATION AND COMMERCIAL DEVELOPMENT
Develops new products through our innovation pipeline and combines leading-edge science with market insight, local knowledge and a deep understanding of our customers to create solutions which help reduce sugar, calories and fat, and add fibre, to food and drink.

Read more on → **PAGE 37**

GLOBAL OPERATIONS
Manages our global supply chain. As well as ensuring the safe and efficient operation of our production facilities, it procures raw materials and makes sure our ingredients and solutions reach our customers on time and to the right specification.

Read more on → **PAGE 36**

PEOPLE
3,167
EMPLOYEES GLOBALLY[1]

SITES
57
PLANTS, OFFICES AND CUSTOMER INNOVATION AND COLLABORATION CENTRES ACROSS THE WORLD[1]

LABS
16
GLOBAL NETWORK OF CUSTOMER INNOVATION AND COLLABORATION CENTRES[2]

COUNTRIES
122
CUSTOMERS SERVED IN 122 COUNTRIES[1]

CORE CATEGORIES
4
OUR INGREDIENTS AND SOLUTIONS ARE USED IN A RANGE OF CATEGORIES, BUT MAINLY BEVERAGES, DAIRY, BAKERY, AND SOUPS, SAUCES AND DRESSINGS

1 At 1 April 2022, after business separation.
2 At 8 June 2022.

OUR PERFORMANCE

FINANCIAL PERFORMANCE

year ended 31 March 2022

GROUP STATUTORY RESULTS

REVENUE – CONTINUING OPERATIONS[1]

£1,375m

2022	£1,375m
2021	£1,211m

PROFIT BEFORE TAX – CONTINUING OPERATIONS

£42m

2022	£42m
2021	£90m

DILUTED EARNINGS PER SHARE – TOTAL OPERATIONS

50.2p

2022	50.2p
2021	53.8p

NET DEBT[2]

£626m

2022	£626m
2021	£417m

ALTERNATIVE PERFORMANCE MEASURES[3]

ADJUSTED PROFIT BEFORE TAX – CONTINUING OPERATIONS

£145m

2022	£145m
2021	£134m

ADJUSTED DILUTED EARNINGS PER SHARE – CONTINUING OPERATIONS

24.9p

2022	24.9p
2021	25.2p

RETURN ON CAPITAL EMPLOYED – TOTAL OPERATIONS

14.9%

2022	14.9%
2021[4]	17.3%

ADJUSTED FREE CASH FLOW – TOTAL OPERATIONS

£16m

2022	£16m
2021	£250m

1 Continuing operations comprise: Food & Beverage Solutions (into which the European Primary Products business and some stranded costs have been combined); Sucralose and Central costs.
2 Net debt is not itself defined by IFRS. It comprises line items that are IFRS-defined terms. See Note 28.
3 Adjusted results and a number of other terms and performance measures used in this Annual Report are not directly defined within accounting standards. For clarity, we have provided descriptions of the various metrics and their reconciliations to the most directly comparable measures reported in accordance with IFRS, and the calculations, where relevant, of any ratios in Notes 1 and 4.
4 Restated for changes in accounting policy. See Notes 1 and 38.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

ENVIRONMENTAL

12%

REDUCTION IN SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS[1]

83%

WASTE BENEFICIALLY USED[1]

1.4m

ACRES OF SUSTAINABLE CORN SUPPORTED

SOCIAL

42%

WOMEN IN LEADERSHIP AND MANAGEMENT ROLES[2]

2.9m

MEALS DONATED THROUGH FOOD BANKS AND OTHER CHARITABLE PARTNERS[3]

4.0m

TONNES OF SUGAR REMOVED FROM DIETS THROUGH LOW-/NO CALORIE SWEETENERS AND FIBRES[3]

GOVERNANCE

45%

OF BOARD OF DIRECTORS ARE WOMEN[4]

56%

OF EXECUTIVE COMMITTEE ARE WOMEN[4]

4

ESG METRICS PART OF REMUNERATION TARGETS[5]

1 From baseline of year ended 31 December 2019; Total operations.
2 At 1 April 2022, after business separation.
3 From baseline of 31 March 2020.
4 At 8 June 2022.
5 From 2022 financial year; long-term share incentive plan.


YUM YU

OUR GROWTH OPPORTUNITY: CONSUMER TRENDS

THE WAY THE WORLD EATS IS CHANGING. PEOPLE WANT LESS SUGAR, LESS FAT AND MORE FIBRE IN THEIR FOOD, AS LONG AS IT STILL TASTES GREAT. THEY ALSO WANT MORE PLANT-BASED AND SUSTAINABLE CHOICES. THE POTENTIAL GROWTH OPPORTUNITY IS TREMENDOUS — AND IT'S WHAT WE DO BEST.

95%
CONSUMERS REDUCED THEIR INTAKE OF SUGAR IN FOOD IN PAST YEAR[1]

53%
PEOPLE PLAN TO EAT OR DRINK MORE FIBRE[2]

84%
CONSUMERS READ INGREDIENT LABELS ALWAYS/SOMETIMES[2]

49%
PEOPLE ARE REDUCING OR ELIMINATING MEAT TO BE MORE SUSTAINABLE[3]

1 Tate & Lyle proprietary research, 2020 Global Consumer Ingredient Perception Research (14 countries).
2 Tate & Lyle proprietary research, 2020/21 Global Consumer Ingredient Perception Research (17 countries).
3 FMCG Gurus, Top 10 Trends for 2022, Global Report.

THE BRAINS BEHIND THE FOOD YOU LOVE

OUR GROWTH OPPORTUNITY: SCIENCE-LED SOLUTIONS

OUR SCIENTISTS AND NUTRITIONISTS ARE PASSIONATE ABOUT CREATING GREAT-TASTING, HEALTHIER FOOD. EXPERTS IN THEIR FIELDS, THEY ALSO UNDERSTAND THAT FOOD IS TO BE CELEBRATED AND ENJOYED.

We lead the field in sweetening, mouthfeel and fortification – three essential attributes consumers look for in their favourite products.

SWEETENING

We have over 160 years of experience and knowledge of the science of sweetness. We understand the importance of taste: our scientists are experts at taking sugar and calories out, while keeping the all-important sweetness and taste that define our customers' brands.

MOUTHFEEL

How food feels in the mouth is just as important as how it tastes. From low-fat or low-calorie to clean label or gluten-free, our range of texturants adds body, replaces fat and extends the shelf-life of our customers' products.

FORTIFICATION

Making tasty food healthier is as much about putting things in as it is about taking things out. We're experts at adding fibre, which not only supports digestive health, but can also be used to reduce sugar and calories, lower glycaemic response and help with managing cholesterol.

OUR GROWTH OPPORTUNITY: PARTNERSHIPS WITH CUSTOMERS

SERVING OUR CUSTOMERS IS AT THE HEART OF EVERYTHING WE DO. THAT'S WHY WE HAVE A NETWORK OF CENTRES AROUND THE WORLD TO HELP OUR CUSTOMERS FORMULATE THEIR PRODUCTS FOR LOCAL TASTES IN LOCAL MARKETS.

16

CUSTOMER INNOVATION AND COLLABORATION CENTRES ACROSS THE WORLD[1]

10

NEW PRODUCTS LAUNCHED LAST YEAR FROM OUR INNOVATION PIPELINE[2]

1 At 8 June 2022.
2 Year ended 31 March 2022.

WINNING TOGETHER

STRATEGIC REPORT

STRATEGIC REPORT

1

OUR BUSINESS TODAY

2

REVIEW OF THE YEAR

CHAIR'S STATEMENT

A year of major change and achievement:

Another demanding year brought out the best in our people, who succeeded in delivering a major transformation of the business while also delivering a strong financial performance.

It has been another challenging year with the global pandemic, disruption to global supply chains and rapidly increasing inflation all presenting hurdles to progress. We made big demands of our people again this year and it is to their huge credit that they not only delivered strong financial results but also the transformational event of separating the company into two standalone businesses, Tate & Lyle and Primient. I know I speak for the whole Board in expressing my appreciation for our people's achievements and the hard work it took to deliver them. I'd also like to thank Nick and his team for the clarity of leadership they provided, guided as ever by our purpose, which continued to be the glue that bound people together when we weren't able to meet in person. Keeping people informed, connected and focused on what's important is essential in challenging times, and Tate & Lyle's communications to, and interactions with, colleagues during the year were second to none. I have no doubt that the humanity and empathy that emanated from leadership have been instrumental in galvanising the whole Company to deliver a landmark year for Tate & Lyle.

CREATING TWO STRONGER BUSINESSES

A long time in the planning and preparation, the separation of the Group into the two standalone businesses of Tate & Lyle and Primient – announced in July 2021 and completed on 1 April 2022 – was a complex transaction that's been well executed. It is ultimately about giving two companies with quite different characteristics the right ownership, capital structure and corporate objectives for their respective businesses. Primient is better controlled by a shareholder whose principal interest is to invest in a stable, cash-generative business; while Tate & Lyle is better served by investors looking for investment in growth. We are grateful for the support of our shareholders and are excited by the prospects for both companies.

A PROGRESSIVE DIVIDEND FROM OUR NEW BASE

As a result of the transaction, which was approved by shareholders at a general meeting on 30 September 2021, we returned approximately £500 million to ordinary shareholders on 16 May 2022 by way of a special dividend with an associated share consolidation. More details can be found on page 41. Looking ahead, as previously announced and consistent with the sale of a controlling stake in Primient, the Board has decided to reduce the dividend to reflect the smaller earnings base of the new Tate & Lyle. The pay-out ratio, excluding any Primient earnings, has been maintained and the dividend per share reduced by around 50% before the share consolidation. The Board intends to operate a progressive dividend policy from the new base. Reflecting this and the impact of the share consolidation, the Board is recommending a final dividend for the year ended 31 March 2022 of 12.8p (2021 – 22.0p) per share, bringing the full year dividend to 21.8p per share (2021 – 30.8p). This will be paid on 5 August 2022 to shareholders on the Register of Members on 1 July 2022.

DELIVERING GROWTH

Turning to this year's results, what really stands out is the continued strong growth of our Food & Beverage Solutions business, which is the heart of the new Tate & Lyle. This reflects a sustained period of investment in capabilities and people, and in building a management team focused on growth. As well as delivering strong organic growth, I'm pleased with the steps we are taking to grow by acquisition. The integrations of the stevia and tapioca businesses in China and Thailand respectively, acquired in the 2021 financial year, are progressing well, and in March 2022 we announced the acquisition of Quantum Hi-Tech (Guangdong) Biological Co., Ltd, a leading prebiotic dietary fibre business in China. These acquisitions are important as they expand our business and presence in the higher growth markets of Asia, and add new products to our portfolio to support our customer solutions offering.

LESSONS LEARNT FROM THE PANDEMIC

The pandemic has continued to pose immense challenges for our people and the communities where we operate. But it has also taught us some lessons that we are keen to retain in the years to come. As a Board, we are planning to operate more nimbly and flexibly. Like the rest of the company, we've learnt to use technology and virtual meetings to do routine tasks efficiently, with correspondingly less stress on people and their families, and less impact on the planet. We'll get together physically slightly less often, but when we do, we will be more thoughtful about it because, through the pandemic, we all learnt from its absence the value of being together. Human interaction can be suspended for a while, but it is ultimately irreplaceable. Keeping this front of mind will be central to Tate & Lyle in the future, as will the resilience and agility we all had to find in ourselves and with each other.

> The business is now fully focused on creating healthier and tastier food and drink, a growing trend across the world that is here to stay.
>
> **GERRY MURPHY** Chair

STRENGTHENING THE BOARD

Talking of the future, I am delighted to welcome Dawn Allen, our new Chief Financial Officer, to the Board from 16 May 2022. Dawn comes from the world of our customers. With over two decades of experience in the food industry and a proven track record of financial leadership at Mars Incorporated, she is an outstanding addition to our Board and executive team. Dawn replaces Vivid Sehgal, who stepped down in November, and I'd like to thank Vivid on behalf of the Board for his contribution to the business. We also welcomed Dr Isabelle Esser to the Board as a non-executive director on 1 June 2022. Isabelle has over 30 years' experience in global consumer food and ingredient companies and is currently Chief Research, Innovation and Food Quality Safety Officer at Danone. Her scientific and technology expertise will be of great benefit to the Board as we look to become a more science-driven business.

A PURPOSEFUL BUSINESS

Our purpose continues to be a powerful motivator for our people and acts as our guide through these uncertain times. It has been inspiring to see how colleagues have lived our purpose over the past year, whether through projects that support people's mental and physical health, working in food banks to feed people in need, or initiatives that protect and improve the environment in the areas where we operate. It was no surprise that, when the conflict in Ukraine erupted, our people in Łódź, Poland and Boleráz, Slovakia, went straight into action to provide much-needed clothing, food, shelter and medicine for refugees arriving in their cities from Ukraine. Our global employee matching scheme to support Ukrainian refugees with financial donations has also been very well supported.

Making progress on equity, diversity and inclusion is core to our purpose and very important to our Board. As of the date of this report, 45% of our Board, 56% of our Executive Committee, and 42% of our top 500 managers in the business are women. We were also pleased to see our leadership team setting meaningful, stretching targets around equity, diversity and inclusion over the next ten years (see page 49). These will be just as important to the future success of Tate & Lyle as the investments we are making in assets, people and capabilities.

> Our purpose continues to be a powerful motivator for our people and acts as our guide through these uncertain times.

While the world is facing a number of short-term challenges, tackling the climate change crisis and protecting our natural resources for future generations continues to be the most significant long-term challenge. We have an important part to play as a business with an integral role in the food supply chain. That's why I am pleased to see the good progress we made against our environmental targets and commitments this year – and in particular, eliminating the use of coal in all our operations four years ahead of schedule. The Board is also pleased that the business is making a commitment to become carbon net zero by 2050, more details of which you can find on page 58.

To emphasise the importance of these ambitions, we have added targets for greenhouse gas emissions, beneficial use of waste, water use and gender equality to the metrics used for our long-term share incentive plan.

LOOKING AHEAD

The whole sustainability ecosystem is on the brink of change. The world needs to move from a mindset of doing things that are bad for the planet less harmfully, to doing different things that are intrinsically less harmful. This change is often positioned as a threat, but it could just as easily be an opportunity, and we must embrace change quickly and spend time thinking about creative and innovative ways of feeding people in a more sustainable way. I have no doubt that the new Tate & Lyle is well positioned to do this. The business is now fully focused on creating healthier and tastier food and drink, a growing trend across the world that is here to stay.

At the start of a year that we knew would be demanding, I was confident that the quality and resilience of our business would shine through – and thanks to our excellent people, that's exactly what we saw. This experience gives me even greater confidence for what lies ahead. The opportunities for our business and the world are challenging as well as exciting, but I know that we have the right people, the right products and the right capabilities to thrive, whatever the future brings.

GERRY MURPHY
Chair

CHIEF EXECUTIVE'S REVIEW

HIGHLIGHTS[1]

REVENUE GROWTH – CONTINUING OPERATIONS

+18%

GROWTH IN ADJUSTED PROFIT BEFORE TAX – CONTINUING OPERATIONS

+14%

GROWTH IN ADJUSTED DILUTED EARNINGS PER SHARE – CONTINUING OPERATIONS

+4%

- Tate & Lyle (continuing operations) delivered double-digit revenue and profit growth
- Strong innovation performance
- Major strategic divestment repositions Tate & Lyle as a growth-focused business
- Agreement to acquire leading dietary fibre business in China
- 2030 sustainability metrics on track
- New equity, diversity and inclusion metrics established
- Strong balance sheet supporting investment for growth and c.£500 million special dividend paid in May 2022

1 Percentage growth in constant currency.
2 Excludes Sucralose and the retained Primary Products business in Europe.

Unlocking our growth potential: This has been a landmark year as we repositioned Tate & Lyle as a growth-focused speciality food and beverage solutions business.

I am very proud of how our colleagues have risen to the many challenges of the past year, delivering a strong financial performance while also completing a major strategic transformation to create two strong standalone companies. To do this during a global pandemic while living our purpose, serving our customers and accelerating innovation is truly remarkable and a testament to their resilience, agility and ambition. In many ways the last 12 months have been even tougher than the first year of the pandemic, as everyone started the year exhausted from that experience. Despite that, we have thrived as a business, emerging stronger and positioning both Tate & Lyle and Primient for exciting futures with capacity for investment and opportunities for growth.

REPOSITIONING TATE & LYLE AS A GROWTH-FOCUSED BUSINESS

In July 2021, we announced we had entered into an agreement to sell a controlling stake in our Primary Products business in North America and Latin America, and our interests in the Almex and DuPont Tate & Lyle Bio-Products joint ventures (together called Primient), to KPS Capital Partners, LP (KPS). The details of the transaction, which was completed on 1 April 2022, and the shape of the two companies, are set out on pages 16 and 17.

This transaction represents an ambitious and bold step forward for Tate & Lyle. By enabling Primient to chart its own future, Tate & Lyle has been transformed into a purpose-led, growth-focused food and beverage solutions business serving faster-growing speciality markets. Our unique product portfolio and leading technical capabilities in sweetening, mouthfeel and fortification position us very well to benefit from the growing demand for food and drink that is lower in sugar, calories and fat, and with added fibre.

To support this growth, we are increasing our investment in R&D, innovation and solutions development. We will increase spend on R&D to more than 4% of Food & Beverage Solutions' revenue each year, and we expect to grow revenue from New Products to around 20% of Food & Beverage Solutions' revenue by the end of the 2027 financial year.

With our new focus, positive top-line momentum, and increased investment in innovation, we are confident we have a strong platform from which to accelerate growth. Our ambition for the five years ending 31 March 2027 is to:

- Deliver organic revenue growth of mid-single digit percent each year
- Expand operating margin by at least 50 to 100 basis points each year on average
- Improve organic return on capital employed by 50 basis points each year on average.

We will also continue to accelerate growth through value-enhancing acquisitions.

The performance of Food & Beverage Solutions over the four years ended 31 March 2022, a compound annual revenue growth of 8%[2], supports our ambition and shows the potential of Tate & Lyle as a growth-focused business.

The transaction also gives Primient the opportunity as an independent company to unlock its growth potential. We have been impressed with KPS and are excited to partner with them in the next phase of Primient's development. KPS has proven

> Thanks to the superb efforts of our people and resilience of our business, we have not only survived the pandemic but thrived, emerging as a stronger business ready to seize the opportunities ahead.

NICK HAMPTON Chief Executive

expertise in managing and creating value from large manufacturing businesses, and we look forward to working with them under the long-term agreements we have established which provide supply security and economic protection to both businesses. We will also benefit from ongoing cash dividends from Primient and potential future value creation from the 49.9% equity stake we have retained.

Two standalone companies

Creating value for all our stakeholders was at the heart of our decision to separate into two companies. Over the last five years, our two divisions have grown into two strong businesses with their own strategies and their own – but different – potential for purpose-led growth. We would not have been able to do this transaction five years ago, but both businesses are now well placed to stand on their own and determine their own futures.

Critical to the success of the transaction was our ability to take people with us – not just our own people, but our other stakeholders too, especially our customers and shareholders. We spent a lot of time preparing our customers for the change, particularly those who will transact with both Tate & Lyle and Primient in the future. Clear communication with all stakeholders has been a core part of the project from the start and we are very grateful for the support we have received. Our shareholders were very supportive, with 99.9% of those who voted approving the transaction at the general meeting in September 2021.

The separation into Tate & Lyle and Primient was a complex and challenging project to execute. I'm hugely grateful to everyone at Tate & Lyle and Primient who put in the extra hours needed to achieve our goal of separating the businesses successfully, on schedule, while continuing to do their day jobs. It is to everyone's great credit that, despite all the extra work, our people never once lost sight of the day-to-day requirements of serving our customers and keeping our operations running safely and efficiently.

A YEAR OF STRONG PERFORMANCE

Discussing our results this year is a little more complex than usual, since we have to split our reporting between continuing operations ('new' Tate & Lyle – mainly Food & Beverage Solutions and Sucralose), and discontinued operations (the Primary Products business in the Americas in which we sold a controlling stake to KPS – now Primient). For the purposes of my review, as I talk to our results, where applicable, I will refer to them as Tate & Lyle and Primient. Together, they are referred to as total operations.

Strong customer demand

For Tate & Lyle, the year saw improved customer demand in many of our key markets, although the trading environment remained challenging as we had to manage significant disruption to supply chains, evolving Covid-19 restrictions, rapidly increasing cost inflation and, latterly, the uncertainty related to the conflict in Ukraine.

We saw strong demand in Food & Beverage Solutions, as in-home consumption remained robust and out-of-home consumption continued to recover. We also saw good revenue growth and we were able to price through the increase in input costs during our 2022 calendar year contract renewals. Sucralose benefited from strong volume growth in beverages, driven by the recovery in out-of-home consumption. It also benefited from increased volume following production optimisation at our facility in McIntosh, Alabama, US, and from having the only sucralose facility based outside China. In constant currency, Tate & Lyle's revenue grew by 18%, adjusted profit before tax by 14% and adjusted diluted EPS by 4%.

By contrast, Primient saw a reduction in adjusted profit after tax of 9% in constant currency. This was due to two things: firstly, cost inflation, particularly in the third quarter of the financial year before calendar year contracts were renewed in the fourth quarter; and secondly, short-term operational disruption, including from the installation of new gas turbines at the facility in Lafayette, Indiana, US. In the longer term, these new turbines will increase efficiency and environmental performance at the facility. Commodities saw higher profits due to exceptionally strong market conditions.

In Tate & Lyle, we saw cost inflation totalling £100 million during the year in areas such as energy, labour, consumables and transport. This was mitigated by a combination of pricing, productivity, cost discipline, volume growth and mix improvements. Given this tough cost environment, we were pleased that we exceeded our target to deliver US$150 million in productivity benefits, over a six-year period ending 31 March 2024, two years ahead of schedule. In total, we have delivered US$158 million of productivity benefits over the last four years.

Overall, taking Tate & Lyle and Primient together, adjusted profit before tax was in line with the previous year, while adjusted diluted earnings per share were 4% lower.

DELIVERING STRATEGIC PROGRESS

Growth in Food & Beverage Solutions was driven by the delivery of our strategic growth framework (see page 26 for more details), centred on four pillars – market focus; portfolio expansion; accelerate innovation; and integrated solutions for customers.

Market focus

We aim to maximise opportunities in all our markets; to grow above the market in developed markets; and accelerate growth in the faster-growing markets of Asia, the Middle East, Africa and Latin America. We focus on four global categories – dairy, beverages, bakery, and soups, sauces and dressings, and two or three regional categories where we have local expertise, such as confectionery and snacks.

→ Continues on page 18

CREATING TWO STRONGER, STANDALONE BUSINESSES

Q: WHAT WAS THE TRANSACTION?

A: On 12 July 2021, we announced that we had entered into an agreement to sell a controlling interest in a new company, Primient, and its subsidiaries to KPS Capital Partners, LP (KPS) (the Transaction). The new company would hold our Primary Products business in North America and Latin America, and our interests in the Almex joint venture in Mexico (Almidones Mexicanos S.A de C.V) and in the joint venture with DuPont (DuPont Tate & Lyle Bio-Products Company, LLC). We sent out full details of the Transaction in a circular to shareholders posted in early September 2021 (also available on our website).

The Transaction was approved by 99.9% of the ordinary shareholders who voted at a general meeting on 30 September 2021 and, following the satisfaction of all conditions, we completed the Transaction on 1 April 2022. We now hold a 49.9% interest in Primient, while KPS holds a 50.1% interest and has board and operational control.

Q: WHAT DOES THE TRANSACTION MEAN IN PRACTICE?

A: We have created two standalone businesses – Tate & Lyle and Primient – each positioned to focus on their respective strategies and capital allocation priorities:

Tate & Lyle – a leading global food and beverage solutions business focused on faster-growing speciality markets

Primient – a leading producer of food and industrial ingredients made from plant-based, renewable sources.

Q: WHAT ARE THE BENEFITS FOR TATE & LYLE?

A: Tate & Lyle is now positioned as a focused global food and beverage solutions business, which means we can:

- Benefit from growing global consumer demand for healthier food and drink, a trend accelerated by the global pandemic
- Accelerate growth through a step-up in R&D investment and innovation
- Support and strengthen our customer relationships by increasing our focus on developing solutions

The Transaction substantially reduces our exposure to commodities markets and bulk ingredients in North America, strengthens our balance sheet, and allows us to focus our investments on delivering stronger organic and inorganic growth. We expect that, over time, Primient will generate significant and steady cash flows by paying meaningful dividends. We will also benefit from the potential increase in value of our 49.9% equity stake in Primient.

Q: WHAT ARE THE BENEFITS FOR PRIMIENT?

A: KPS is a leading global private equity firm, headquartered in New York, that invests exclusively in manufacturing and industrial companies. It has a proven track record of successfully creating value in businesses like Primient. As a standalone company, controlled by KPS, Primient will have the opportunity to unlock potential value in a way that would not be possible under Tate & Lyle's ownership, given our different strategy and priorities for allocating capital. For example, Primient will now be able to pursue new opportunities for growth in areas like precision fermentation, bio-industrial applications and sustainable packaging.

Q: HOW WILL THE TWO COMPANIES WORK TOGETHER?

A: Both companies will continue to work closely together and supply products to each other. Long-term, 20-year agreements are in place to protect the supply and economics of our Food & Beverage Solutions products made in Primient's facilities. As shown in the maps opposite, both Tate & Lyle and Primient will have their own separate manufacturing facilities. In both cases, the majority of their products will come from their own plants.

Q: WHAT IS BEING DONE WITH THE CASH PROCEEDS?

A: In summary, of the approximately £1.1 billion gross cash proceeds we received, we returned around £500 million to shareholders on 16 May 2022 by way of a special dividend and associated share consolidation, and retained the balance to invest in growth and strengthen our balance sheet. In technical terms, on completion of the Transaction, we received gross cash proceeds of approximately £1.1 billion taking into account estimates of cash, debt, debt-like items and working capital balances at completion. After one-off transaction and separation costs, as well as estimated tax liabilities associated with the Transaction, net proceeds were approximately £0.9 billion, subject to customary post-completion adjustments.

> We are now two stronger businesses, pursuing new and exciting growth opportunities in our respective markets.

NICK HAMPTON Chief Executive

TATE & LYLE

Global leader in sweetening, mouthfeel and fortification

REVENUE

£1.4bn

EMPLOYEES

3,167

COUNTRIES SOLD INTO

122

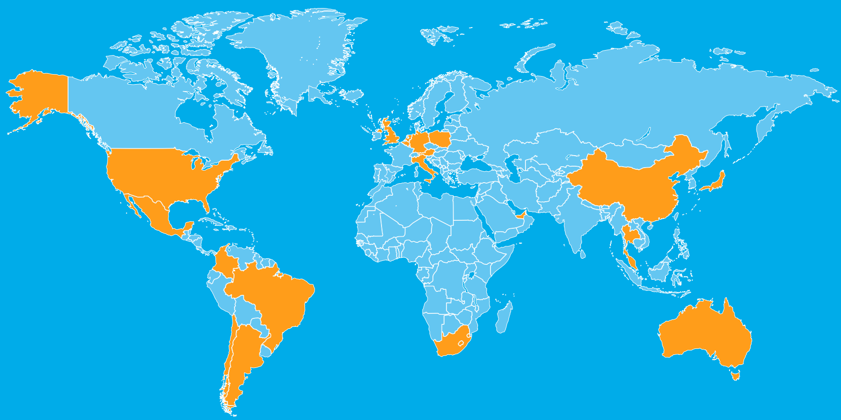
GLOBAL INNOVATION CENTRE
(Hoffman Estates, Illinois, US)

1

CUSTOMER INNOVATION AND COLLABORATION CENTRES

16

MAIN FACILITIES



Corn wet mills[1]
- Sagamore, Indiana, US
- Koog, The Netherlands
- Boleráz, Slovakia

Speciality starches[2]
- Van Buren, Arkansas, US
- Houlton, Maine, US

Sucralose
- McIntosh, Alabama, US

Fibre
- Nantong, China

Tapioca
- Dan Khun Thot, Thailand

Stevia
- Anji, China

Locust bean gum
- Noto, Italy

Blending
- Six facilities in US, UK, Brazil, South Africa, Italy and Australia

1 Corn wet mills produce a range of products including sweeteners, starches and fibres.
2 Speciality starches include corn, tapioca and potato; these plants do not have grind capacity and are not classified as corn wet mills.

Primient

Leader in plant-based products for food and industrial markets

REVENUE

£1.8bn

EMPLOYEES

1,424

CUSTOMERS

500+

MAIN FACILITIES

Corn wet mills[1]
- Decatur, Illinois, US
- Lafayette, Indiana, US
- Loudon, Tennessee, US

Acidulant plants
- Dayton, Ohio, US
- Duluth, Minnesota, US
- Santa Rosa, Brazil

50/50 joint ventures
- DuPont Tate & Lyle Bio Products, Loudon, Tennessee, US
- Almex, Guadalajara, Mexico

Network of grain elevators and bulk transfer stations

1 Corn wet mills produce a range of products including sweeteners, starches and fibres.

CHIEF EXECUTIVE'S REVIEW CONTINUED

This category focus, combined with our expertise in sweetening, mouthfeel and fortification, provides a unique and attractive offering for customers. For example, in North America, revenue from bakery and snacks grew by 19% and from beverages by 12%, supported by strong demand for our fibre and stevia solutions. In Europe, dairy grew by 14% helped by demand for clean-label solutions. In Asia, the Middle East, Africa and Latin America, revenue grew by 25% with good progress across our focus categories as customers continued to demand solutions that reduce sugar, calories and fat in their products.

Portfolio expansion
The integration of the two acquisitions we made at the end of the 2021 financial year (Sweet Green Fields, a leading global stevia solutions business in China, and Chaodee Modified Starch Co., Ltd., a speciality tapioca food starch business in Thailand) is progressing well. Our expanded stevia business in particular is performing very well.

In March 2022, we announced we had signed an agreement to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China, for a total consideration of US$237 million. The acquisition of Quantum, which makes fructo-oligosaccharides (FOS) and galacto-oligosaccharides (GOS), strengthens our position as a leading global player in the fast-growing global dietary fibres market, as well as adding new, speciality and complementary products to our portfolio. It also strengthens our fortification platform, enhances our capabilities in integrated solutions, and significantly extends our presence and customer offering in China and other parts of Asia.

Accelerate innovation
We continued to increase our investment in R&D and innovation, both by building on our strong in-house scientific expertise and with external partners through open innovation. New Product revenue grew by 35%, with our sweetener platform up 97% driven by high demand for stevia solutions. Revenue from our mouthfeel platform was also good, 19% higher reflecting consumer demand for cleaner labels. Our increased focus on open innovation is unlocking exciting new ideas and opportunities. In April 2022, we acquired Nutriati, an ingredient technology business that develops chickpea protein and flour, expanding our capability to offer customers sustainable, plant-based solutions.

Integrated solutions
We continued to focus on creating integrated solutions for customers to strengthen our position as their partner for growth. Our deep understanding of how ingredients interact across the food matrix in our core categories, together with our leading product portfolio and technical expertise, allows us to provide customers with bespoke solutions. We continue to invest in accelerating our solutions offering by strengthening our capabilities in areas such as sensory, prototyping and category and consumer insights. Pilot programmes are underway to develop new ways of working with customers, and build stronger solutions-based partnerships.

At the start of the year, to support our solutions offering, we launched the Stabiliser University™, an online modular course designed to help formulators and food scientists solve even the toughest stabiliser formulation challenges. This follows the success of three other courses – Texture University™, Sweetener University™ and Fibre University™ – which have attracted thousands of attendees worldwide.

We continued to invest in both infrastructure and capabilities to support our customers particularly in higher growth markets. In October 2021, we opened a new Customer Innovation and Collaboration Centre in Dubai to serve customers in the Middle East. The Centre's state-of-the-art technology is accelerating the innovation process for customers. In May 2022, we opened another Customer Innovation and Collaboration Centre, in Santiago, Chile.

INCREASINGLY AMBITIOUS WITH OUR PURPOSE

I've always believed that purpose and performance go hand in hand, and that's certainly been true of Tate & Lyle this year. Our purpose has continued to be our north star, helping us navigate the ongoing uncertainties of a changing world. Our strong financial performance was supported by a second year of good progress against our long-term purpose targets and commitments for supporting healthy living, building thriving communities and caring for our planet, thanks to the inspirational way our people responded to the challenges of working and living during a global pandemic.

The pandemic has certainly increased people's awareness of the importance of a healthy diet and lifestyle, and so I'm particularly proud of the progress we've made in supporting healthy living. Through our low- and no-calorie sweeteners like TASTEVA® M Stevia Sweetener, SPLENDA® Sucralose, DOLCIA PRIMA® Allulose, PUREFRUIT™ Monk Fruit Extract, and our fibres such as PROMITOR® Soluble Fibre and STA-LITE® Polydextrose, we've taken four million tonnes of sugar out of people's diets over the last two years, the equivalent of 16 trillion calories. At the same time, we have also helped our food bank partners around the world provide 2.9 million nutritious meals for people in need in our local communities.

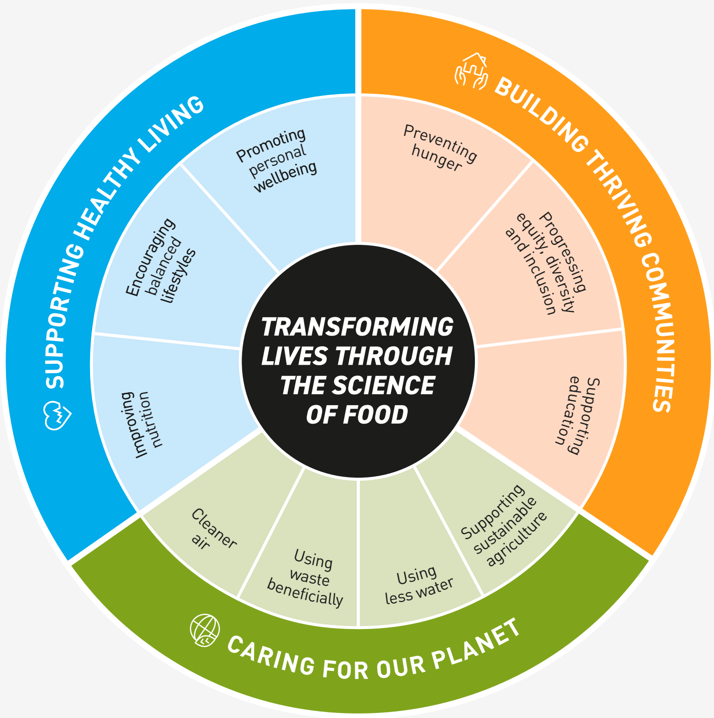
Combatting climate change
Covid-19 has, if anything, put the climate emergency even more front and centre in people's minds, as it has highlighted the systemic risk and interconnectedness of the modern world. This makes our ambitious 2030 targets for waste, water and greenhouse gas (GHG) emissions all the more important. Over the last few years, we have implemented a major capital investment programme totalling more than US$150 million to significantly reduce GHG emissions in our plants and increase operational efficiency. A key aim was to replace coal systems at some of our large corn wet mills in the US with natural gas-fired combined heat and power systems. Two years ago, we committed to eliminate the use of coal in all our operations by 2025, and I am delighted that, in October 2021, we achieved this four years ahead of schedule. We also expanded our sustainable agriculture programme for stevia in China. This programme, operated in partnership with Earthwatch Europe and Nanjing Agricultural University, helps farmers minimise their environmental impact and achieve better economic returns.

> "In October 2021, we delivered on our commitment to eliminate coal from all our operations, four years ahead of schedule.

We have made good progress on our sustainability programme over the last two years, reducing Scope 1 and 2 absolute GHG emissions by 12%, and beneficially using 83% of the waste we generate globally. We also supported 1.4 million acres of sustainable corn, equivalent to all the corn we purchased for our plants during the last year. We were pleased to see this progress recognised when the UK government invited Tate & Lyle to join the G7 Sustainable Supply Chain Initiative, bringing together leading food and agriculture companies from G7 countries to take action to improve the environmental, social and nutritional impact of supply chains, and to build a constructive dialogue between governments and businesses.

Turning to the future, a question I have been asked many times as we separated into two businesses is what it means for our purpose targets and commitments. The answer is – even more focus. If anything, the challenges of Covid-19, the heightened dialogue about social inclusion

OUR PURPOSE OF TRANSFORMING LIVES THROUGH THE SCIENCE OF FOOD IS WHY WE DO WHAT WE DO. IT GUIDES EVERY DECISION WE MAKE AND EVERY ACTION WE TAKE



SUPPORTING HEALTHY LIVING

We help people make healthier and tastier choices when they eat and drink, and lead more balanced lifestyles.

BUILDING THRIVING COMMUNITIES

We help build thriving communities where we operate, and support people to achieve their potential.

CARING FOR OUR PLANET

We care for our planet and help protect its natural resources for the benefit of future generations.

In November 2021 we published our second report on progress against our purpose targets and commitments.

→ Download at www.tateandlyle.com/purpose

SUSTAINABLE DEVELOPMENT GOALS

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

We focus on five of the UN SDGs which most closely align to our purpose and where we can have most impact.

SDG 2	Zero hunger
SDG 3	Good health and wellbeing
SDG 5	Gender equality
SDG 12	Responsible consumption and production
SDG 13	Climate action

To demonstrate our support for the UN SDGs, we are a participating member of the UN Global Compact, a major global sustainability initiative.

CHIEF EXECUTIVE'S REVIEW CONTINUED

and the climate emergency have shown us the value of healthy living, the importance of connecting with and supporting each other as colleagues and neighbours, and the fragility of the natural world. The past year has made us even more determined to pursue our purpose and to strengthen our ambition wherever we can. That is why, while our three purpose pillars remain unchanged, we have evolved our purpose statement from 'Improving Lives for Generations' to 'Transforming Lives through the Science of Food'.

Carbon net zero by 2050

During the year, we carried out an analysis of what a pathway to net zero carbon emissions would look like for Tate & Lyle, including comprehensive Scope 1 and 2 decarbonisation reviews at our four largest facilities and an in-depth review of our Scope 3 emissions. On the basis of this work, I am delighted that we are making a commitment for Tate & Lyle to be carbon net zero by 2050. We recognise that advances in technology, changes in policy and many other factors will evolve as we move towards 2050, but what won't change is our determination to deliver on our commitment. More details can be found on page 58.

> We have committed to becoming carbon net zero by 2050.

Setting targets to progress equity, diversity and inclusion

People are at their best when they feel they can be themselves, and businesses are at their best when everyone can be seen, heard and valued. This is why equity, diversity and inclusion together are a key business-wide priority, not only for us but for our customers, suppliers and local communities. To make this real, during the year we launched a set of commitments and targets for the next eight years, as set out on page 49. What's encouraging is we are already making positive progress. As at 1 April 2022, 42% of Tate & Lyle's top 500 managers are women, so we are getting closer to our target of gender parity in leadership and management roles by 2025. 56% of our Executive Committee are also women and our UK gender pay gap (as at 1 April 2021) is 1.7% in favour of women.

> In December 2021, we launched a set of targets for equity, diversity and inclusion over the next eight years.

Overall, I'm excited about our ambitions in this area, and firmly believe that equity, diversity and inclusion are accelerators for growth and a key element of being a purpose-led company.

Focusing on mental health

With the world opening up over the past year, it can sometimes feel like the pandemic is over, but that's far from true as recent lockdowns in China showed. The toll Covid-19 continues to take on people's mental health is considerable, and so this year we redoubled our efforts to look after our colleagues' health and wellbeing. Our 'Happy Healthy Minds' Employee Resource Group, which provides support, information and educational events for colleagues on mental health, continues to make an outstanding contribution. We now have over 70 Mental Health First Aiders trained across the organisation, colleagues who are available for anyone suffering from mental health issues or emotional distress. Our Employee Assistance Programme is also working well, and it's been really encouraging to see all the virtual local events like coffee mornings and our global choir – and it always brings a smile to my face when the London HQ coffee morning link pops up on Teams each week! They may sound like small things, but these individual and collective personal connections have been absolutely essential in supporting one another through challenging times.

EXPERIENCED MANAGEMENT TEAM

For our Executive Committee's biographies, see page 83.

ROWAN ADAMS
Executive Vice President, Corporate Affairs

DAWN ALLEN
Chief Financial Officer

LINDSAY BEARDSELL
Executive Vice President, General Counsel

LAURA HAGAN
Chief Human Resources Officer

EXPERIMENTING WITH NEW WAYS OF WORKING

There's been much public debate about what the return to work looks like, and whether companies should be prescriptive about returning to the office. In line with our desire to build a more open and inclusive culture, we have decided to experiment with 'back to the office'. We have three key principles – to make sure we serve customers better; to connect more effectively with each other; and to balance our working and our personal lives. Within these guidelines, we're leaving it to individuals and teams to arrange what works best for them. We've put this into practice with our new London head office, which we opened in February 2022. It's an entirely open environment (no individual offices or assigned desks) and is designed to encourage collaboration and new ways of working. We've asked people to experiment, tell us what works and what doesn't, so that we can make this flexible space work for everyone.

Cultural change is a key element of Tate & Lyle's transformation. We want to build a more dynamic, ambitious and inclusive culture, and experimenting with new ways of working, and learning from those experiments, is part of that process. We have developed a set of new behaviours to underpin this new culture of innovation and experimentation, and these are explained in the people section on page 44.

WELCOMING NEW LEADERS

Culture is very much about leading by example, and I'm delighted to welcome two new members to the executive team. Bill Magee was promoted to President, North America in October 2021, and has already become a key member of the team.

Then in May 2022, Dawn Allen joined us as Chief Financial Officer from Mars Incorporated, replacing Vivid Sehgal who stepped down from the executive team in December 2021. Dawn brings with her a wealth of experience of the food and beverage industry and of business transformation, and I know I speak for the executive team in saying how much we're looking forward to working with her.

Jim Stutelberg, President, Primary Products stepped down from the Executive Committee at the end of the financial year to take up his new role as Chief Executive, Primient on 1 April 2022. We look forward to continuing to work with Jim and the Primient team in the years ahead.

LOOKING AHEAD

As our results show, we entered the 2023 financial year with strong top-line momentum, innovation gathering pace and our productivity programme continuing to drive benefits. Customer demand remains strong. We also entered the 2022 calendar year with renewed customer contracts that offset expected inflation. Since then, the conflict in Ukraine has caused significant further inflation in raw material (including corn), energy and logistics costs globally, especially in Europe. A programme of supplementary price increases has been implemented across our main markets to recover incremental input costs together with a continued focus on productivity and cost control. To ensure supply continuity, we have committed agreements in place for key production inputs such as corn and energy covering the majority of the first half of the 2023 financial year.

Our focus remains on continuity of supply, serving our customers, and maintaining our financial strength and strategic progress. For the year ending 31 March 2023, we expect further progress with adjusted profit before tax in line with market expectations and revenue growth reflecting top-line momentum and the pricing through of higher input costs.

MEETING THE WORLD'S CHALLENGES WITH OPTIMISM

The world is an increasingly challenging and unpredictable place, which makes running a business all the more complicated. When I look back at what we set out to achieve this year, I can say that we've made Tate & Lyle a stronger business, better able to meet the challenges ahead. We said we wanted to deliver strategic transformation – and we did. We said we wanted to position ourselves as a purpose-led business – and we have. We said we wanted to continue to drive growth in Food & Beverage Solutions – and we did. And we said we wanted to create a culture that's bolder, more agile and inclusive – and throughout the year I've seen many examples of our people behaving in all these ways.

Ultimately, our aim was to emerge stronger from the pandemic and I believe we've done just that, setting ourselves up for a new, ambitious and exciting chapter in our history. I know I speak for the Board and my executive team in saying that I look forward to the future with great optimism.

NICK HAMPTON
Chief Executive

MELISSA LAW
President, Global Operations

BILL (WILLIAM) MAGEE
President, North America

VICTORIA SPADARO GRANT
President, Innovation and Commercial Development

ANDREW TAYLOR
President, Asia, Middle East, Africa and Latin America

THE WORLD AROUND US

The food and beverage market is constantly evolving, shaped by the world around us. From a source of nutrition to a foundation for healthy living, pleasure and celebration, food means different things to different people.

THE WAY WE LIVE, WORK AND EAT IS CHANGING

The Covid-19 pandemic has had a major impact on the way we live, work and eat, as well as directly affecting our health. The increase in online shopping, more flexible working practices and a greater awareness of personal hygiene and health are just some of the trends that are likely to stay. Some of the factors which were driving changes in people's lifestyles before the pandemic, such as population growth, urbanisation, climate change and the greater use of technology, are still with us and some have been accelerated by it.

Lockdown measures changed the way we ate and drank, with most people cooking and eating their meals at home – and the habit of home deliveries seems to be staying with us. After two years of constraint and restricted choices, consumers are ready to embrace the world once again and have returned to cafés, pubs and restaurants, although the balance between eating out and eating at home is yet to find its new level – and the cost-of-living crisis in many countries may affect this balance in the short term. Long-term trends such as the shift towards greater convenience seem to be continuing, particularly as people's hectic lives resume. Amongst all these moving parts, one aspect – an increased focus on health and wellbeing – has remained constant. It's clear that the pandemic has focused people's minds on their personal wellbeing and the importance of maintaining a healthier diet and lifestyle.

The desire for healthier food is also driving a desire to be more in control of what people eat and drink. They want to be empowered to make their own choices and for their values to be reflected in the choices they make. For example, transparency on sustainability credentials, product claims and labelling are three areas of consumer focus. The use of technology and access to information on social media and other digital platforms are also increasingly affecting purchasing behaviour.

Focus on health and wellbeing

No matter where you look, societies and governments are facing significant food and health-related challenges. In today's more urbanised world, people are leading less active ways of life, a situation made worse by lockdowns during the pandemic. People are generally eating too much and moving too little, an unbalanced lifestyle which affects their health. The incidence of obesity and diabetes, and concerns about digestive health and immunity, are increasing rapidly. For example, it is estimated that there are approximately 537 million adults in the world living with diabetes. This is expected to grow to 783 million by 2045[1].

Healthcare costs are rising over the longer term, placing health services in many countries under increased pressure. Governments continue to introduce policies and initiatives to support healthier choices when it comes to food and drink. These include front-of-pack labelling in Latin America, with warnings about the level of sugar, fat and salt in foods; and UK restaurants, cafés and takeaways having to provide calorie labels on the food they sell. Over-consumption of sugar is a major concern, and over 50[2] national governments have introduced a 'sugar tax', while more than two-thirds of consumers are looking to reduce their sugar consumption over the next year[3].

Convenience and home cooking

Before the pandemic, people's more hectic lifestyles were causing a long-term shift towards greater convenience and time-saving ways of eating. As the world emerges from the pandemic, convenience remains important, but the pandemic has undoubtedly had an impact on food purchasing and consumption behaviour. For example, working from home has meant that people are eating together more, cooking more, and snacking and grazing more often.

Connecting the planet with food choices

Concern for our planet and its natural resources, particularly the need to tackle climate change, is increasing rapidly and this concern is affecting people's food choices in many ways. People are increasingly aware of the environmental impact of what they consume. Demand for plant-based food is growing, as people adopt vegan, vegetarian or 'flexitarian' diets, cutting back on meat amid concerns for their health and the effects of animal farming on the environment. And they're also wanting to know exactly what goes into the food they eat and where it comes from, examining labels more closely and looking for simpler or 'more natural' ingredients. And it's not just the food that's important – environmental concerns mean that the packaging needs to be sustainable too.

THE OPPORTUNITY FOR TATE & LYLE

For food companies like Tate & Lyle, these global trends present both opportunities and challenges. During the pandemic, we had to adapt to changing consumer needs as people moved away from eating in restaurants and bars to buying more food from retail outlets to eat at home. And as out-of-home consumption recovered, we adapted again to ensure our business continued to meet changing consumer demand.

As a global leader in sweetening, mouthfeel and fortification, we are very well placed to benefit from growing global consumer demand for food and drink which is lower in sugar, calories and fat, and has more fibre. At the same time, we are working to take care of our planet and are helping to protect its natural resources. As a plant-based ingredients business, the combination of increasing awareness of climate change and the recognition of the importance of a healthy lifestyle is a particular opportunity. Our goal is not just to feed people, but to feed them well.

1 IDF Diabetes Atlas 2021, tenth edition.
2 Obesity Evidence Hub.
3 Tate & Lyle Proprietary Global Ingredients Perception Research, 2020/21.

SNAPSHOT OF TRENDS

ESTIMATED INCREASE IN GLOBAL POPULATION BY 2050[1]

25%

PEOPLE USING APPS TO MONITOR THEIR NUTRITIONAL INTAKE[3]

24%

GREENHOUSE GAS EMISSIONS THAT COME FROM THE WORLD'S FOOD SYSTEMS[4]

34%

ADULTS WORLDWIDE AGED 18 OR OVER WHO ARE OVERWEIGHT[2]

39%

PEOPLE MORE CONSCIOUS OF THEIR IMMUNE HEALTH[3]

64%

PEOPLE WHO HAVE MADE CHANGES TO THEIR DIET IN THE LAST TWO YEARS TO LEAD A MORE SUSTAINABLE LIFESTYLE[3]

48%

1 United Nations Department of Economic and Social Affairs.
2 World Health Organization.
3 FMCG Gurus, Top 10 Trends for 2022 Global Report.
4 United Nations Food and Agriculture Organization and European Commission's Joint Research Centre. Food Systems cover land-use change, agricultural production to packaging and waste management.

OUR BUSINESS MODEL

OUR RESOURCES

SCIENCE AND TECHNICAL KNOW-HOW
Leading science, technology, intellectual property and processes

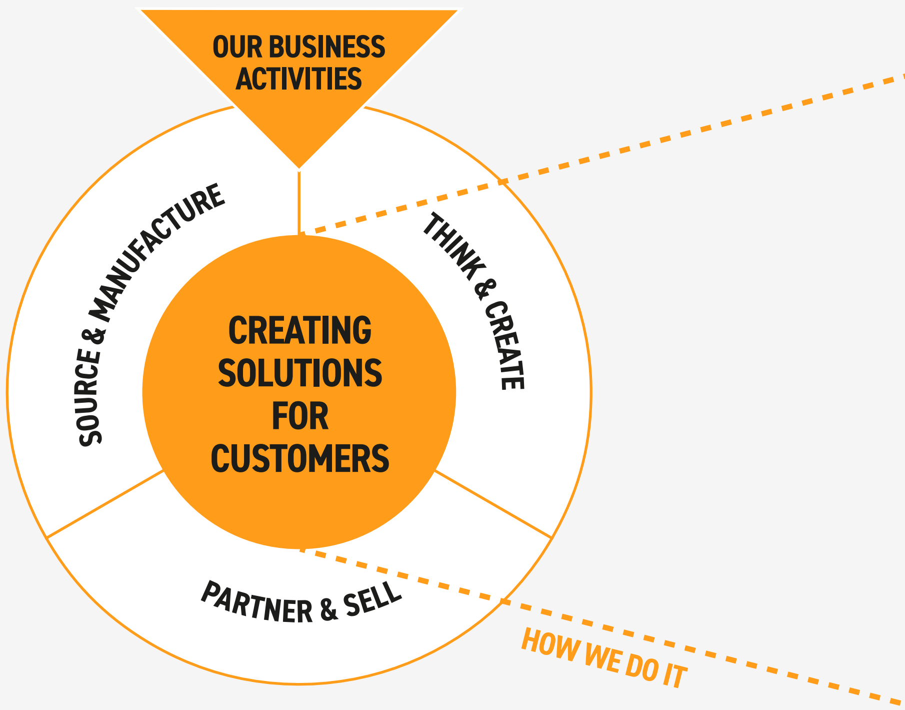
TALENTED PEOPLE
Skilled people with a passion for serving our customers, and working in an increasingly agile and flexible way

GLOBAL SUPPLY CHAIN
End-to-end supply solutions including raw material sourcing, manufacturing facilities and logistics

LONG-TERM RELATIONSHIPS
Strong relationships with customers, suppliers, local communities and other stakeholders

STRONG BALANCE SHEET
Disciplined use of capital ensures we have the funds to invest for long-term growth

WHAT WE DO



THINK AND CREATE
Our scientists and nutritionists research and develop ingredients to create solutions for our customers. We work closely with our customers through every stage of the innovation process to move ideas quickly from concept to commercial launch.

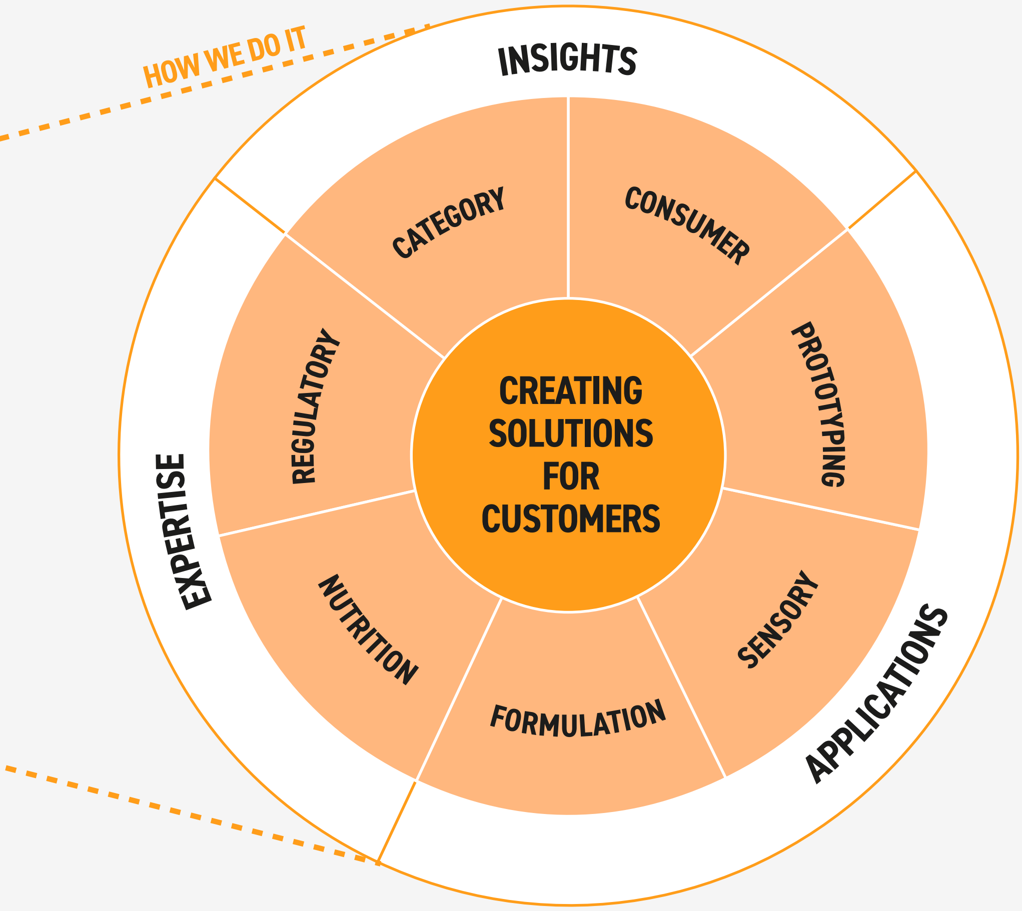
PARTNER AND SELL
Through our leading expertise in sweetening, mouthfeel and fortification, we provide customers with solutions that bring specific functionality and nutrition to their products, helping to make them healthier and tastier for consumers in their local markets.

SOURCE AND MANUFACTURE
Our ingredients are made from agricultural crops such as stevia, corn and tapioca. We produce them at our facilities around the world. Wherever we are in the process from field to customer, our priorities are safety, quality and consideration for the environment.

EVERYTHING WE DO IS UNDERPINNED BY...

OUR PURPOSE
Transforming lives through the science of food

OUR VALUES
– Safety
– Integrity
– Respect



CREATING SOLUTIONS FOR CUSTOMERS
We bring together our consumer and category insight with our broad portfolio of products and our technical capabilities in a range of areas including sensory, prototyping and regulatory to provide our customers with the solutions they need.

THE VALUE WE CREATE

FOR SHAREHOLDERS
We balance investing in growth with paying an attractive dividend

FOR CUSTOMERS
We help our customers quickly bring products to market that address society's changing needs

FOR EMPLOYEES
We are committed to the health, safety and wellbeing of our employees, and to providing a culture that is inclusive and performance-driven

FOR SUPPLIERS
We have long-term, mutually beneficial relationships with supplier partners

FOR COMMUNITIES
We have a long history of community involvement, helping to make lasting contributions to the places where we live and work

FOR THE PLANET
We care for our planet by reducing greenhouse gas emissions, beneficially using our waste, using less water and supporting sustainable agriculture

OUR BEHAVIOURS
- Be curious
- Bring challenge
- Have courage
- Create flow

OUR CONTRIBUTION TO THE UN SDGS

2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

OUR STRATEGY

Our strategy is to deliver top-line growth and margin expansion in Food & Beverage Solutions. We do this by delivering our strategic growth framework which, in turn, unlocks customer growth.

STRATEGIC GROWTH FRAMEWORK

We have been executing this framework over the last three years and will accelerate its delivery now that we are a growth-focused business specialising in food and beverage solutions. The framework is based on four pillars, with serving our customers at its core.

Accelerate innovation
Increase our investment in R&D; internally by building on our in-house scientific expertise, and externally through open innovation.

Portfolio expansion
Strengthen our three platforms – sweetening, mouthfeel and fortification – and, over time, move into new platforms. This will be achieved organically and through acquisitions.

Integrated solutions
Strengthen our position as our customers' growth partner by bringing together our category expertise and insight, our broad portfolio of products and our technical capabilities to provide the solutions they need.

Market focus
Maximise opportunities in all our markets; grow above the market in developed markets and accelerate growth in the faster-growing markets of Asia, Middle East, Africa and Latin America.

SCIENCE AND TECHNICAL KNOW-HOW	TALENT AND CULTURE	GLOBAL SUPPLY CHAIN

UNLOCKING CUSTOMER GROWTH

Our ingredients and solutions add specific functionality, nutrition and health benefits to our customers' products. We work in partnership with our customers to develop new products, and reformulate existing ones, to make food and drink healthier and still taste great. It sounds simple, but it's far more complicated than just swapping one ingredient for another. Taste, texture, mouthfeel, shelf-life, stability – all these have to be taken into account when reformulating food and beverages in our global network of labs, which we call Customer Innovation and Collaboration Centres. Taste is inherently local, which means that food and beverages also need to be adapted to different regions and countries. Our portfolio of sweeteners, starches, fibres and stabilisers, combined with our technical expertise in key categories, help us deliver solutions for customers in their local markets. In particular, our customers come to us for our leading expertise in three areas:

- **Sweetening:** Our understanding of sweeteners, built over many years, and our broad portfolio, have given us unique expertise in sweetening – sugar and calorie reduction in particular. Our sweeteners and fibres help reduce sugar and calories without compromising taste and mouthfeel.
- **Mouthfeel:** Our starches add body, lengthen shelf-life and replace fat, while preserving the texture and mouthfeel people want.
- **Fortification:** Our fibres offer a range of nutritional and functional benefits, alongside exceptional digestive tolerance.

With this expertise and our deep knowledge of ingredients and complex food systems, we also create customised stabiliser systems (highly functional ingredient blends) that ensure products maintain their stability and appetising texture.

INVESTMENT CASE: GROWTH-FOCUSED BUSINESS

PURPOSE: TRANSFORMING LIVES THROUGH THE SCIENCE OF FOOD

SUPPORTING HEALTHY LIVING	BUILDING THRIVING COMMUNITIES	CARING FOR OUR PLANET

CLEAR STRATEGY

FOOD & BEVERAGE SOLUTIONS Top-line growth and margin expansion	**SUCRALOSE** Manage for cash	**PRIMIENT (JOINT VENTURE)** Cash generation

DELIVER RETURNS FOR SHAREHOLDERS

ACCELERATE GROWTH IN EARNINGS PER SHARE[1]	IMPROVE ORGANIC RETURN ON CAPITAL EMPLOYED[2]	MAINTAIN A PROGRESSIVE DIVIDEND POLICY

1 Adjusted diluted earnings per share from continuing operations in constant currency.
2 In constant currency.

OUR PROGRESS: KEY PERFORMANCE INDICATORS

To keep us on track, we measure progress against our strategy: how we are maintaining the financial flexibility to grow our business and provide returns to shareholders; how we're keeping our people safe at work; and how we're living our purpose.

CHANGES TO KPIs IN 2022

We have replaced profit from Primary Products with profit from Sucralose to reflect the sale of a controlling stake in the Primary Products business in the Americas which completed on 1 April 2022. Sucralose is a reporting segment of our continuing operations.

LINK TO REMUNERATION

A number of KPIs are used in determining Executive Directors' annual bonuses and for long-term incentive plans. This year, we added four of our purpose metrics (see pages 30 and 31) to the targets used for our long-term share incentive plan. These are a reduction in greenhouse gas emissions, reduction in water use, the beneficial use of waste and progressing gender equality. Further details can be found in the Remuneration Report on page 121. Our safety KPIs and progress against our purpose targets are also taken into account when determining performance against the strategic non-financial component of annual bonuses.

When you see this symbol ◊ the KPI is linked to remuneration

DELIVERING OUR STRATEGY

FOOD & BEVERAGE SOLUTIONS – VOLUME GROWTH◊

2022	5%
2021	0%[1]

5% ▲

Performance in 2022
Demand for in-home consumption remained strong, supplemented by increasing out-of-home consumption, resulting in volume growth of 5% overall, with growth of 2% in North America, 4% in Europe, and 15% in Asia, Middle East, Africa and Latin America.

Why we measure it
Top-line growth in Food & Beverage Solutions is a key element of our strategy.

How we calculate it
As reported, excluding Sucralose.

FOOD & BEVERAGE SOLUTIONS – REVENUE◊

2022	£1,212m
2021	£1,060m[1]

19% ▲

Performance in 2022
Revenue increased by 19%, driven by higher volume, strong mix management, the pricing through of input cost inflation and higher corn costs. Acquisitions contributed 2ppts to revenue growth.

Why we measure it
To ensure we are successfully converting our investments into revenue growth.

How we calculate it
In constant currency, excluding Sucralose.

SUCRALOSE – ADJUSTED OPERATING PROFIT

2022	£61m
2021	£55m
2020	£63m

15% ▲

Performance in 2022
Higher volume and the pricing through of input cost inflation resulted in a 15% increase in adjusted operating profit.

Why we measure it
Sucralose is an important part of our sweetener platform and is one of our operating segments.

How we calculate it
In constant currency.

GROUP ADJUSTED PROFIT BEFORE TAX – CONTINUING OPERATIONS◊

2022	£145m
2021	£134m

14% ▲

Performance in 2022
Strong revenue and profit growth from both Food & Beverage Solutions and Sucralose combined with strong cost control resulted in a 14% increase in adjusted profit before tax (continuing operations).

Why we measure it
To ensure we make good investment decisions and execute our strategy successfully.

How we calculate it
In constant currency, excluding discontinued operations.

1 Restated to include the European Primary Products business.

DELIVERING FOR OUR SHAREHOLDERS

ADJUSTED DILUTED EARNINGS PER SHARE – CONTINUING OPERATIONS◊

2022	24.9p
2021	25.2p

4% in constant currency

Performance in 2022
Adjusted diluted earnings per share increased by 4% in constant currency, benefiting from growth in profit in our continuing operations, partially offset by a higher adjusted effective tax rate.

Why we measure it
To track the underlying performance of the business and ensure revenue growth translates into increased earnings.

How we calculate it
As defined in Note 13, with growth rate in constant currency.

ADJUSTED FREE CASH FLOW – CONTINUING OPERATIONS

2022	£72m
2021	£153m

£81m

Performance in 2022
Reflecting higher working capital as we planned for the business separation, the impact of input cost inflation and higher capital expenditure.

Why we measure it
To track how efficient we are at turning profit into cash and to ensure that working capital is managed effectively.

How we calculate it
As presented in Note 4.

RETURN ON CAPITAL EMPLOYED – TOTAL OPERATIONS◊

2022	14.9%
2021[2]	17.3%

240bps

Performance in 2022
Lower, mainly due to the impact of weaker profits and cash flows from discontinued operations.

Why we measure it
To ensure we continue to generate a strong rate of return on the assets we employ, and to maintain a disciplined approach to capital investment.

How we calculate it
The return as a percentage of our profit before interest, tax and exceptional items from total operations, divided by average invested operating capital from total operations.

FINANCIAL FLEXIBILITY

NET DEBT TO EBITDA RATIO

2022	1.3x
2021	0.8x
2020	0.9x

0.5x

Performance in 2022
Our net debt to EBITDA ratio was higher at 1.3x, as we repositioned the business through the Primient transaction, with EBITDA lower and net debt temporarily higher as we prepared for the separation.

Why we measure it
To ensure we have the appropriate level of financial gearing, and that our debt is not a disproportionate burden on the Group.

How we calculate it
The number of times our net debt exceeds our EBITDA.

ACTING SAFELY

RECORDABLE INCIDENT RATE[3]

2021	0.78
2020	0.67
2019	0.78

15% INCREASE

LOST-TIME RATE[3]

2021	0.50
2020	0.40
2019	0.42

25% INCREASE

Performance in 2021
Both our recordable incident rate and our lost-time rate increased during the year, largely because we had more people on site as pandemic restrictions were lifted, and therefore more hours worked. For more details, see pages 54 and 55.

Why we measure it
Ensuring safe and healthy conditions at all our locations is essential for our success.

How we calculate it
The number of injuries requiring treatment beyond first aid per 200,000 hours.

How we calculate it
The number of injuries that resulted in lost-work days or restricted work days per 200,000 hours.

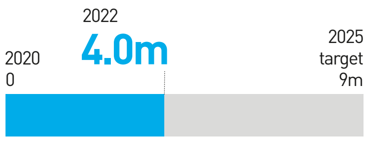
2 Restated for changes in accounting policy. See Notes 1 and 38.
3 Measured by calendar year.

PURPOSE TARGETS AND COMMITMENTS

In 2020, we set out targets and commitments to help us pursue our purpose over the next 10 years. We continued to make good progress this year.

SUPPORTING HEALTHY LIVING

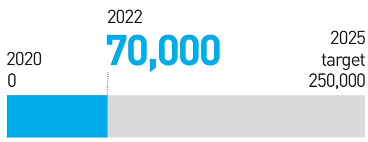
Improving nutrition
By 2025, through our low- and no-calorie sweeteners and fibres, we'll have helped remove nine million tonnes of sugar from people's diets, equivalent to 36 trillion calories.



Performance in 2022
We benefited from a strong performance from our stevia solutions and sucralose. Four million tonnes of sugar is equivalent to 16 trillion calories.

How we calculate it
We take the volume of fibres and low- and no-calorie sweeteners we sell and calculate the sugar equivalence and caloric conversion.

Encouraging balanced lifestyles
By 2025, we'll have helped improve the lives of over 250,000 people, by supporting programmes that promote healthier lifestyles and activities.



Performance in 2022
While some programmes were cancelled due to the pandemic, we still managed to support many health, education and physical activity programmes across the world.

How we calculate it
We count the number of people who benefit from the programmes we support either through cash donations or volunteering. In many cases, this information comes from the third parties who run the events.

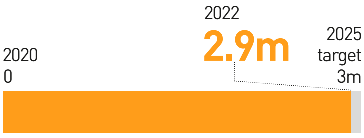
Promoting personal wellbeing
By 2025, we'll have helped our colleagues improve how they look after their physical and mental wellbeing, so they can be their best at work and in their daily lives.

Performance in 2022
Supporting the physical and mental wellbeing of our colleagues is a key priority. Our survey results showed a slightly lower score this year compared to 75% last year, mainly due to frustration and weariness from the ongoing pandemic.

How we calculate it
We report the percentage of colleagues who, in our annual employee survey, agree that Tate & Lyle actively supports their health and wellbeing.

BUILDING THRIVING COMMUNITIES

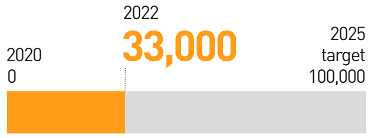
Preventing hunger
By 2025, we'll have provided over three million nutritious meals for people in need.



Performance in 2022
Our programme provided 1.2 million meals this year to help people in need in our local communities. Because of the pandemic we increased and accelerated our programme, and are now close to meeting our target.

How we calculate it
Each food bank or charitable partner we support tells us how many meals our donations provide.

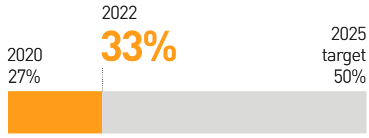
Supporting education
By 2025, we'll have supported the education of over 100,000 children and students through learning programmes and grants, helping them attain skills for life.



Performance in 2022
With schools either closed or restricting visitors, we continued to provide our support online, mentoring students and giving food science demonstrations. We also continued giving educational grants and bursaries.

How we calculate it
Each school or organisation we work with tells us how many students benefit from the programmes we support.

Progressing equity, diversity and inclusion◊
By 2025, we'll achieve gender parity in our leadership roles.

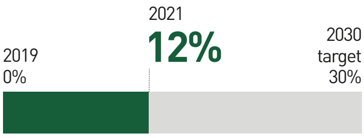


Performance in 2022
We made solid progress in the year, with a number of senior roles filled by women.

How we calculate it
Leadership roles is defined as the top three employee bands. Out of 64 roles in these bands, 21 were held by women. Next year, we will be expanding this target to the top five employee bands, representing more than 500 people. At 1 April 2022, in the new Tate & Lyle, 42% of people in these bands were women.

CARING FOR OUR PLANET

Scope 1 and 2 greenhouse gas emissions[1]◊
By 2030, we'll have delivered a 30% absolute reduction in our Scope 1 and 2 greenhouse gas emissions.



Performance in 2021
Reduction was driven mainly by the US plants in Decatur, Illinois and Lafayette, Indiana eliminating the use of coal in favour of natural gas, and the greater use of renewable energy in our plant network.

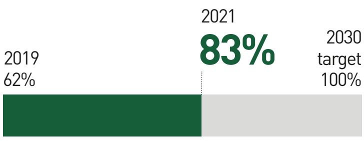
How we calculate it
Percentage absolute reduction in Scope 1 and 2 greenhouse gas emissions.

Scope 3 greenhouse gas emissions[1]
By 2030, we'll have delivered a 15% absolute reduction in our Scope 3 greenhouse gas emissions.

Performance in 2021
The small reduction primarily came from our sustainable corn and stevia programmes. A major focus this year was identifying projects and building partnerships to reduce Scope 3 emissions in the future.

How we calculate it
We receive data from Truterra LLC, our partner in our sustainable agriculture programme for corn in the US, and other third parties across our value chain.

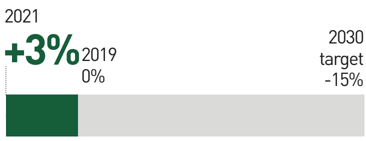
Using waste beneficially[1]◊
By 2030, 100% of our waste will be beneficially used, with an ambition to reach 75% by 2025.



Performance in 2021
We made good progress again this year, mainly by working with local partners in the US to use more of our waste to generate energy or as nutrients on local farms.

How we calculate it
Percentage of waste generated by our sites that is beneficially used.

Using less water[1]◊
By 2030, we'll have reduced water use intensity by 15%.



Performance in 2021
While our absolute use of water reduced, lower production volumes meant that our water intensity increased by 3% during the year.

How we calculate it
Percentage reduction in water use intensity across our operations.

COMMITMENTS

Establish science-based targets
We committed to having our Scope 1 and 2 and Scope 3 greenhouse gas emissions reduction targets validated as science-based by the Science Based Targets initiative. This was done in September 2020, meaning our targets are in line with the goals of the Paris Agreement on Climate Change.

Eliminate use of coal
We committed to eliminate the use of coal in all our operations by 2025. In October 2021, when we de-commissioned our last coal-fired boiler at the corn wet mill in Decatur, Illinois, US, we delivered on that commitment four years ahead of schedule.

Support sustainable agriculture
We committed to maintaining sustainable acreage equivalent to the volume of corn we buy globally each year, and through partnerships accelerate the adoption of conservation practices.

We achieved our goal this year, supporting 1.4 million acres of sustainable corn. More information about the programme can be found on page 62.

BASELINE

The baseline for our 'caring for our planet' targets is the year ended 31 December 2019. For 'supporting healthy living' and 'building thriving communities', the baseline is 31 March 2020.

TOTAL OPERATIONS

The 2022 and 2021 results for our purpose targets set out on these two pages are for the Group's total operations. The performance of our continuing operations against our targets for 'caring for our planet' can be found on pages 57 to 62.

MORE INFORMATION

You can find more details about our sustainability performance on pages 57 to 62. Further information on the education, meals and healthier lifestyles programmes we support can be found on pages 50 and 51. Information on our employee wellbeing programmes can be found on page 45.

1 Measured by calendar year.
◊ One of the metrics used for our long-term share incentive plan.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Our Scope 1, 2 and 3 absolute greenhouse gas emissions reduction targets are validated as science-based by the Science-Based Targets initiative.

FTSE4Good

Tate & Lyle is a constituent of the FTSE4Good Index.

CONTINUING OPERATIONS: FOOD & BEVERAGE SOLUTIONS

PARTNER AND SELL

Our portfolio, combined with our technical expertise in key categories such as beverages, dairy, bakery and soups, sauces and dressings, helps us deliver solutions for our customers.

SWEETENING
- Replace sugar
- Reduce calories
- Match sweetness
- Optimise taste

MOUTHFEEL
- Add body and mouthfeel
- Improve shelf-life and stability
- Improve sensory appeal

FORTIFICATION
- Add nutrition through fibre fortification
- Use fibre to replace sugar to reduce calories while maintaining taste

REPORTING CHANGES

Following the transaction to sell the controlling stake in Primient which was announced in July 2021, Primient was classified as held for sale and met the definition of a discontinued operation under IFRS 5. The remaining businesses of the Group comprising: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the transaction, and some stranded costs have been combined); Sucralose; and Central costs are reported as continuing operations in this Annual Report. The results for the comparative period have been restated on a consistent basis.

YEAR ENDED 31 MARCH 2022	VOLUME CHANGE	REVENUE	REVENUE GROWTH	ADJUSTED OPERATING PROFIT	ADJUSTED OPERATING PROFIT CHANGE
North America	+2%	£542m	+16%	–	–
Asia, Middle East, Africa and Latin America	+15%	£325m	+25%	–	–
Europe[1]	+4%	£345m	+19%	–	–
Food & Beverage Solutions	**+5%**	**£1,212m**	**+19%**	**£160m**	**+7%**
Memo: Food & Beverage Solutions (before reporting changes)	+6%	£1,111m	+19%	£190m	+12%

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 4 to the Financial Statements. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Includes loss from the retained European Primary Products business for the year ended 31 March 2022 £(21) million loss (2021 – £(14) million loss) and cost reallocations (stranded costs) of £(9) million (2021 – £(7) million).

EXCELLENT TOP-LINE GROWTH

Volume increased by 5% with revenue 19% higher in constant currency at £1,212 million. Customer demand for ingredients used for in-home consumption, such as packaged and shelf-stable foods, remained strong, supplemented by increasing demand for ingredients used in food and drink consumed out-of-home. Consumer demand for healthier food and beverages that are lower in sugar and calories, with cleaner labels and added fibre, also continued to grow. Strong mix management, together with pricing through of input cost inflation and higher corn costs contributed 12ppts of price/mix leverage. Acquisitions contributed 2ppts to revenue growth. European Primary Products is now included in the Food & Beverage Solutions division.

Looking through the impact of the Covid-19 pandemic and before the impact of reporting changes, compared to the year ended 31 March 2020, volume was 10% higher and revenue 28% higher.

Adjusted operating profit was 7% higher in constant currency at £160 million with the benefit of strong mix management, cost discipline in the face of inflationary headwinds and productivity benefits mitigated by selected investments in future growth. Input cost inflation impacted profit, especially in the final quarter of the 2021 calendar year, before customer contracts for the 2022 calendar year were renewed that offset expected inflation while seeking to at least maintain absolute unit margins. Operating losses in the European Primary Products business increased by £7 million to £21 million reflecting the impact of higher corn and other input costs. Excluding this, adjusted operating profit for the division was 12% higher in constant currency. The effect of currency translation decreased revenue by £50 million and adjusted operating profit by £7 million.

North America
Top-line momentum continued with volume 2% higher as strong demand for in-home consumption continued supported by improving out-of-home demand, especially for customers in the food service channel. Demand for solutions which make food and beverage healthier remained strong in our focus categories in North America, driving volume growth ahead of the overall food and beverage market which remained in line with the prior year. Growth was driven by good performance across categories such as beverage, confectionery, dairy and bakery, especially for solutions using our fibre portfolio.

Revenue was 16% higher in constant currency at £542 million. Significant volume to revenue growth leverage reflects good mix with particularly strong growth from the fibre portfolio and New Products, the impact of acquisitions and the pricing through of input cost inflation. Revenue for New Products increased by 43% in North America, with high customer demand for stevia and allulose sweeteners and fibre ingredients.

Asia, Middle East, Africa and Latin America
Volume was 15% higher reflecting double-digit growth in each region, the impact of acquisitions and a comparative period impacted by the pandemic. Revenue increased by 25% in constant currency to £325 million. Revenue growth was strong in each region benefiting from good mix and pricing, higher volume and the impact of acquisitions.

In Asia, revenue growth was strong in the South East and North Asia, with both benefiting from customers rebuilding inventory after the pandemic, together with good revenue growth in both tapioca and stevia. In China, revenue was slightly higher as good demand in some dairy sub-categories and stevia demand was partially offset by the exit from some lower margin business.

In March 2022, we announced that we had agreed to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China. Quantum will strengthen our fortification platform, enhance our integrated solutions capabilities, and extend our presence and customer offering in China and Asia.

In Latin America, sugar reduction solutions for customers addressing new front-of-pack labelling regulations accelerated growth in the Mexico and Central American region, while growth was also robust in southern Latin America driven by stevia performance. In Brazil, revenue was lower reflecting a sustained impact from the pandemic. In the Middle East and Africa, revenue grew strongly reflecting good performance in the United Arab Emirates, following the opening of our new Customer Innovation and Collaboration Centre in Dubai in the year, and also in Türkiye and South Africa.

Europe
Volume was 4% higher. Revenue for the region was £345 million including £101 million from the retained European Primary Products business. Revenue was 19% higher in constant currency both before and after the inclusion of the European Primary Products business. Revenue growth benefited from strong performance in the beverage, bakery and confectionery categories, good mix management, the pricing through of input cost inflation and the impact of the pandemic in the prior year. European Primary Products revenue growth reflected higher pricing.

New Products
Revenue from New Products (products launched in the last seven years) increased by 35% in constant currency to £173 million, representing 14% of Food & Beverage Solutions revenue (16% excluding European Primary Products), with revenue growth across the three platforms of sweeteners, mouthfeel and fortification. Acquisitions, particularly the Sweet Green Fields stevia business, helped to accelerate New Product revenue growth.

The sweeteners platform delivered exceptionally strong performance with revenue nearly doubling in the year driven mainly by demand for stevia solutions. Stevia is an important natural sweetening ingredient for customers and consumers and our stevia solutions are used to reduce sugar and calories in products across a range of categories such as beverage, dairy, confectionery and bakery. Revenue in the mouthfeel platform also grew strongly reflecting good demand for clean label and higher functionality tapioca starches.

CONTINUING OPERATIONS: SUCRALOSE

YEAR ENDED 31 MARCH 2022	VOLUME CHANGE	REVENUE	REVENUE GROWTH	ADJUSTED OPERATING PROFIT	ADJUSTED OPERATING PROFIT CHANGE
Sucralose	**+15%**	**£163m**	**+13%**	**£61m**	**+15%**

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 4 to the Financial Statements. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

ROBUST DEMAND

Sucralose volume increased by 15% driven by strong customer demand in the beverage category as out-of-home consumption recovered and the benefit of optimisation of production at our facility in McIntosh, Alabama, US. Industry demand for sucralose continues to grow in support of sugar reduction initiatives, while the strong demand for our sucralose also reflected high customer service levels in a challenged global supply chain environment.

Revenue increased by 13% in constant currency to £163 million reflecting strong volume growth partially offset by the modest impact of customer mix.

Looking through the impact of the Covid-19 pandemic, compared to the year ended 31 March 2020, volume was 16% higher and revenue 12% higher.

Adjusted operating profit at £61 million was 15% higher in constant currency reflecting both operational leverage of higher volume and input cost inflation. Currency translation decreased revenue by £8 million and adjusted operating profit by £3 million.

The optimisation of production is expected to continue in the 2023 financial year generating small volume growth opportunities and creating mitigation for modest pricing headwinds and ongoing input cost inflation.

DISCONTINUED OPERATIONS: PRIMARY PRODUCTS IN THE AMERICAS

DISCONTINUED OPERATIONS

This business' two main markets are bulk sweeteners, used mainly in carbonated soft drinks, and industrial starches. Customers are motivated by quality, service and price.

INGREDIENTS INCLUDE:

- Nutritive sweeteners, such as high fructose corn syrup and dextrose
- Industrial starches for paper, packaging and industrial adhesives
- Acidulants such as citric acid
- Commodities, such as corn gluten feed and meal for animal nutrition, as well as corn oil

REPORTING CHANGES

Following the Transaction to sell the controlling stake in Primient which was first announced in July 2021, Primient was classified as held for sale and met the definition of a discontinued operation under IFRS 5. As a result, Primient (the Primary Products business in the Americas) is treated as a discontinued operation for all of the year ended 31 March 2022 and this classification has been adopted in this Annual Report. The results for the comparative period have been restated on a consistent basis. From 1 April 2022, our interest in Primient will be reported as a joint venture.

For more information on the Transaction, see pages 16 and 17.

YEAR ENDED 31 MARCH 2022	VOLUME CHANGE	REVENUE	REVENUE GROWTH	ADJUSTED OPERATING PROFIT	ADJUSTED OPERATING PROFIT CHANGE
Sweeteners and Starches[1]	–	–	–	£68m	(42%)
Commodities	–	–	–	£74m	+52%
Primary Products in the Americas	**in line**	**£1,757m**	**+15%**	**£142m**	**(16%)**
Memo: Primary Products[2] (before reporting changes)	in line	£1,858m	+15%	£112m	(25%)

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. Adjusted results for discontinued operations have also been adjusted to exclude the impact of IFRS 5 Held for Sale accounting. A reconciliation of statutory and adjusted information is included in Note 12 to the Financial Statements. Growth percentages are calculated on unrounded numbers. Changes in revenue and adjusted operating profit are in constant currency.

1 Excludes European Primary Products, which has been retained. Reflects cost reallocations (stranded costs) transferred to Food & Beverage Solutions reflecting separation of the businesses see Note 5.
2 Adjusted results for the former Primary Products operating segment which included European Primary Products, consistent with how the Group disclosed the results of the Primary Products operating segment in prior years.

A CHALLENGING YEAR

Volume was in line with the prior year with sweetener volume also in line and industrial starch volume 8% higher. Sweetener volume benefited from improved out-of-home demand for beverages but was impacted by operational and wider supply chain disruption. Industrial starch volume benefited from its strategy to focus on packaging markets as well as a weak comparative period impacted by Covid-19. Revenue at £1,757 million increased by 15% in constant currency reflecting the pass through of higher corn costs and significantly higher revenue from Commodities due to higher co-product prices.

Looking through the impact of the Covid-19 pandemic and before reporting changes, compared to the year ended 31 March 2020, volume was 5% lower and revenue was 16% higher.

Adjusted operating profit was 16% lower in constant currency at £142 million. Adjusted operating profit in Sweeteners and Starches at £68 million was 42% lower in constant currency reflecting increased costs in our operations including productivity-related operational disruption at the Lafayette, Indiana facility of £6 million, and other costs from global supply chain pressures, partially mitigated by benefits from the productivity programme. Input cost inflation impacted adjusted operating profit, especially in the final quarter of the 2021 calendar year, before customer contracts for the 2022 calendar year were renewed that offset expected inflation. Commodities adjusted operating profit at £74 million was 52% higher in constant currency reflecting exceptionally strong pricing in North American commodities markets.

Currency translation decreased revenue by £81 million and adjusted operating profit by £8 million.

Sweeteners

Volume was in line with the prior year as out-of-home consumption continued to recover after declining during Covid-19 lockdowns. The benefit of recovering demand was offset by the impact of operational disruption. Volume for customers in the domestic US market increased slightly, while exports to Mexico declined.

Industrial starches

Volume was 8% higher as demand for paper and packaging recovered compared to weaker demand in the prior year. We continued to pursue our strategy to partner with customers focused on higher growth segments of the packaging market and more sustainable, plant-based packaging.

Commodities

Commodities delivered adjusted operating profit of £74 million, 52% higher in constant currency. Supply chain capacity concerns positively impacted North American commodities pricing driving co-product recoveries higher, especially in corn oil and corn gluten feed. Dynamics in the US ethanol market also improved, with pricing stronger on increased industry demand.

GLOBAL OPERATIONS

We make and deliver high quality ingredients to our customers around the world, focusing relentlessly on safety, quality and productivity.

SOURCE AND MANUFACTURE

We run our plants and manage the global supply chain to ensure our ingredients reach our customers on time and to the right specification.

- Raw material sourcing
- Manufacturing and engineering
- Quality
- Procurement
- Logistics
- Customer service
- Continuous improvement
- Environment, health and safety

In a challenging year for operations, our team continued to deliver for our customers while enabling our separation into two businesses.

The role of Global Operations is to run our plants and manage the global supply chain to ensure our ingredients are delivered to our customers on time, in full and to the right specification. Whatever the world throws at us, we work with our customers to find the best outcome for their needs.

A CHALLENGING YEAR FOR THE GLOBAL SUPPLY CHAIN

This year, the world presented us with plenty of challenges such as running our plants under Covid-19 restrictions and the onset of inflation. We also saw significant disruption in the global supply chain, from the container ship blocking the Suez Canal, to shortages of key materials, to fewer lorry drivers and trucks, to congestion at ports, and, at the end of the year, to uncertainties and disruption caused by the conflict in Ukraine. At the same time, we saw a considerable increase in demand as consumer demand increased generally. Despite this, our team did an outstanding job of keeping our plants running and showed tremendous agility in keeping our customers served.

Focusing on operational excellence

In delivering for our customers, we never lost sight of our absolute focus on our Journey to Environment, Health and Safety (EHS) Excellence, or J2EE. Despite the ongoing challenges of Covid-19, we continued to run our safety and quality programmes, and to always focus on our priority of keeping people safe (see pages 54-55). This was particularly important in those plants where we were also completing major capital projects, such as Lafayette, Indiana and Decatur, Illinois where we installed new natural gas-fired boilers to complete our multi-year US$150 million capital investment programme to increase operational efficiency and eliminate the use of coal. Productivity was once again high on our agenda. We delivered US$26 million in benefits in our operations from continuous improvement projects during the year. This helped us exceed our six-year target of delivering US$150 million in productivity benefits two years ahead of schedule.

Successful separation of our operations

Aside from the day-to-day running of our operations and delivering for customers, Global Operations had the considerable task of separating the plant network and supply chain into two standalone businesses (see page 17 for the main sites in Tate & Lyle and Primient). This meant not only the physical separation of IT and other systems, but also agreeing how both businesses would work together in the future. Under the new arrangements, 20-year agreements are in place for products supplied to each business, and Primient will manage corn procurement for Tate & Lyle in the US. A key task in the coming year will be to work with Primient to ensure these agreements work in practice. Given the many years we've worked side-by-side as colleagues, we are confident it will be a strong and mutually beneficial partnership.

Looking ahead

Tate & Lyle has a considerably different operational footprint today, although the challenges of managing a complex, global supply chain remain the same. Looking ahead, our focus on growth will mean more capital projects to expand capacity, investing further in our supply chain systems to support our customers, and a greater focus on acquisitions and integrating new businesses into our network. During the year, we worked to integrate our tapioca acquisition in Thailand, and our stevia acquisition in China, including capacity expansion plans in both. In the coming year our focus will be on integrating Quantum Hi-tech, our new fibre acquisition in China, and continuing to serve our customers as best we can.

INNOVATION AND COMMERCIAL DEVELOPMENT

Innovation is a key enabler of our growth strategy and how we work with our customers.

We're stepping up our investment in R&D, innovation and solutions development to become our customers' growth partner.

Innovation and Commercial Development (ICD) uses its deep understanding of consumer trends and food and beverage categories, along with leading-edge science and technical expertise, to create solutions for customers which address growing consumer demand for healthier and tastier food and drink. It does this by bringing together scientific and commercial functions into one team, thereby providing a fully integrated approach to serving customers and helping them bring their products to the market faster. ICD not only creates 'new to the world' products, like our CLARIA® Functional Clean-Label Starches and DOLCIA PRIMA® Allulose, but also develops extensions to existing product lines, as well as new technologies and processes which make our business more efficient.

Our researchers and food scientists are experts in formulating food and beverages, working side-by-side with customers to leverage our skills and knowledge to reduce or eliminate sugar and calories from our customers' products. But we don't just take things out, we also improve the nutritional profile of products by adding structure, fibre and protein and offer other benefits, such as our stabiliser systems which allow food to travel over long distances. During the year, we launched 10 New Products and more than 30 new stevia sweetener solutions from our innovation pipeline.

SCIENTIFIC EXPERTISE

Our deep scientific knowledge in the fields of bio-chemistry and materials science are at the heart of our business. Our core capabilities in areas such as enzymology and fermentation, industrial scale up, drying and crystallisation and separation and fractionation, mean we are uniquely placed to create solutions for customers which address growing consumer trends such as sugar reduction, added fibre and clean label. Supported by our nutrition and regulatory knowledge, we carry out research with academic organisations around the world. This, alongside our intellectual property and our external partnerships and open innovation activities, gives us a strong, science-based innovation platform which we use to accelerate growth.

Investing in innovation

Consumer preferences are different around the world and so we have a global network of labs, which we call Customer Innovation and Collaboration Centres, where we work together with customers to make their products work in their local markets. During the year, we opened a new centre in Dubai to serve our customers in the Middle East, and in May 2022 we opened another centre in Santiago, Chile.

Investing in clinical research, promoting nutrition education

We design, conduct and interpret pre-clinical and clinical research to provide key scientific knowledge about our ingredients, and to support the development of new ingredients and solutions. We also contribute to the general understanding of the impact of food policy on public health, much of which we do with academic and industry partners who bring wider expertise and resources to the table. Our online Nutrition Centre, launched in 2021, provides public access to technical papers, articles on topics such as gut health immunity, as well as helpful videos and infographics.

In line with our purpose pillar of supporting healthy living, we promote nutrition education, and the science underpinning the physiological function and health benefits of our ingredients, in partnership with our customers, health professionals, academic researchers and opinion leaders. This year, building on our partnership with Nestlé in Latin America to share the latest science on dietary fibre, we launched a new online fibre partnership with the Kellogg's Nutrition and Health Institute across Mexico, Colombia, Chile and Argentina.

THINK AND CREATE

Innovation and Commercial Development (ICD) consists of a number of areas working together as one team:

- Research and development
- Solution innovation
- Platform management
- Nutrition
- Regulatory
- Open innovation
- Global marketing
- Process technologies

NEW PRODUCTS REVENUE[1]

£173m

NEW PRDUCTS AS A PERCENTAGE OF FOOD & BEVERAGE SOLUTIONS REVENUE[1]

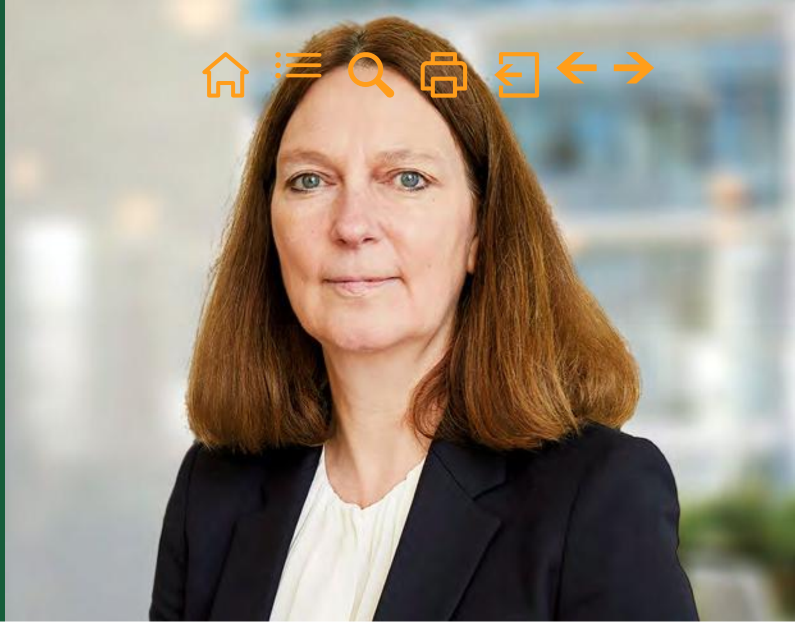
14%

PATENTS GRANTED[1]

82

1 Year ended 31 March 2022.

CHIEF FINANCIAL OFFICER'S INTRODUCTION



CAPITAL ALLOCATION FRAMEWORK

We allocate capital as set out below. In doing so, we aim to maintain our investment-grade credit rating.

- INVEST IN ORGANIC GROWTH
- INVEST IN ACQUISITIONS, JOINT VENTURES, PARTNERSHIPS
- MAINTAIN A PROGRESSIVE DIVIDEND POLICY
- RETURN SURPLUS CAPITAL TO SHAREHOLDERS

"I'm delighted to have joined an exceptional team, and look forward to contributing my expertise to helping Tate & Lyle deliver our purpose-led growth strategy.

DAWN ALLEN Chief Financial Officer

Our new CFO, Dawn Allen, joined us in May 2022. Here she talks about the year, along with her first impressions and thoughts for the year ahead.

Joining Tate & Lyle was in many respects an easy decision – a company driven by an inspirational purpose; a company that's just completed a bold and ambitious transformation; a company that, in the context of all the challenges facing businesses today, has delivered a strong set of financial results. All three speak to strength of the management team and the growth potential of the business and I am delighted to have the opportunity to contribute my expertise to Tate & Lyle as it enters a new chapter in its history.

A ROBUST PERFORMANCE IN A CHALLENGING YEAR

Having only recently joined the business, and therefore having had no hand in the results I discuss in this introduction, I'd like to pay tribute to the whole Tate & Lyle team – and I include those now part of Primient – for their tremendous work in delivering these results. In the context of two years of a global pandemic, it's certainly been a strong financial performance. It is especially noteworthy given that, in parallel, the team was also working to separate Tate & Lyle and Primient into two standalone businesses. They did this exceptionally well, with the finance team, particularly our shared services team in Łódź, Poland, supporting the complex task of separating our systems.

The most pleasing aspect of this year's results is that new Tate & Lyle – our continuing operations – performed so well. Revenue grew by 18%; adjusted profit before tax by 14%; and adjusted diluted earnings per share by 4% (all in constant currency). Within that, our Food & Beverage Solutions business grew volume by 5% and revenue by 19%, while Sucralose grew volume by 15% and revenue by 13%. That is impressive growth and shows the future potential of the business.

A STRONG BALANCE SHEET TO INVEST FOR GROWTH

However, the results were not without their challenges. Free cash flow from continuing operations was lower at £72 million, due in part to rising inflation later in the year, but also to decisions we took to preserve good service to customers ahead of closing the Primient transaction. Nonetheless, the transaction has left Tate & Lyle with a very strong balance sheet which gives us the ability to invest behind our growth strategy. We have already begun to do this through the agreement to acquire Quantum Hi-Tech in China. We have a US$800 million undrawn credit facility; proven access to debt capital markets; and a cash generative business, all of which is a great position for a new CFO to be in.

That said, there are plenty of challenges ahead, not least rising cost inflation and operating in an increasingly uncertain world. It's tough for many businesses at the moment, but Tate & Lyle has emerged from the pandemic in a position of strength and is well placed to navigate through these challenges and deliver on its growth agenda. I look forward to playing my part in this exciting future.

DAWN ALLEN
Chief Financial Officer

GROUP FINANCIAL REVIEW

SUMMARY OF FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022 (AUDITED)

YEAR ENDED 31 MARCH[1] CONTINUING OPERATIONS	2022 £M	RESTATED* 2021 £M	CHANGE %	CONSTANT CURRENCY CHANGE %
Revenue	**1 375**	1 211	14%	18%
Adjusted operating profit[2]				
– Food & Beverage Solutions	**160**	156	3%	7%
– Sucralose	**61**	55	9%	15%
– Central	**(51)**	(51)	1%	–
Adjusted operating profit	**170**	160	6%	12%
Net finance expense	**(25)**	(26)	4%	–
Adjusted profit before tax	**145**	134	8%	14%
Exceptional items	**(93)**	(34)	(>99%)	(>99%)
Amortisation of acquired intangible assets	**(10)**	(10)	(4%)	(9%)
Profit before tax	**42**	90	(54%)	(37%)
Income tax expense[3]	**(16)**	(1)	(>99%)	(>99%)
Profit for the year – continuing operations	**26**	89	(71%)	(46%)
Profit for the year – discontinued operations	**210**	164	29%	34%
Profit for the year – total operations	**236**	253	(7%)	6%
Earnings per share (pence) – continuing operations				
Adjusted diluted	**24.9p**	25.2p	(1%)	4%
Diluted	**5.5p**	19.1p	(71%)	(46%)
Earnings per share (pence) – total operations				
Adjusted diluted	**56.0p**	61.2p	(8%)	(4%)
Diluted	**50.2p**	53.8p	(7%)	6%
Cash flow and net debt – total operations				
Adjusted free cash flow	**16**	250		
Net debt	**626**	417		

* Restated to reflect discontinued operations (see Notes 1 and 12).
1 Adjusted results and certain other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of such metrics and their reconciliations to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in Note 4.
2 For a reconciliation to the IFRS 8 segmental results refer to Note 5.
3 Statutory income tax expense on continuing operations of £16 million (2021 – £1 million) includes an adjusted income tax charge of £28 million (2021 – £16 million), exceptional tax charge of £12 million (2021 – exceptional tax credit of £7 million) and a tax credit on adjusting items of £24 million (2021 – £8 million). Refer to Note 11.

CONTINUING OPERATIONS – ADJUSTED OPERATING PROFIT

YEAR ENDED 31 MARCH ADJUSTED OPERATING PROFIT	2022 £M	2021 £M	CONSTANT CURRENCY CHANGE %
Food & Beverage Solutions			
As previously reported	**190**	177	12%
Costs reallocation[1]	**(9)**	(7)	(21%)
Retained European Primary Products business[2]	**(21)**	(14)	(63%)
Food & Beverage Solutions	**160**	156	7%
Sucralose	**61**	55	15%
Central costs	**(51)**	(51)	–
Adjusted operating profit – continuing operations	**170**	160	12%

1 Inclusion of certain operating costs which are reallocated from Primary Products to Food & Beverage Solutions because they will remain with the Group post disposal.
2 Adjustment to include the European Primary Products business in Food & Beverage Solutions, which is not subject to the Primient disposal transaction.

CONTINUING OPERATIONS

Continuing operations comprise: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the Transaction, and certain stranded costs have been combined); Sucralose; and Central costs.

CENTRAL COSTS

Central costs, which include head office costs and certain treasury and legal activities, were in line with the prior year in constant currency at £51 million benefiting from strong discipline on overhead costs which offset higher costs from continued investment in the business.

NET FINANCE EXPENSE AND LIQUIDITY

Net finance expense from continuing operations at £25 million was 4% lower (in line with the prior year in constant currency), mainly reflecting lower net interest on the Group's net retirement benefit liabilities being offset by a full year of interest on the US$200 million US Private Placement Notes issued in the first half of the prior year.

EXCEPTIONAL ITEMS

The Group recorded a net exceptional charge of £105 million in continuing operations, comprising £93 million of exceptional items included in profit before tax and a £12 million charge included as exceptional items within tax. Such items principally included the following:

- £79 million of cash costs associated with the transaction to dispose of the Primary Products business in the Americas ('Primient' or the 'Primient business');
- £13 million non-cash impairment charge related to the write-off of dedicated assets in the European Primary

GROUP FINANCIAL REVIEW CONTINUED

Products business and certain other assets, which are obsolete as a result of the Primient business disposal;
- £9 million net exceptional gain resulting from a variation of certain benefits within one of the US pension plans. This consists of a non-cash past service credit of £13 million which has been partially offset by a cash charge of £4 million;
- £9 million charge related to stabiliser product contamination, an issue affecting not only the Group but the wider industry, consisting of a £6 million write-off of impacted inventories and receivables and a further £3 million impairment of certain fixed assets;
- £1 million of cash costs relating to productivity and simplification projects in our operations; and
- £12 million tax charge due to a reduction in the amount of brought forward UK tax losses and the amount of US State tax credits that the Group expects to be able to utilise as a result of the agreement to sell a controlling interest in Primient.

Exceptional cash outflows for the year totalled £60 million (for total operations), comprising £48 million of cash outflows related to charges recorded in the current year and £12 million of cash outflows resulting from exceptional costs recorded in the prior year.

The Group is in the fourth year of its programme to generate productivity benefits of US$150 million by 31 March 2024 and has already exceeded this target, delivering US$158 million of total benefits to date. During the year ended 31 March 2022, exceptional cash costs in respect of this programme of US$4 million (£3 million, total operations) were recognised (either paid or provided), bringing the total to date to US$52 million.

In the prior year, the Group recorded a net exceptional charge of £34 million in continuing operations included in profit before tax and a £7 million credit included as an exceptional item within tax.

TAXATION

The adjusted effective tax rate on continuing operations was 19.3% (31 March 2021 – 12.1%). The rate reflects the prevailing rates of corporation tax in the US and UK, the jurisdictions most applicable to the Group's activities. The prior year rate benefited from the release of certain tax provisions following expiry of statute of limitations as well as recognition of certain tax credits in the US. We expect the adjusted effective tax rate for the year ending 31 March 2023 to be slightly higher than the current year.

The reported effective tax rate (on statutory earnings) for continuing operations was 38.4% (31 March 2021 – 1.2%). The higher effective tax rate is due to the factors highlighted above and the impact of the £12 million exceptional tax charge on the de-recognition of deferred tax assets in the US and UK as a result of the agreement to sell a controlling interest in Primient. The prior year also benefited from a £7 million exceptional tax credit.

EARNINGS PER SHARE

For continuing operations, adjusted basic earnings per share decreased by 1% (increase of 4% in constant currency) to 25.2p and adjusted diluted earnings per share at 24.9p were also 1% lower (4% higher in constant currency). The increase in constant currency reflects strong business performance mitigated by a higher adjusted effective tax rate. Statutory diluted earnings per share decreased by 13.6p to 5.5p, reflecting lower statutory profit for the year mainly due to higher exceptional charges in the year.

DISCONTINUED OPERATIONS

Discontinued operations comprises the Primient business which represents a disposal group.

Adjusted profit after tax for discontinued operations (which excludes the impact of exceptional items and IFRS 5 Held for Sale adjustments) of £146 million was 13% lower (9% lower in constant currency) than the prior year, mainly reflecting weaker operating performance.

IFRS 5 HELD FOR SALE ADJUSTMENTS OF £83 MILLION

IFRS 5 requires certain adjustments to assets held for sale, for which the relevant items to the Group from the Primient disposal transaction were as follows:

- Cessation of depreciation of assets of the Primient business, this reduced operating costs by £68 million; and
- Cessation of equity accounting of the share of profits from the Group's existing joint venture interests in Almex and Bio-PDO. The impact of this resulted in a reduction in share of profit after tax of joint ventures of £27 million; however dividends recognised in the period were recorded as income within discontinued operations of £42 million.

Such adjustments applied prospectively from 1 July 2021 (being the date at which the Primient disposal transaction became highly probable) and comparatives are not restated. The impact of these adjustments is reflected in discontinued operations only.

ADJUSTED SHARE OF PROFIT AFTER TAX OF JOINT VENTURES

The Group's adjusted share of profit after tax of joint ventures of £35 million was 38% higher (37% higher in constant currency) principally due to higher profits in both joint ventures reflecting good demand for textiles and cosmetics at Bio-PDO and

DISCONTINUED OPERATIONS

YEAR ENDED 31 MARCH	2022 £M	2021 £M	CHANGE %	CONSTANT CURRENCY CHANGE %
Revenue	**1 757**	1 596	10%	15%
Primary Products as previously reported – adjusted operating profit	**112**	158	(29%)	(25%)
Costs reallocations to continuing operations[1]	**9**	7	20%	21%
Transfer of European Primary Products business to continuing operations[2]	**21**	14	56%	63%
Adjusted operating profit	**142**	179	(21%)	(16%)
Net finance expense	**(3)**	(4)	30%	25%
Adjusted share of profit after tax of joint ventures	**35**	26	38%	37%
Adjusted profit before tax	**174**	201	(13%)	(9%)
Exceptional items	**(3)**	(8)	66%	64%
IFRS 5 Held for Sale adjustments	**83**	–	–	–
Profit before tax	**254**	193	32%	37%
Income tax expense	**(44)**	(29)	(50%)	(51%)
Profit for the year – discontinued operations	**210**	164	29%	34%

1 Exclusion of certain operating costs which are reallocated from Primary Products to Food & Beverage Solutions because they will remain with the Group post disposal.
2 Adjustment to include the European Primary Products business in Food & Beverage Solutions, which is not subject to the Primient disposal transaction.

good demand for sweeteners at Almex. The statutory share of profit after tax of joint ventures of £8 million reflects the impact of stopping equity accounting on 1 July 2021 (reduction of £27 million).

NET FINANCE EXPENSE

Relates to the interest charge on certain leases, principally railcars.

EXCEPTIONAL ITEMS

Relates to the exceptional charge recognised within the Primient business. This cash charge of £3 million relates principally to productivity and simplification projects in its operations.

TOTAL OPERATIONS

Total operations or the Group, comprise both the continuing operations and the discontinued operations.

CASH FLOW, NET DEBT AND LIQUIDITY

Adjusted free cash flow for total operations was £16 million (2021 – £250 million) reflecting investments in working capital following actions to separate the Primient business and the adverse impact of input cost inflation. Adjusted free cash flow for total operations excludes cash outflows from exceptional items in the year of £60 million (2021 – £32 million).

In continuing operations free cash flow was £72 million, £81 million lower than the prior year. Of this year-on-year reduction, £41 million related to increased working capital driven by the completion of the sale of Primient where, to help mitigate the risks of separating our IT systems, we took decisions to build inventory to ensure good service was maintained to customers. Higher capital expenditure and the broader impact of inflation also contributed to the overall reduction.

In discontinued operations, free cash flow was a £(56) million outflow, £153 million lower than the prior year mainly due to the Primient disposal. As part of the closing of the transaction, US$120 million (£92 million) of higher working capital was recovered through increased disposal proceeds. Lower profits and the impact of inflation were further drivers of the year-on-year decline.

We expect capital expenditure for the 2023 financial year to be in the £90 million to £100 million range, an increase compared to investment in the 2022 financial year of £75 million. The increase reflects increased investment in growth capacity and investment related to acquired businesses.

Net debt at 31 March 2022 of £626 million was £209 million higher than in the prior year. The increase primarily reflects dividend payments of £144 million, cash exceptional costs of £60 million and an increase in value of debt denominated in foreign currencies of £24 million, which more than offset the free cash flow generated in the period.

Leverage at 31 March 2022 was 1.3x net debt to EBITDA on a total operations reported basis (2021 – 0.8x) and 1.1x on a covenant basis (2021 – 0.6x). Following receipt of cash proceeds from the sale of a controlling stake in the Primient business on 1 April 2022, the £497 million special dividend paid to shareholders and the acquisition of Quantum, the continuing Group has pro-forma[1] net leverage of less than 1.0x net debt to EBITDA.

DIVIDENDS

Proceeds from sale of controlling stake in Primary Products

On completion of the Transaction, Tate & Lyle received gross cash proceeds of approximately £1.1 billion (US$1.4 billion), taking into account estimates of cash, debt, debt-like items and working capital balances at completion. After one-off transaction and separation costs, as well as estimated tax liabilities associated with the Transaction, net proceeds were approximately £0.9 billion (US$1.2 billion) subject to customary post-completion adjustments in accordance with the Transaction documentation.

£500 million special dividend and associated share consolidation

Having taken into account all relevant considerations, the Board decided to return approximately £500 million to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share. To maintain comparability, so far as possible, of the Company's share price before and after the special dividend, it was accompanied by a consolidation and division of the Company's ordinary share capital resulting in ordinary shareholders receiving six new ordinary shares for every seven existing ordinary shares they held. Information about the special dividend and share consolidation can be found in the shareholder circular dated 7 April 2022. The special dividend and share consolidation were approved by shareholders at a General Meeting on 26 April 2022. The share consolidation applied to ordinary shareholders on the Register on 29 April 2022, while the special dividend was paid on 16 May 2022.

Final dividend for year ended 31 March 2022

As previously communicated, the sale of the controlling stake in Primient reduces the Group's earnings base by around 50%. As a result, the Board has decided to reduce the dividend to reflect this new base. The pay-out ratio (dividend cost compared to the Group's earnings base) has been maintained at the same level, and the Board intends to operate a progressive dividend policy from the new base. The share consolidation reduced the number of ordinary shares in issue, allowing dividends to be paid over a smaller number of shares, with the result that dividends per share reduce by less than the 50%.

CASH FLOW, NET DEBT AND LIQUIDITY

YEAR ENDED 31 MARCH ADJUSTED FREE CASH FLOW[2]	2022 £M	2021 £M	CHANGE £M
Continuing operations			
Adjusted operating profit	**170**	160	10
Adjusted depreciation and adjusted amortisation	**70**	87	(17)
Share-based payments charge	**10**	5	5
Changes in working capital	**(68)**	(8)	(60)
Capital expenditure	**(75)**	(60)	(15)
Pensions, tax and interest	**(39)**	(31)	(8)
Other non-cash movements	**4**	–	4
Adjusted free cash flow – continuing operations	**72**	153	(81)
Adjusted free cash flow – discontinued operations	**(56)**	97	(153)
Adjusted free cash flow – total operations	**16**	250	(234)

1 Pro-forma leverage on 1 April 2022 calculated after: completion of Primient disposal; the £500 million (approx.) special dividend paid to shareholders and the acquisition of Quantum Hi-Tech (US$237 million).
2 Adjusted results and a number of other terms and performance measures used in this document are not directly defined within IFRS. We have provided descriptions of the various metrics and their reconciliation to the most directly comparable measures reported in accordance with IFRS and the calculation (where relevant) of any ratios in Note 4.

GROUP FINANCIAL REVIEW CONTINUED

The Board is recommending a final dividend for the year ended 31 March 2022 of 12.8p (2021 – 22.0p) per share, bringing the full year dividend to 21.8p per share (2021 – 30.8p). This will be paid on 5 August 2022 to all shareholders on the Register of Members on 1 July 2022. As well as the cash dividend option, shareholders will be offered a Dividend Reinvestment Plan alternative. The interim dividend for the year ending 31 March 2023 is expected to be similarly adjusted to reflect the new earnings base.

RETIREMENT BENEFITS

The Group maintains pension plans for its current employees and former employees in a number of countries. Certain of these arrangements are defined benefit pension schemes. All funded schemes in the UK and US are closed for further accrual. In the US, the Group also continues to provide an unfunded post-retirement medical benefit scheme. Consistent with the prior year, the largest component of the net deficit relates to schemes in the US that are by their nature unfunded schemes (e.g. US post-retirement medical benefit scheme).

On disposal of the Primient Business, the Group retains all US defined benefit pension schemes but certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plans relating to employees who transitioned to the Primient business (together representing a net deficit of £28 million) were disposed of and were therefore classified as held for sale.

At 31 March 2022, the Group's retirement benefit obligations are in a net deficit of £107 million (31 March 2021 – net deficit of £140 million). This decrease of £33 million is principally due to classification of certain plans as held for sale as mentioned above. Excluding the impact of the held for sale classification, the net deficit decreased by £5 million mainly driven by a £13 million decrease as a result of a plan amendment to vary benefits to the US pension plans for which the past service credit was recognised within exceptional items. The net deficit decreased further as a result of employer contributions of £10 million. These decreases were partially offset by a currency translation charge of £8 million and other movements of £10 million.

During the year ended 31 March 2022, the asset performance closely matched and offset the actuarial gain in the funded plans. The actuarial gain was principally due to higher corporate bond yields in both the US and UK leading to higher discount rates.

The main UK plan was subject to a 'buy-in' in the 2020 financial year and therefore the significant decrease in obligations due to a higher discount rate was largely offset by a decrease in the value of the 'buy-in' insurance policy. As a result, the balance sheet for the UK plans remained consistent with the prior year.

In the year ended 31 March 2022, pension contributions of £10 million were marginally lower than the prior year. In the first half of the next financial year, the Group expects to make a one-off contribution of approximately £11 million to settle a post-transaction price adjustment in respect of the bulk annuity policy 'buy in' of the main UK plan.

FINANCIAL RISK FACTORS

Our key financial risk factors are market risks, such as foreign exchange, transaction and translation exposures, and credit and liquidity risks, as explained in Note 30.

GOING CONCERN

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making this assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of these financial statements to 31 March 2024. The sale of a controlling stake in Primient is included in this assessment. The business plan used to support the going concern assessment (the 'Base Case') is derived from Board-approved forecasts together with certain downside sensitivities.

Further details of the Directors' assessment are set out below:

At 31 March 2022, the Group has significant available liquidity, including £127 million of cash and US$800 million (£608 million) of committed and undrawn revolving credit facility, which does not mature before March 2025. The earliest maturity date for any of the Group's loans is October 2023, when $120 million will mature. During the prior year, the Group demonstrated its ability to raise new finance despite the uncertainties of the Covid-19 pandemic, raising US$200 million of new private placement debt in August 2020, with ten-year and twelve-year tenors at 2.91% and 3.01%, respectively. The Group has also considered the impact of net proceeds of the sale of a controlling stake in Primient of £0.9 billion after one-off transaction and separation costs and estimated tax liabilities, the return of capital to shareholders via a special dividend of approximately £500 million on 16 May 2022 and the associated share consolidation (refer to Note 37) and the commitment to acquire Quantum (refer to Note 35).

The Group has only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 1.1 times at 31 March 2022. As set out below, for a covenant breach to occur it would require a significant reduction in Group profit. Such reduction is considered to be unlikely.

In concluding that the going concern basis is appropriate, the Directors have modelled the impact of a 'worst case scenario' to the Base Case by including the same three plausible but severe downside risks also used for the Group's viability statement, being: a major operational failure causing an extended shutdown of our largest manufacturing facility retained in the US following the Primient transaction; the loss of two of our largest Food & Beverage Solutions customers; and significant energy, raw material and commodity inflation due to the consequences of conflict in Ukraine. In aggregate, such 'worst case scenario' does not result in any material uncertainty to the Group's going concern assessment and the resultant position still has significant headroom above the Group's debt covenant requirement. The Directors have also calculated a 'reverse stress test' which represents the changes that would be required to the Base Case in order to breach the Group's debt covenant. Such 'reverse stress test' shows that the forecast Group profit would have to reduce significantly in order to cause a breach.

Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the consolidated financial information of the Group as at 31 March 2022.

UNAUDITED PRO-FORMA FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022

On 21 October 2021, the Group published a document to show the impact of restatement of prior year financial information for the shareholder-approved sale of a controlling interest in the Primary Products business ('Primient') – within Section II of that document was included certain pro-forma financial information, which took the restated continuing operations financial information and showed the pro-forma effect of further adjustments reflecting additional factors that came into effect at completion of the Transaction. These adjustments were for:

- The financial impact of certain long-term agreements that will exist between the Group and Primient; and
- The Group's equity-accounted share of profits of the Primient business from completion of the Transaction.

Because the adjustments are also not included in the continuing operations information contained within the results for the year ended 31 March 2022 disclosed herein, pro-forma adjustment is given to them as set out below.

While IFRS 5 provides the basis on which to determine the composition of continuing and discontinued operations, pro-forma financial information is a non-IFRS measure. In addition, because such pro-forma financial information contains estimates with respect to each of the items set out above, it should not be used to replace the restated statutory financial information but is an illustration of how the Group will present its financial results.

Further to the pro-forma infortmation below, included in Additional Information on page 206 are details on the pro-forma Return on Capital Employed for the year ended 31 March 2022 for continuing operations.

PRO-FORMA – YEAR ENDED 31 MARCH	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	JOINT VENTURES £M	CENTRAL £M	2022 TOTAL £M	2021 TOTAL £M	CHANGE IN CONSTANT CURRENCY %
Adjusted operating profit – continuing operations	**160**	**61**	**–**	**(51)**	**170**	160	12%
Impact of long-term agreements	**(7)**	**–**	**–**	**–**	**(7)**	(7)	–
Pro-forma adjusted operating profit	**153**	**61**	**–**	**(51)**	**163**	153	13%
Pro-forma share of Primient Joint Venture profit	**–**	**–**	**61**	**–**	**61**	74	(13%)
Net finance expense	**–**	**–**	**–**	**(25)**	**(25)**	(26)	–
Pro-forma adjusted profit before tax	**153**	**61**	**61**	**(76)**	**199**	201	5%
Pro-forma adjusted tax charge					**(37)**	(34)	(13%)
Pro-forma adjusted profit for the year					**162**	167	3%

The table above starts with the adjusted operating profit set out in Note 5 (year ended 31 March 2022, section (ii) Adjusted operating profit) and then gives pro-forma effect to the financial impact of certain long-term agreements between the Group and Primient, and the Group's equity accounted share of profits of Primient from completion.

The resultant pro-forma adjusted operating margins are as follows:

	FOOD & BEVERAGE SOLUTIONS	SUCRALOSE	CENTRAL	TOTAL
Pro-forma adjusted operating margin	12.6%	37.1%	n/a	11.9%

Pro-forma comparative for the year ended 31 March 2021 – Food & Beverage Solutions: 14.1%, Sucralose: 36.8%, Total: 12.7%.

YEAR ENDED 31 MARCH 2022	AS REPORTED TOTAL OPERATIONS	PRO-FORMA
Earnings Per Share		
Diluted weighted average number of ordinary shares (millions)	470.4	403.5
Adjusted diluted EPS (pence)	56.0p	40.0p

Following the completion of the special dividend and share consolidation in May 2022, pro-forma EPS has been updated to give effect to all components of the Transaction and the share consolidation. For better comparability in future, the share consolidation is included as if it were effected on 1 April 2021. On a pro-forma basis, adjusted diluted EPS of 40.0p represents dilution of 29% compared to adjusted diluted EPS from total operations as reported.

The Group's share of the Primient joint venture profit is set out in the table below:

SHARE OF PRIMIENT JOINT VENTURE PROFIT:	YEAR ENDED 31 MARCH 2022 £M	YEAR ENDED 31 MARCH 2021 £M
Adjusted profit before tax from discontinued operations[1]	**174**	201
Pro-forma effect of Primient's financing facilities[2]	**(45)**	(45)
Impact of long-term agreements	**7**	7
Additional standalone costs in Primient[3]	**(14)**	(14)
Adjusted pro-forma profit before tax of Primient	**122**	149
Share of Primient joint venture profit at 49.9% pro-forma equity interest	**61**	74

1 Primient joint venture's adjusted profit before tax of £174 million (2021 – £201 million) is before charging exceptional items of £3 million (2021 – £8 million) and the impact of held for sale adjustments of £83 million.
2 Updated to reflect final borrowings in Primient of $1.1 billion.
3 Represents additional costs required in Primient in order to replicate back-office activities previously shared across Tate & Lyle PLC.

OUR PEOPLE: LIVING OUR PURPOSE AND EMBRACING CHANGE

This was a year of significant change for our people, and they stepped up to the challenges they faced with purpose, resilience and agility.

THRIVING THROUGH THE PANDEMIC

Our people are the heartbeat of our company – they are passionate about our purpose and passionate about making Tate & Lyle a successful business and a great place to work. We asked a lot of them this year – separating the Group into two standalone businesses during a global pandemic, while experiencing high customer demand and supply chain disruption – and they delivered time and time again. This was all the more creditable because they started the year already exhausted from living through the first year of the pandemic and had to find new reserves of strength to get through another year of lockdowns and restrictions. But in the end, we did far more than 'get through'. We thrived as a business, not least because we learnt a number of things during the first year of Covid-19 which benefited us in the second. More personal, connected and open ways of communicating. The empowerment of our local leadership. Our ability to serve our customers in a more agile way and to connect with them using technology. And, of course, the resilience of our people.

Guided by our purpose, we continued to prioritise keeping each other safe and well inside and outside work. Our front-line staff continued to operate our plants safely and efficiently, despite skeleton crews and ongoing pandemic protocols, ensuring that we kept our customers served. Our office-based staff continued to adapt to homeworking, coming up with new ways of staying connected. Our commercial and innovation teams found ever more creative ways of staying close to and supporting our customers. And we did not forget our local communities – colleagues across the world spent more time giving back to those who faced hardships from the pandemic. It was a year like no other and once again, our people stepped up.

SEPARATING THE BUSINESS WHILE DOING THE DAY JOB

Separating the company into two standalone businesses during the year was an immense task. To do this in just eight months, while delivering strong financial results, is a tremendous achievement for all the people involved, many of whom worked on the separation while doing their day job. While it was a lot of hard work, it also presented opportunities for people to take on new roles and develop new skills which will serve them well in the future and support both companies as they focus on the growth opportunities ahead.

It was also an unsettling time because change, however exciting, is challenging. A key priority, particularly for our leadership team, was open and honest communication. A lot of time was spent on video calls, in townhalls and face-to-face meetings with people, explaining why we were separating the two businesses and what it meant for our people both collectively and for individuals' roles. We were pleased that employees on the whole were supportive and excited about the future, and understood that the two separate companies would bring new opportunities for personal and collective development.

A CULTURE OF AMBITION AND EXPERIMENTATION

Separating into two businesses was a bold move, and that sense of boldness, ambition and innovation is something we want to make a central part of our culture moving forward. Tate & Lyle has always been a place for explorers and experimenters, and we want everyone to 'find their innovator and disruptor within'. This means having the courage to experiment, share ideas openly, and respond quickly. To this end, we have defined four new behaviours, explained in the box below, to support our three values of safety, integrity and respect.

CREATING A DYNAMIC AND AMBITIOUS CULTURE

We have introduced four new behaviours to underpin our growing culture of innovation and experimentation.

BE CURIOUS
Ask questions; listen without judgement; look up and out to bring in fresh perspectives

BRING CHALLENGE
Invite it; be open to feedback; call out alternatives to improve; say what's needed in the moment

CREATE FLOW
Know when to step in or when to trust others; bring creativity to constraints; remove obstacles for others

HAVE COURAGE
Stand proud behind ideas that inspire; be more ambitious; see mistakes as fuel for learning

PRIORITISING WELLBEING

Caring for our people's physical and mental health is central to our purpose. This is shown in many ways, not least by our health and wellbeing purpose target, which is measured through our annual employee survey each year. This year, 71% of our employees told us that we actively supported their wellbeing. This was slightly lower than the 75% reported last year, mainly due to weariness and frustration from a second year of pandemic restrictions. We will be working hard to improve this score in the year ahead. Wellbeing is also a core element of our Journey to EHS Excellence (J2EE) programme (see more on page 52). Through J2EE, teams at each of our sites track what's being done to care for the wellbeing of our employees through initiatives such as training events, healthy eating information, running groups and education sessions.

The Covid-19 pandemic made it more important than ever that we support the physical and mental health of our people. For many, the past year continued to be a time of ongoing uncertainty and relentless challenge – working at home or working in very different circumstances in our plants; for some, the difficulties of combining home-schooling children with work; and for others, isolation. Our aim was to remain supportive and compassionate throughout, doing whatever was needed for people's individual circumstances.

> Separating the company into two standalone businesses during the year was an immense task, and to do it in just eight months, while delivering strong financial results, is a tremendous achievement for all our people.

LAURA HAGAN Chief Human Resources Officer

We continued to encourage people and their families to use our free counselling service, offered as part of our global Employee Assistance Programme. The number of volunteer Mental Health First Aiders also increased – we now have more than 70 globally across Tate & Lyle.

As last year, the example of our leadership team was essential in setting the tone, demonstrating support and compassion for people's individual circumstances. Through regular virtual cafés, our leaders were open about their own challenges, and encouraged their teams to do the same. We also supported employees' own initiatives – it was great to see so many teams coming together for yoga sessions, coffee mornings, and singing or exercise groups.

STEPPING UP OUR COMMUNICATIONS

Technology has permeated everyone's working lives since the pandemic started, and continued to be hugely important in enabling the frequent, informal, local conversations that have been so critical in keeping everyone connected.

The business separation project added new urgency to the necessity for frequent, open communication, as people wanted information about what was happening, reassurance about the future, and the opportunity to ask questions. Our leaders continued to use virtual cafés to connect with colleagues, as well as encouraging discussion and debate through our internal social media channels. We established a dedicated team to plan, prepare and deliver all our communications throughout the business separation process. This involved, amongst other things, regular email messages and videos from Nick Hampton and members of the Executive Committee. They discussed key aspects of the transformation to generate excitement about the future of both Tate & Lyle and Primient. The separation into two companies also meant separating our communication channels, with new intranets built for both companies.

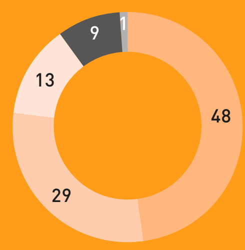
EMPLOYEE PROFILE

As at 31 March 2022

4,591

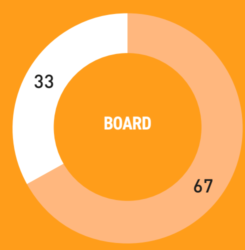
(2021: 4,441)

EMPLOYEES BY GEOGRAPHY (%)
As at 31 March 2022



- North America
- Europe
- Asia Pacific
- Latin America
- Middle East and Africa

GENDER DIVERSITY (%)
As at 31 March 2022



- Men
- Women

OUR PEOPLE CONTINUED

CODE OF ETHICS

Central to our Code is a profound respect for human rights – particularly health and safety, which is our highest priority.

LANGUAGES

11

% OF EMPLOYEES TRAINED IN THE CODE

98%

% OF EMPLOYEES (WHO REQUIRE IT) TRAINED IN COMPETITION LAW

97%

% EMPLOYEES (WHO REQUIRE IT) TRAINED IN HUMAN TRAFFICKING

97%

POLICIES

Alongside the Code, we publish our supporting policies on our intranet. These include:

- Competition (Anti-trust)
- Gifts and Hospitality
- Anti-Corruption/Bribery
- Agents and Distributors

We also publish supply chain policies (including trade compliance policies), and our statement on anti-slavery and human trafficking can be found at www.tateandlyle.com/antislaverystatement

REWARDING AND RECOGNISING OUR PEOPLE

Fair, performance-based recognition is fundamental to people's motivation. We ensure our remuneration packages are fair by benchmarking them regularly against the market. In our approach to the salary review this year we were particularly attentive to the inflation and cost of living pressures faced by people in many of the countries in which we operate. We recognise that the success of the business is a collective effort, which is why we continue to recognise the majority of our employees with at least six months' service with some form of discretionary reward or recognition for the year.

But we know that recognition is about far more than pay. This takes many forms, from localised recognition moments in team meetings, through to large events which recognise truly exceptional behaviour. For example, the Executive Committee nominates at least one person or team each month for special recognition; and people are encouraged to recognise colleagues' achievements and contributions through our internal social media channels.

DEVELOPING TALENT AND ENHANCING LEADERSHIP SKILLS

We continued to evolve our training provision and coverage from a largely face-to-face training environment to a largely digital one. Traditional face-to-face programmes still have their place, but technology has given us the opportunity to democratise learning, which means offering people a range of training options which they can take up in their own time and which are geared to their own individual needs. We continued to offer our employees LinkedIn Learning, with over 17,000 courses available in seven languages, on almost every business topic imaginable. We also used our company-wide Workday® platform to provide over 800 learning and training courses.

DOING BUSINESS WITH INTEGRITY – OUR CODE OF ETHICS

Our values of safety, integrity and respect are the cornerstone of our business. We expect everyone at Tate & Lyle, and all who work with us, to act in accordance with these standards, and it is a key part of the due diligence we do when considering an acquisition. We set out what 'doing business with integrity' means in our Code of Ethics, currently available in 11 languages. Central to our Code is a profound respect for human rights.

We publicise the Code widely across Tate & Lyle, including through online training for everyone and face-to-face training, either in person or via a Teams call, for areas of particular risk. We strongly encourage people to report breaches through our Speak Up (whistleblowing) programme, which is advertised in all our plants and offices, on our intranet and through other internal communications. This reflects our belief that prevention is the best approach – if people understand what's expected of them and why, they're more likely to do the right thing.

RAISING CONCERNS

This year, concerns raised through Speak Up, either directly or through our independent third-party partner, Safecall, were 54 compared with 57 in 2021. These include our first calls from Asia, which marks a real cultural shift, with people in that region now feeling they can raise issues. Given our focus on Asia as a growth market, this is particularly important for the future. We are also getting more variety in the types of calls we receive, which in the past have tended to be mostly about HR issues. This again is a good step forward, since it means people are really understanding the Code and what constitutes a concern for the business.

We investigate every concern raised, but we sometimes have multiple calls about the same issue. As a result, the number of concerns we investigated this year was 49. We treat any concern raised as whistleblowing, which means it is reviewed independently by our Head of Ethics and Compliance.

> We strongly encourage people to report breaches through our Speak Up programme, which is advertised in all our plants, labs and offices, on our intranet and through other internal communications.

LAUREN HIGGINS Head of Ethics and Compliance

EQUITY, DIVERSITY AND INCLUSION

People are at their best when they feel they can be themselves, and businesses are at their best when everyone can be seen, heard and valued. This is why equity, diversity and inclusion together are a key business-wide priority for us, affecting our current and future employees, our customers, our supply chain and our communities. This is not simply because it's the right thing to do, but because our purpose demands it.

We want to embrace equity, diversity and inclusion in everything we do. That's why we are refreshing our policies and systems, developing new ways of working, educating our people, and hiring new people with this agenda front of mind. We have also set targets for the next eight years to measure our progress (see page 49), and have established a dedicated team to progress equity, diversity and inclusion within the business.

WHAT EQUITY, DIVERSITY AND INCLUSION MEANS TO US

During the year, we held hundreds of conversations in our plants, labs and offices around the world to find definitions of these three words that resonated with our people. Here is what we discovered together:

- **Equity:** grounded in the principles of fairness; establishing policies and practices; creating access to opportunities; removing barriers; and ensuring everyone has the opportunity to achieve their potential
- **Diversity:** the mosaic of people who bring a variety of backgrounds, lived experiences, perspectives and values as assets to the groups and organisations with which they interact
- **Inclusion:** a dynamic state of operating that enables everyone to feel safe, respected and valued for who they are and for their contributions towards organisational and societal goals.

The simple way we think about these three words together is that equity is our impact; diversity is a fact; and inclusion is the act.

OUR EQUITY, DIVERSITY AND INCLUSION STRATEGY

This strategy belongs to our people, as they have helped to create it and are entrusted to help shape its future. We are integrating equity, diversity and inclusion into our culture and purpose by focusing on four pillars:

- **Systems:** integrate equity, diversity and inclusion into core organisational policies and practices to promote equitable advancement, retention and reward
- **Talent:** ensure the diversity of our workforce reflects the local communities we serve

OUR PEOPLE: EMPLOYEE RESOURCE GROUPS

Helping to create awareness and enable communities to drive inclusive interaction across the business.

CELEBRATING THE WORK OF OUR ERGs

Our Employee Resource Groups (often called ERGs) play an important part in enabling colleagues to experience solidarity, support, education, growth and development. They are strategic, self-organised groups that work to advance equity, diversity and inclusion in our workplace and local communities, helping to connect under-represented groups across Tate & Lyle and cultivate a sense of belonging. We have five groups:

- Professional Women's Network
- LGBTQ+ Network
- Black Employee Network
- Happy Healthy Minds (focusing on mental health and wellbeing)
- Veteran Employees Together

Local regions can set up ERG chapters or sub-groups, and we were delighted that this year saw employees setting up our first ERGs in Latin America, the Middle East and Africa. For example, employees in Latin America set up a sub-group of the Professional Women's network with over 130 members.

During the year, almost 3,000 employees took part in equity, diversity and inclusion events across Tate & Lyle, including open, honest conversations around International Women's Day, Juneteenth, Transgender Day of Visibility, Black History Month, and many more. We also grew our community of 'allies', people who use their influence to support those who experience unequal treatment, training more than 150 employees, including our Executive Team, on how to be an ally.

Our ERGs also play a role in communicating equity, diversity and inclusion initiatives. For example, with the support of our ERGs, we saw excellent take-up of our '#EDIPledge' on our internal social network, Yammer, where people across the business shared a personal pledge to play their role in our equity, diversity and inclusion journey. The pledge campaign was launched in October 2021, and has generated well over 300 pledges including actions like sponsoring a re-design of our recruitment process; having courageous conversations; learning about different perspectives; speaking up against injustice; and visibly advocating for under-represented groups personally and professionally.

OUR PEOPLE CONTINUED

- **Culture:** educate all to achieve the competence and confidence needed to create and sustain an inclusive culture
- **Society:** listen to, speak to and serve society by promoting equity, diversity and inclusion with our customers, our communities and our supply chain.

We have set ambitious targets to help us make progress against each of these pillars over the next eight years (see page 49). And we've already started to take action. In pursuit of these targets, we are currently working to:

- Redesign our recruitment and performance process to mitigate for bias, diversify our talent pipeline and produce more equitable retention and advancement opportunities
- Pursue more inclusive and localised benefits that better reflect the needs of our people
- Increase the membership of our Employee Resource Groups (ERGs) (see case study on page 47), including 'allies', people who use their influence to support those who experience unequal treatment
- Better understand who is in our global workforce and what their experiences are of inclusion, equity and 'allyship', mainly through our annual employee survey and demographic data collection
- Modernise and scale up our learning programmes around equity, diversity and inclusion to build people's capabilities and confidence
- Formalise a supplier diversity programme that meets the increasing demands of our customers.

> Government guidance on parental leave differs considerably by country and many colleagues have told us that, in some countries, the time provided simply isn't enough. We sincerely hope our new equal parental leave policy will enable parents to spend valuable bonding time with their new child or children, without having to worry about financial and time constraints.

LAURA HAGAN Chief Human Resources Officer

We've made good progress so far, including:

- Almost 3,000 colleagues attended equity, diversity and inclusion events such as presentations by external speakers and education sessions
- More than 300 employees made personal pledges to advance equity, diversity and inclusion inside and outside the business
- Over 150 employees joined 'ally' training, which helps people learn about equity, diversity and inclusion, and take personal ownership of our agenda
- We held employee events on subjects such as World Mental Health Day, National Coming Out Day and Domestic Violence and Abuse Awareness
- In March 2022, Tate & Lyle was recognised as a top 25 performer in the McKenzie-Delis Review for Diversity and Inclusion.

NEW EMPLOYMENT POLICIES

Another way we are delivering our strategy, and a consequence of separating into two companies, is the development of our employment policies. With the support of our ERGs, we're reviewing all our policies with an equity lens so we can be sure that the new company we're building is based on inclusive foundations, and with respect for every individual's needs.

One policy we have already implemented is our new Equal Parental Leave Policy. This new policy provides employees across the world with a minimum of 16 weeks fully-paid parental leave, covering birth, adoption, foster-to-adopt and surrogacy. It applies to all parents and prospective parents regardless of gender, marital status and sexual orientation, and allows employees to take parental leave any time within the first 12 months of a child entering the home.

EQUITY, DIVERSITY AND INCLUSION: OUR STATEMENT OF INTENT

We believe in the power and potential of diverse perspectives to unlock innovation and to accelerate the global growth of our business.

This is why we are committed to all of our employees being seen, heard and valued, and our teams reflecting the local communities we serve.

As a global business founded on expertise and creativity, we celebrate how our unique differences generate better ideas and deeper insights, empowering us to lead the next food revolution for and with our customers.

PROGRESS ON GENDER DIVERSITY

- Target for gender parity in leadership roles by 2025: 33%[1] at 31 March 2022
- Women on our Board: 33% at 31 March 2022; 45% at date of this report
- Women on our Executive Committee: 44% at 31 March 2022; 56% at date of this report
- Women in senior management, including statutory directors: 33% out of 98 people

1 In the 2023 financial year, we will be extending this target to gender parity in all leadership and management roles. This expands the number of employees from around 60 to more than 500. At 1 April 2022, the number of women in leadership and management roles was 42%.

UK GENDER PAY GAP REPORTING

Although we are below the legislative threshold for UK gender pay reporting, we publish details of our UK gender pay gap on our website. Using the UK government's methodology, our median pay gap has significantly improved. In April 2020 the gap was 3.2%; by April 2021 the gap had become -1.7% in favour of women, primarily because we have increased the number of women in senior roles at our global headquarters in London. This increase was achieved both through promotions and new hires.

OUR EMPLOYMENT POLICY

Our policy is to employ the best candidates for every position regardless of age, disability, marital or civil partnership status, pregnancy or parental/care-giving responsibilities, race, ethnic or national origin, nationality, religion or belief (including lack of belief), social background, gender, gender reassignment or sexual orientation.

OUR TARGETS FOR EQUITY, DIVERSITY AND INCLUSION

We have launched a set of clear goals and targets with a baseline of 1 April 2022, spanning our four equity, diversity and inclusion pillars – systems, talent, culture and society. These will enable us to measure our progress and integrate equity, diversity and inclusion further into our culture and purpose.

SYSTEMS

Integrate equity, diversity and inclusion into core organisational structures, policies and practices, to promote equitable advancement, retention and reward.

2023 – 50 high potential employees from under-represented groups will be sponsored for advancement

2025 – In each region, we will achieve parity between minority and majority groups in attrition rates, and employee engagement scores on equity, diversity and inclusion

CULTURE

Educate all to achieve the equity, diversity and inclusion competence needed to create and sustain an inclusive culture.

2022 – 10% of Employee Resource Group leaders' paid time will be spent on ERG work

2025 – Employees, managers and leadership will spend 10, 15 and 20 hours each respectively on equity, diversity and inclusion training

TALENT

Ensure the diversity of our workforce reflects the local communities we serve.

2025 – We'll achieve gender parity in leadership and management roles

2030 – Teams at all levels will be representative of their local communities

SOCIETY

Listen to, speak to and serve society by delivering progress on equity, diversity and inclusion for and with our customers, communities and suppliers.

2030 – Employees will have spent 50,000 hours volunteering for projects aligned with our purpose and our priority UN SDGs, with an ambition to reach 20,000 hours by 2025

2030 – We will expand our spend with diverse suppliers globally, with interim goals achieved for North America supplier diversity by 2027

OUR COMMUNITIES: SUPPORTING OUR LOCAL COMMUNITIES WITH PURPOSE

OUR COMMUNITY PROGRAMME

We believe in building stronger, healthier communities where we work and live. For our employees, our commitment to community involvement is fundamental to who we are and is a key part of how we live our purpose. This is brought to life by our purpose pillar of building thriving communities. Our community involvement programme is focused on three main areas, with a particular emphasis on supporting children and young adults.

Health: We support projects which improve the health and wellbeing of people of all ages, helping them understand the roles played by nutrition and physical activity in a well-balanced life.

Hunger: We work with organisations to give access to nutritional meals to people in need in our communities and beyond.

Education: We work with local schools, education foundations and other community partners to help prepare students for healthier, brighter futures.

Our partners include registered charities, educational institutions and non-governmental organisations that meet our high standards for delivering services and results. Our plan and budget for community involvement are developed and approved as part of our annual planning process, and we report progress against our community purpose targets on page 30.

FINDING CREATIVE WAYS TO HELP DURING THE PANDEMIC

The global pandemic continued to cause uncertainty and hardship in many of our local communities. Demand for food banks remained high, and so our continued partnership with 25 food banks across the world was as important as ever. During the year, we provided 1.2 million nutritious meals to people in need in our local communities, making a total of 2.9 million meals over the last two years.

The pandemic, with its lockdowns and restrictions, continued to pose challenges for some of our regular community programmes, requiring our employees to continue to come up with creative ways to adapt. Our mentorship programmes in Latin America, the UK and US, which went virtual the previous year, stayed online this year, and many of our school education programmes were online too.

Gardening is great for physical and mental health, as well as supplementing people's diets with freshly grown produce. During the year, we launched new gardening projects in many of our communities across the world. A great example is our partnership with Food & Trees for Africa, which saw employees getting directly involved in planting and tending the food garden of a primary school close to our facility in South Africa. We helped community partners with similar projects in Brazil, Mexico and Colombia.

As the financial year came to an end, we saw a humanitarian crisis unfolding in Ukraine and its neighbouring countries. As well as making donations to the British Red Cross Ukrainian Relief Fund, we also supported charities in and around Łódź, Poland and Boleráz, Slovakia, where we have an office and a plant respectively, to provide food, clothes, shelter and medicines for refugees arriving in both regions. We also set up an employee matching scheme, whereby donations made by employees were doubled by the Company, and the matched money given to charities in Łódź and Boleráz.

LOOKING AHEAD

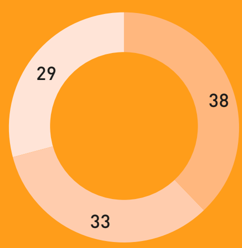
The sale of a controlling stake in our Primary Products business in North America and Latin America means that a number of our community projects in those regions have moved to the new business, Primient. We wish them well in their future endeavours. For Tate & Lyle, our community programme will continue to be purpose-led, and focused around the three areas of health, hunger and education. We remain committed to delivering our purpose targets for 2025 and will strive to continue to make a positive contribution in all the communities where we operate.

HOW WE INVEST IN OUR COMMUNITIES

IN THE YEAR ENDED 31 MARCH 2022, CASH COMMUNITY SPEND AND CHARITABLE DONATIONS AMOUNTED TO £548,000 (2021 – £752,000[1]).

£548,000

AREAS OF FOCUS (%)



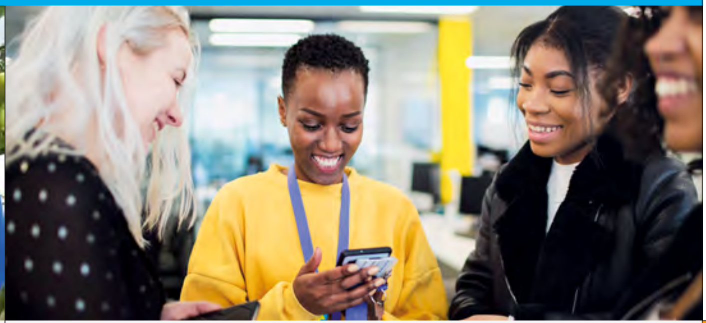
- Education
- Health
- Hunger

1 In the year ended 31 March 2021 we made one-off donations of US$200,000 to our food bank partners to support our local communities during the pandemic.

> Our community programme is all about collaboration, working with local partners across the world to make a positive and lasting difference in our local communities.

ROWAN ADAMS Executive Vice President, Corporate Affairs

HIGHLIGHTS OF THE YEAR



GROWING FOOD WITH NUESTROS PEQUEÑOS HERMANOS

In January 2022 we launched a new partnership in Morales, Mexico with Nuestros Pequeños Hermanos, a charity housing over 650 orphaned, abandoned or otherwise vulnerable children in the region. We are working with staff and children at these homes to help them grow more fresh fruit and vegetables for their meals, while also helping them learn about food safety and nutrition.

> Our partnership with Tate & Lyle not only helps us expand greenhouse production, but also allows us the opportunity for personal connection, knowledge exchange and mentorship which is so important to the children and volunteers who help bring our projects to life.

RAFAEL BERMÚDEZ GUTIÉRREZ National Director Mexico, Nuestros Pequeños Hermanos

FASTFUTURES: HELPING TO GIVE YOUNG PEOPLE NEW SKILLS

We are a founding partner of FastFutures. This UK learning and skills programme helps thousands of people aged 18-22 from diverse and disadvantaged backgrounds into work. As part of the programme, our UK employees mentor students virtually, and our senior leadership team holds skills-building Q&A sessions.

> The encouragement I received from my Tate & Lyle mentor meant a great deal to me while applying for jobs.

VAIDA ARLAUSKAITĖ Participant in FastFutures programme

> My experience with FastFutures proved invaluable and exceeded my expectations.

CHIOMA ABAZIE Participant in FastFutures programme

HEALTHY EATING, HAPPY LEARNING IN CHINA

As part of our 'Healthy Eating, Happy Learning' child health improvement programme in China, we partnered with the China Foundation for Poverty Alleviation to provide more than 2,000 children in ten schools in underdeveloped areas of the country with a nutritious daily meal. We also upgraded the kitchen and canteen facilities at the schools and worked with local authorities to provide nutrition education for students and teachers.

> Investing in children's nutrition and health is one of the fundamental ways to tackle the intergenerational transmission of poverty. We greatly appreciate Tate & Lyle's focus on the nutritional status of children in China and their trust in the Foundation.

ZHENG WENKAI Chairman of China Foundation for Poverty Alleviation

GETTING CHILDREN READY TO LEARN IN ILLINOIS, US

We are a long-term supporter of the Enders-Salk Elementary School free breakfast programme. Our partnership with the school, which is based in Hoffman Estates, Illinois, US, is part of District 54 Education Foundation's Food 4 Thought programme. Through this, we have provided over 50,000 nutritious breakfasts for students at the school to help them start the day ready to learn. The local Tate & Lyle team also provides mentorship and connection through nutrition education sessions, support in planting and harvesting in the school garden, and sharing careers advice.

> Tate & Lyle has been a longstanding supportive partner in ensuring that District 54 students begin their day ready to learn. Throughout the pandemic, when many families and communities were struggling and having to cut back, Tate & Lyle stayed true to their commitment of ensuring access to meals for our students.

MEAGAN KASPER Community Relations Administrative Assistant at School District 54

ENVIRONMENT, HEALTH AND SAFETY: MAINTAINING MOMENTUM IN A TRANSFORMATIONAL YEAR

Covid-19 continued to challenge us this year, requiring huge efforts from our people to continue to run our plants safely and efficiently, and keep our customers served.

This was another year of progress, despite many challenges such as the global pandemic, supply chain disruption and high customer demand. While keeping customers front of mind, we didn't forget our focus on the everyday, ongoing safety of our people and processes, and our longer-term goals for environmental sustainability. We are pleased with the progress we made on our environmental targets and commitments, particularly exiting coal in our operations four years ahead of schedule; and that we continued to do well on process safety, thanks to the team's efforts around combustible dust and chemical management.

TOTAL AND CONTINUING OPERATIONS
Following the transaction to sell the controlling stake in Primient which was first announced in July 2021, Primient was classified as a discontinued operation under IFRS 5. The remaining businesses of the Group comprising: Food & Beverage Solutions (into which the European Primary Products business, which is not part of the transaction, and some stranded costs have been combined); Sucralose; and Central costs are reported as continuing operations. Total operations are continuing and discontinued operations combined.

CONTINUING TO MANAGE THROUGH THE PANDEMIC

When the pandemic started in 2020, we established local response teams who were empowered to make decisions on the ground, depending on local circumstances, under the overall guidance of our Global Pandemic Response Team. In this second year of the pandemic, our site leaders continued to rise to the challenge, dealing with new issues that arose, not least the toll on people's mental health from the ongoing state of uncertainty, and increasing levels of frustration. With the pandemic an ongoing daily reality, our people's resilience and commitment to help each other this year was all the more commendable.

We were really helped in our management of Covid-19 by the global, standardised structure of our Journey to Environment, Health and Safety (EHS) Excellence (J2EE) programme, which has been in place since January 2018. In 2020, we adapted this programme to integrate food safety and product quality processes, and the work we do on site security. The programme is designed to involve everyone within Tate & Lyle in strengthening our EHS culture and performance, and this paid off during the pandemic. Our cloud-based reporting tool, Gensuite, was important here, since we were able to adapt it quickly to record infections, quarantines and vaccinations, meaning we had data early on. And because our people were already used to sharing ideas and reporting concerns through Gensuite, it was natural to use it for managing Covid-19 issues as well.

BENEFITS AND CHALLENGES FOR J2EE

In practical terms, J2EE involves each site introducing standardised protocols and passing through a series of stages, or tollgates (seven in total), with the help of colleagues who champion a particular aspect of EHS culture (element owners). Passing a tollgate involves a rigorous assessment carried out by internal EHS experts. We were really pleased with the ongoing progress despite the pandemic – by the end of March 2022, two sites had passed tollgate 1, six sites tollgate 2, eight sites tollgate 3, 16 sites tollgate 4 and two sites tollgate 5. And we were particularly proud that our McIntosh, Alabama, US site was the first to pass tollgate 6. We also encourage employees to tell us about any EHS concerns they may have, no matter how large or small. This year, they raised 5,720 concerns, and we were pleased that 75% were addressed within our target of 30 days, up from 73% in 2021.

J2EE AIMS

- To build a strong, sustainable EHS culture
- To keep people safe and prevent loss of life and injuries
- To prevent business disruption
- To provide clarity about the behaviour we expect from those who work for us and with us
- To manage our operational EHS risks while ensuring compliance with applicable regulation
- To minimise our environmental footprint

Nonetheless, Covid-19 brought some challenges for the programme, because ultimately good performance is about culture, which is much easier to maintain when people are together face-to-face. Not only could we not send out our global engineers to sites, but the sites themselves had to operate with fewer people at a time, and in more socially-distanced ways. However, with travel increasingly back on the agenda, and more people allowed on-site, we expect progress to pick up again in the coming year.

A STRONG FOUNDATION FOR THE FUTURE

Talking of the coming year, J2EE was a strong basis for the launch of Primient as a standalone company, and it remains central to both Tate & Lyle and Primient. Over the years we've operated the programme, we have adapted and expanded it with experience and ideas from people across the business, while always holding on to its key principles. This makes it an excellent tool for integrating new plants and sites, as we've seen with our acquisitions in the last two years. Our commitment to J2EE, and to meeting our 2030 environmental targets, remains stronger than ever.

> It's hugely exciting to be part of a company that truly aligns how we make our products with our purpose. Our EHS ambitions are no less ambitious than our plans for growth.

JAN-JAAP VAN DER BIJ Senior Vice President, Global Environment, Health, Safety, Quality and Security

EHS GOVERNANCE, SYSTEMS AND REPORTING

GOVERNANCE

Our EHS Advisory Board oversees J2EE and reviews performance. It meets quarterly and is made up of senior executives, including the Chief Executive. The Board of Directors receives updates on EHS performance at every meeting, and a more detailed review of progress at least twice a year. The governance process for overseeing environmental performance can be found on pages 63 and 64, as part of our report against the recommendations of the Task Force on Climate-related Financial Disclosures.

SYSTEMS

J2EE is supported by a global EHSQ management system (Q representing quality), aligned with the requirements of international standards for the environment, occupational health and safety, and risk management (ISO 14001 and ISO 45001). This feeds into our global Environment, Health, Safety, Quality and Security policy (available on www.tateandlyle.com), which sets out a number of principles designed to keep our people safe, along with a consistent set of requirements and expected results.

We encourage all employees to share their ideas and report concerns via our cloud-based tool, Gensuite, which enables us to manage EHS data – including Covid-19 reporting – efficiently and consistently. Every week, the EHS team shares with a wide group of employees the latest EHS performance data, details of any incidents and corrective actions taken, and examples of good practice.

Before the pandemic, senior executives would visit sites to meet employees and contractors to discuss EHS and identify key issues. Such first-hand insight helps us review and improve our EHS practices and address any specific concerns employees may have. During Covid-19, when travel was impossible, we replaced these site visits with special virtual cafés for our operations team, led by Nick Hampton, our Chief Executive, and Melissa Law, our President, Global Operations. As things have started to open up, we are resuming senior executive site visits, where Covid-19 restrictions allow.

PUBLIC REPORTING

We explain the scope, principles and methodologies we use to report our EHS performance in 'EHS Reporting Criteria' at www.tateandlyle.com/purpose. We report EHS data by calendar year.

ASSURANCE

AECOM has independently verified selected environmental data from pages 56 to 61. Their limited assurance statement is at www.tateandlyle.com/purpose/caring-for-our-planet.

ENVIRONMENT, HEALTH AND SAFETY CONTINUED

HEALTH AND SAFETY

The safety and wellbeing of our people – all those who work at our sites – is our primary concern. Our approach is built on the idea of shared responsibility: we all have a part to play in safeguarding ourselves and those around us. As a minimum, we expect everyone working on a Tate & Lyle site – employees, contractors and any other third parties – to take responsibility in three ways:

- Comply with all safety rules and regulations relevant to their work
- Intervene to prevent unsafe conditions
- Respect fellow workers and the communities in which we work

Our approach means more than just following the rules, however; it's about having a mindset that keeps us aware of, and allows us to eliminate or control, the risks we face every day. Key to that is openness – the desire by everyone to challenge each other, without judgement, to understand why accidents happen. It's at the heart of every good safety programme.

KEEPING GOING IN A CHALLENGING YEAR

Our principles, and the need for people to take personal responsibility, became even more important during the pandemic, when, first and foremost, our priority was to keep people safe and well. This second year of the pandemic has been very challenging for our people, not least for their mental health and wellbeing, as discussed in the 'our people' section on page 45. Here we discuss health and safety in terms of the safety work at our sites covered by our J2EE.

With more people on site and more hours worked than last year, it's no surprise that our lagging safety indicators worsened during the year[1]. The increase in both our recordable injury rate (15%) and our lost-time rate (25%) resulted from minor incidents, albeit a larger number. A contributing factor was the addition of our new tapioca and stevia operations, acquired in Thailand and China, respectively. Together these accounted for nearly 10% (five) of our recordable injuries, and 14% (five) of our combined lost-work and restricted work cases. Without these, the number of incidents would have been on a par with our 2019 safety results.

In the coming year, we will be focusing particularly on the sites where we've seen a high number of safety incidents, and continuing to support colleagues in our new sites to embrace the principles of our J2EE.

Some of our sites did exceptionally well in every respect, from managing their Covid-19 response to improving their record on lagging indicators.

MAINTAINING OUR COVID-19 RESPONSE

2021 was very much about continuing to live with Covid-19 and remaining in a heightened state of alert so we could be responsive as countries and regions went in and out of lockdown, and vaccines were rolled out. In this continued state of uncertainty, it was a real challenge for our people not to lose focus. Our use of J2EE to help manage the response to the pandemic, and the protocols we had brought in during the previous year, served us well. But even more important was the response of our local leaders, who continued to take responsibility for the local response under the overall guidance of our Global Pandemic Response team, led by our Senior Vice President, Global Environment, Health, Safety, Quality and Security (EHSQS). Working out how to staff and operate a manufacturing plant 24/7 while avoiding spreading infection is no small task, and we're really proud of our people for succeeding in keeping all our manufacturing sites operational throughout the year.

The pandemic is far from over and, despite the world beginning to open up, infection rates continue to rise in some countries. We saw double the number of our people contracting Covid-19 during the year, although most, thankfully, were not seriously ill, helped by high vaccination rates at most sites. Despite this, in the summer of 2021, three colleagues in the US very sadly passed away from complications due to Covid-19, contracted away from our premises. Prior to that, a cleaning contractor at our facility in Mexico City also passed away from Covid-19 complications, again caught away from our premises. Covid safety protocols remain in place wherever necessary, so that the workplace is as safe as it can be for all.

COVID-19 STATISTICS

Two years ended 31 March 2022

- 1,562 (35%) of our workforce (employees and contractors) tested positive
- 3,268 (73%) of our workforce were quarantined, either from testing positive, waiting for test results, returning from holiday in a high-risk area, or from potential infection from direct contact with somebody else testing positive
- Three colleagues and one contractor passed away, having contracted Covid-19 away from our premises.

RESPONDING TO POTENTIALLY SEVERE EVENTS

When major, severe, or potentially severe events (PSE) occur, the site manager reports them to our Incident Review Board (IRB). The IRB is led by the Senior Vice President, Global EHSQS, and is attended by senior leadership from Global Operations, and plant and site managers. It is an open forum for discussion, and considers these questions:

- Do we understand what happened?
- Do we understand the root cause?
- Have we defined the right corrective actions to prevent it from happening again at this site?
- What do we need to do for other sites with a similar situation, equipment, process, product or procedure?

Any resulting actions are tracked to completion by our Global Incident Investigation Process Manager. The IRB considered 12 PSEs during the year with meetings held virtually due to the pandemic. The PSE events themselves were all different; for example, two involved falls, while two involved equipment malfunction. In all cases, no one suffered any long-lasting injuries but we considered them PSEs because the injuries could have been more serious. The IRB's findings and follow-up action plans were shared with all our plants to ensure everyone learnt the lessons.

1 We report safety performance by calendar year. For EHS reporting purposes, employees include all those at Tate & Lyle-owned operations and joint ventures, and we also include contractors.

INVESTING IN NEW SAFETY TECHNOLOGY

As last year, despite the restrictions of the pandemic, we continued to deliver our maintenance and continuous improvement programmes. In summer 2021, we completed our US$22 million investment in demolishing old, potentially unsafe structures at our sites. We also completed the combustible dust safety assessments required by regulation, which have had a positive impact on reducing potentially unsafe incidents involving dust. An exciting new step was beginning to use drones to conduct the regular inspections of our chemical storage tanks, which we tested at Houlton, Maine, US. There are so many benefits to using drones in these situations – it's safer, since people don't have to go inside the tanks, and it's also faster.

We'll be continuing to look at ways technology can improve our safety response in the coming year. But as always, our main focus will be cultural, because ultimately safety is about the individual actions taken by every one of us, every day. As we begin to put the pandemic behind us and re-establish ways of working on site, we will be investing significant time and energy in face-to-face safety briefings, safety committee meetings and training. And most importantly, as we accelerate our plans for growth, we will keep safety front of mind as we bring new people and integrate new sites into Tate & Lyle.

OUR TEN LIFE-SAVING PRINCIPLES

For high-risk operations, as part of our J2EE, we developed ten life-saving principles to prevent serious injury or loss of life. Each principle defines the critical behaviours expected of leaders and employees to ensure their own safety and that of their teams.

1. Permit to work
2. Lock/tag/try and electrical safety
3. Railcar safety
4. Working at height
5. Mobile powered equipment
6. Transportation (driving)
7. Safety barrier management
8. Hot liquids, chemicals, gases and steam
9. Combustible dust
10. Emergency situations

PERFORMANCE IN 2021

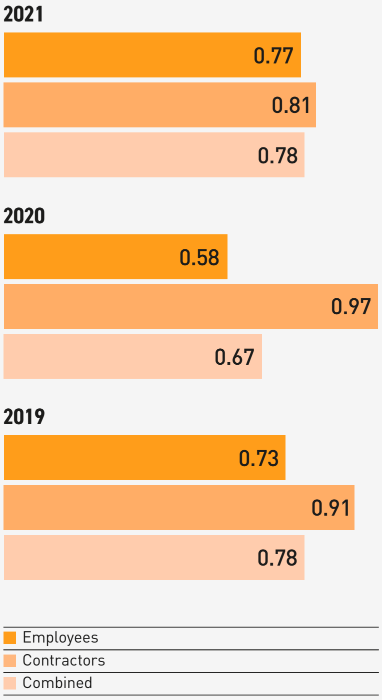
LEADING INDICATOR – PSES

12

(2020: 9)

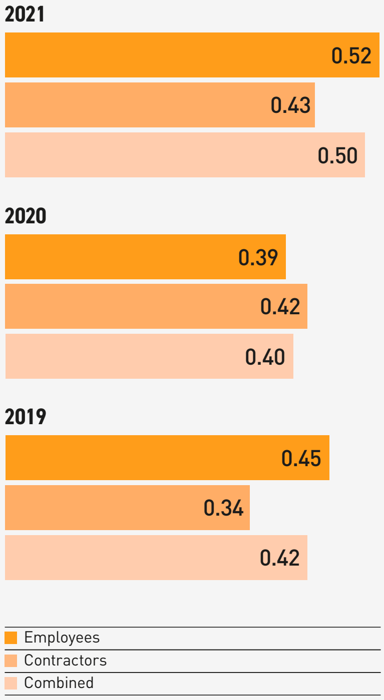
Potentially severe events (PSEs) are events or incidents which could have had major or severe consequences.

RECORDABLE INCIDENT RATE[1]



1 Number of injuries requiring treatment beyond first aid per 200,000 hours.

LOST-TIME RATE[2]



2 Number of injuries that resulted in lost-work days per 200,000 hours.

NUMBER OF INCIDENTS COMBINED

54

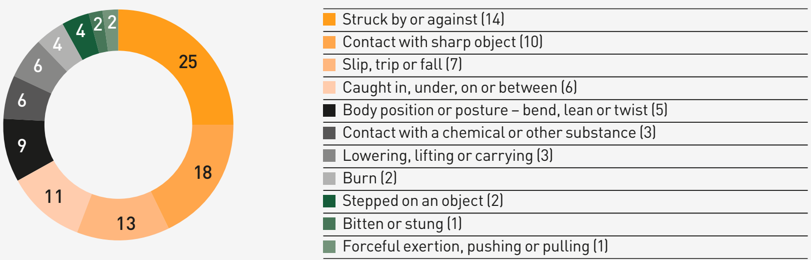
(2020: 42)

NUMBER OF LOST-WORK AND RESTRICTED WORK CASES COMBINED

35

(2020: 25)

NATURE OF ACCIDENTS (%)



ENVIRONMENT, HEALTH AND SAFETY CONTINUED

ENVIRONMENT

With the UN's COP26 conference taking place in the UK in November 2021, discussions about climate change and the urgency of transitioning to a low-carbon economy have been high on the political and corporate agenda in the past year. This is reflected in the increasing expectations of companies to establish a pathway to net zero carbon emissions, and the new regulatory requirement in the UK to report against the Task Force on Climate-related Financial Disclosures (TCFD). For Tate & Lyle, this focus on the environment brings both risks and opportunities: nearly everything we make begins life in the natural world, whether it's a kernel of corn, a grain of tapioca or a leaf of stevia. This makes it all the more important that we take care of the planet for its own health and the future health of our business.

Our purpose commitments include ambitious targets for 2030, covering the four main areas of our environmental footprint: climate and carbon emissions; using waste beneficially; using less water; and supporting sustainable agriculture. This is our second year of reporting against these targets. We also made a commitment to eliminate the use of coal in all our operations by 2025, and we were pleased to deliver on this commitment in October 2021, four years ahead of schedule.

OUR 2030 COMMITMENTS AND TARGETS EXPLAINED

When we developed our targets in 2020, we looked at where we wanted to be in 2030 and beyond, and worked back to see what that would mean for what we must achieve by 2025 and then 2030. To make our greenhouse gas (GHG) emissions reduction targets more tangible, they are based on absolute rather than intensity reduction, and have been approved as science-based by the Science Based Targets initiative (SBTi), in line with the goals of the Paris Agreement on Climate Change.

Our commitment to promoting sustainable agriculture is fundamental to our overall ability to meet our targets, because of the significant proportion of our environmental impact that comes from our agricultural raw materials. At the time of setting our targets, corn represented by far the largest proportion of that footprint, which is why we committed to ensuring that we support sustainable farming of the equivalent corn volume that we buy each year – 1.4 million acres over the last year. We were proud that, in making this commitment, we were the first corn wet miller in the industry to do so.

COMMITMENT TO OUR 2030 TARGETS

An important part of planning the successful separation of the Tate & Lyle and Primient businesses at the end of the 2022 financial year was to consider how this affected our environmental targets for 2030. This resulted in us recalculating the 2019 baseline for each of our environmental targets on the basis of Tate & Lyle's new operational footprint. We knew that the separation would make a significant difference to our 2019 baselines, given that three of our four large US corn wet mills, which represented a large portion of our carbon emissions, waste and water use, would become part of Primient. Having recalculated the 2019 baseline for each target, we then worked out new pathways for Tate & Lyle to deliver them. Despite the material change in Tate & Lyle's operational footprint, we remain committed to achieving our existing carbon emissions, waste and water targets for 2030. However, our interim ambition of a 20% reduction in Scope 1 and 2 GHG emissions by 2025 is no longer practical, given that most of our major capital projects since 2020 to reduce emissions were in plants that are now part of Primient. We are nonetheless still committed to our 2030 target.

In addition to our existing targets, we are setting a new target that, by 2030, we will purchase renewable energy to supply 100% of our electricity consumption, thereby eliminating our Scope 2 GHG emissions. We will report on our progress on this new target next year.

We are also looking at expanding our sustainable agriculture commitment beyond corn, given that the mix of our agricultural raw materials has changed following the business separation.

We provide details of the impact of the business separation on our 2019 baselines in the relevant sections below, along with performance against our targets for total operations and restated for our continuing operations.

BUILDING A PATHWAY TO CARBON NET ZERO

During the year, we analysed in detail what a carbon net zero pathway by 2050 would look like for Tate & Lyle for our Scope 1, 2 and 3 GHG emissions. On the basis of this work and the pathways we have identified, we have committed to being carbon net zero by 2050. See more details on pages 58 and 59.

ENHANCING THE 'E' IN J2EE

We continue to focus on encouraging our people's commitment to environmental improvements and efficiency. The world's focus on the urgency of climate change is helping, making it easier to develop the level of commitment to the environmental aspects of our J2EE programme that our people have long held for the safety aspects. We saw increasing levels of engagement this year as each of our sites worked to meet its own annual carbon emissions, water and waste targets as part of J2EE. In the coming year, we will focus even more on raising awareness of the importance of good environmental practices at our sites, and therefore embedding the 'E' of J2EE even further across our business.

CARING FOR OUR PLANET TARGETS AND COMMITMENTS

CARBON FOOTPRINT

- **By 2030, we'll have delivered a 30% absolute reduction in our Scope 1 and 2 greenhouse gas emissions.**
- **By 2030, we'll have delivered a 15% absolute reduction in our Scope 3 greenhouse gas emissions.**
- **By 2025, we'll have eliminated coal from our operations.**

WASTE

- **By 2030, 100% of our waste will be beneficially used, with an ambition to reach 75% by 2025.**

WATER

- **By 2030, we'll have reduced water use intensity by 15%.**

SUSTAINABLE AGRICULTURE

- **We'll maintain sustainable acreage equivalent to the volume of corn we buy globally each year, and through partnerships we'll accelerate the adoption of conservation practices.**

HOW WE MANAGE ENVIRONMENTAL RISK

Our global EHS management system includes:

- Identifying and measuring environmental risks to prevent and mitigate our impacts
- Planning, setting targets, measuring progress, and tracking actions to achieve our objectives
- Documenting all legal and other environmental obligations and their fulfilment
- Building a sustainable EHS culture
- Communicating internally and externally any changes in our environmental strategy, risks or opportunities

CLIMATE AND CARBON EMISSIONS

OVERVIEW

In 2020 we set ambitious science-based absolute targets for reducing our greenhouse gas (GHG) emissions by 2030 – 30% for Scope 1 and 2, and 15% for Scope 3. We also committed to eliminate coal from all our operations by 2025. We made good progress against these targets during the year, delivering a 12% reduction in Scope 1 and 2 emissions and a 1% reduction in Scope 3 emissions, both against our 2019 baseline in total operations. In October 2021, we also delivered on our commitment to eliminate coal from all our operations, four years ahead of schedule.

2021 PERFORMANCE

Scope 1 and 2 emissions

The 12% reduction we saw in our Scope 1 and 2 emissions in total operations came principally from switching from coal to natural gas-fired boilers at the Decatur, Illinois and Lafayette, Indiana plants in the US, completing the transition out of coal. It was also helped by the Loudon, Tennessee, US plant using more renewable energy from the grid. By comparison, the result for continuing operations this year was a 4% reduction against our 2019 baseline. This is because our capital investment projects over the last two years to reduce GHG emissions have focused on what were, at the time, our largest plants (now part of Primient). The improvements at our continuing operations were achieved by energy efficiency projects, particularly at our McIntosh, Alabama, US plant.

Scope 3 emissions

We achieved a 1% reduction in Scope 3 emissions, mainly from our sustainable agriculture programmes focused on corn and stevia. By comparison, in continuing operations (the new Tate & Lyle), we achieved a 5% reduction in Scope 3 emissions, mainly due to capital investments to reduce GHG emissions over the last two years at plants which are now part of Primient. Following the recalculation of our 2019 baseline, the benefits of these capital investments in Primient's plants are now included in our Scope 3 emissions under the investments category.

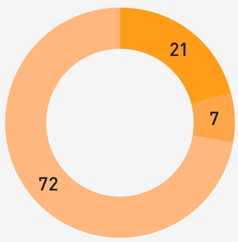
ESTABLISHING NEW 2019 BASELINES

Given the separation of the Group into two standalone businesses – Tate & Lyle and Primient – we carried out an exercise to recalculate the 2019 baseline for the carbon footprint of both businesses. Before the separation, 28% of Tate & Lyle's total carbon footprint came from Scope 1 and 2 emissions (energy used in or purchased for our sites), with 72% from Scope 3 emissions (indirect emissions from across our value chain). As a result of the separation, Tate & Lyle's 2019 baseline has changed materially, with only 13% now coming from Scope 1 and 2 emissions and 87% from Scope 3 emissions. The absolute amount of Scope 1 and 2 emissions has also decreased significantly, since three of the four large corn wet mills in the US which Tate & Lyle used to operate (Decatur, Lafayette and Loudon) have moved into Primient. The Scope 1 and 2 emissions for the products made by Primient for Tate & Lyle at those three large corn wet mills have now moved into Tate & Lyle's Scope 3 emissions, within the purchased goods and services category.

The mix of Scope 3 emissions in the 2019 baseline has also changed following the separation. Purchased goods and services remains the largest category at 44%, with Tate & Lyle's 49.9% equity holding in Primient being incorporated in the investments category.

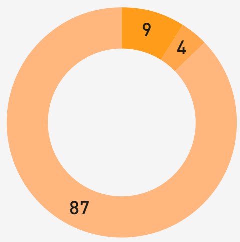
CARBON FOOTPRINT FOR 2019 BASELINE

TATE & LYLE BEFORE BUSINESS SEPARATION ON 1 APRIL 2022 (%)



Tonnes CO_2e
- Scope 1 – 1,849,530
- Scope 2 – 607,070
- Scope 3 – 6,312,394

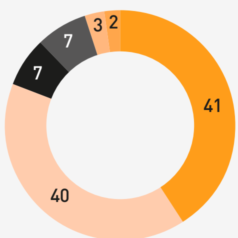
TATE & LYLE AFTER BUSINESS SEPARATION ON 1 APRIL 2022 (%)



Tonnes CO_2e
- Scope 1 – 379,479
- Scope 2 – 165,387
- Scope 3 – 3,731,789

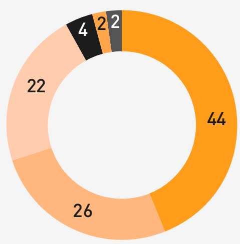
SCOPE 3 BREAKDOWN FOR 2019 BASELINE

TATE & LYLE BEFORE BUSINESS SEPARATION ON 1 APRIL 2022 (%)



- Purchased goods and services
- Processing of sold products
- Downstream transportation and distribution
- Other Scope 3
- Investments
- Upstream transportation and distribution

TATE & LYLE AFTER BUSINESS SEPARATION ON 1 APRIL 2022 (%)



- Purchased goods and services
- Investments
- Processing of sold products
- Downstream transportation and distribution
- Upstream transportation and distribution
- Other Scope 3

ENVIRONMENT, HEALTH AND SAFETY CONTINUED

CLIMATE AND CARBON EMISSIONS CONTINUED

Pathway to carbon net zero by 2050
During the year, we analysed in detail what a carbon net zero pathway by 2050 would look like for our Scope 1, 2 and 3 GHG emissions. As part of this work, we carried out Scope 1 and 2 decarbonisation assessments at Tate & Lyle's four largest production facilities (after business separation), which together generate the vast majority of these emissions. We then looked at the impact on our Scope 1, 2 and 3 footprint of changes in policies by governments or other organisations, and decarbonisation commitments in our value chain including our customers. We also considered other issues outside our control which would affect our decarbonisation plans, such as the decarbonisation of electricity from the grid and the electrification of different types of transport such as trucks and trains.

Our decarbonisation assessments showed that we could potentially achieve carbon net zero by 2050 in terms of Scope 1 and 2 GHG emissions through a combination of electrifying our production facilities, further use of co-generation boilers, purchasing more energy from renewable sources and benefitting from the development of new technologies such as green hydrogen.

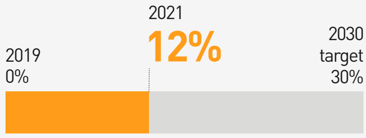
The capital investments required to meet our existing target of a 30% reduction in Scope 1 and 2 GHG emissions by 2030 are expected to be within, not additional to, our normal annual capital expenditure programme. Beyond 2030, we expect our Scope 1 trajectory will evolve as new technologies develop. For example, green hydrogen (hydrogen from a low-/zero-carbon energy source) could play a role, particularly to replace the use of natural gas, although the timeframe over which green hydrogen at scale becomes accessible and economically viable is still uncertain. The capital investments required to deliver net zero Scope 1 GHG emissions after 2030 will depend on the speed of development, and cost, of these technologies. In that context, it is not yet feasible to put meaningful costs against our net zero plan beyond 2030, although we will do so as soon as it is practical.

PROGRESS AGAINST 2030 TARGETS

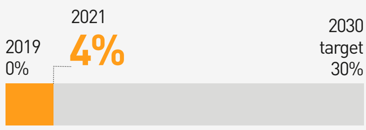
SCOPE 1 AND 2 GHG EMISSIONS

By 2030, we'll have delivered a 30% absolute reduction in our Scope 1 and 2 greenhouse gas emissions[1].

TOTAL OPERATIONS



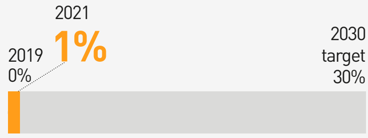
CONTINUING OPERATIONS



SCOPE 3 GHG EMISSIONS

By 2030, we'll have delivered a 15% absolute reduction in our Scope 3 greenhouse gas emissions[1].

TOTAL OPERATIONS

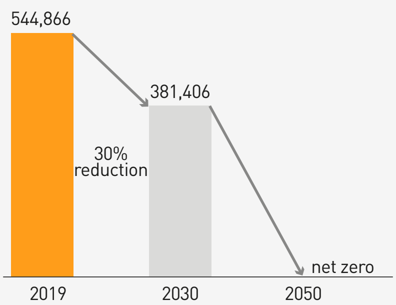


CONTINUING OPERATIONS

1 Approved as science-based by the Science Based Targets initiative, meaning they are in line with the goals of the Paris Agreement on Climate Change.

PATHWAY TO CARBON NET ZERO BY 2050

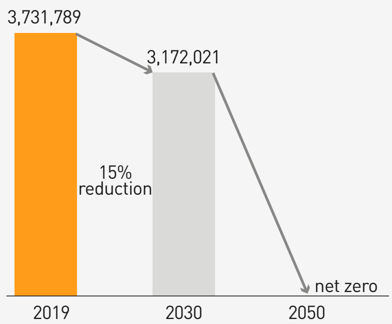
SCOPE 1 AND 2 GHG EMISSIONS
(Tonnes of CO_2e)



We expect to deliver this by a combination of:

- Electrifying our production facilities
- Further use of co-generation boilers
- More use of renewable energy
- Benefitting from the development of new technologies such as green hydrogen

SCOPE 3 GHG EMISSIONS
(Tonnes of CO_2e)



We expect to deliver this by a combination of:

- Sustainable agriculture programmes
- Customers and suppliers meeting their carbon reduction targets
- Decarbonisation of logistics and transportation supply chain

Overall, and based on our current operational footprint, we have identified a pathway to reduce our total carbon footprint (Scopes 1, 2 and 3 GHG emissions) by around two thirds by 2050 from our 2019 baseline. The emissions making up the remaining third, where we are still working on identifying a pathway, are nearly all in Scope 3, mostly from agriculture. That is why sustainable agriculture is so important, and partnerships to advance it will continue to be so in the years ahead. On the basis of this work, we have committed to reaching carbon net zero by 2050. Advances in technology, changes in policy and many other factors will no doubt mean that our decarbonisation trajectory will change as we move towards 2050. However, what won't change is our determination to deliver on our targets by 2030, and to meet our net zero commitment by 2050.

ENERGY USE[1,8]

Gigajoules

TOTAL OPERATIONS

2021[2]	34,454,491
2020[3]	34,191,556
2019[4]	35,051,415

CONTINUING OPERATIONS

2021[5]	8,811,223
2020[6]	8,754,051
2019[7]	8,887,720

CARBON FOOTPRINT FOR THE YEAR ENDED 31 DECEMBER 2021[1,8]

(Tonnes of CO_2e)

TOTAL OPERATIONS

SCOPE	2021	2020	2019
Scope 1 (direct emissions from our sites)	**1,688,514**	1,729,703	1,849,530
Scope 2 (indirect emissions from the energy we buy)	**466,234**	544,791	607,070
Scope 3 (all other emissions associated with our activities)	**6,258,589**	6,233,158	6,312,394
Total	**8,413,337**	8,507,652	8,768,994

SCOPE 3 BREAKDOWN

COMPONENTS OF SCOPE 3 EMISSIONS FOR TOTAL OPERATIONS	2021
Use of ingredients	**2,550,528**
Goods and services	**2,505,515**
All other Scope 3	**470,499**
Downstream transportation and distribution	**415,299**
Investments	**190,000**
Upstream transportation and distribution	**126,748**
Total	**6,258,589**

CONTINUING OPERATIONS

SCOPE	2021	2020	2019
Scope 1 (direct emissions from our sites)	**363,022**	366,190	379,479
Scope 2 (indirect emissions from the energy we buy)	**157,565**	162,587	165,387
Scope 3 (all other emissions associated with our activities)	**3,544,563**	3,599,661	3,731,789
Total	**4,065,150**	4,128,438	4,276,655

SCOPE 3 BREAKDOWN

COMPONENTS OF SCOPE 3 EMISSIONS FOR CONTINUING OPERATIONS	2021
Goods and services	**1,624,374**
Use of ingredients	**822,941**
Investments	**781,363**
Downstream transportation and distribution	**134,036**
All other Scope 3	**110,000**
Upstream transportation and distribution	**71,849**
Total	**3,544,563**

1 Our London Head Office is usually excluded from the energy use and carbon footprint figures because its environmental impact is negligible but we have included it here together with our Mold, UK facility to meet the UK's Streamlined Energy and Carbon Reporting (SECR) requirements.
2 UK use represents 0.007%
3 UK use represents 0.008%
4 UK emissions represent 0.007%
5 UK emissions represent 0.029%
6 UK emissions represent 0.030%
7 UK emissions represent 0.028%
8 Restated to reflect the acquisition of Sweet Green Fields in 2020.

STRATEGIC REPORT GOVERNANCE FINANCIAL STATEMENTS USEFUL INFORMATION

ENVIRONMENT, HEALTH AND SAFETY CONTINUED

USING WASTE BENEFICIALLY

Most of our waste is organic matter that comes from our manufacturing processes. Before our separation into two companies, the largest contributors to our waste were our four large corn wet mills in the US and our two citric acid plants, one in the US and one in Brazil. In most cases, this organic waste can be beneficially used, for example as nutrients for local farms, or to generate energy. This allows us to improve not only our own environmental impact, but that of the communities around us too.

2025 AMBITION ALREADY MET

On the way to 100% beneficial use by 2030, we set an ambition to reach 75% of our waste being beneficially used by 2025. We are delighted to have exceeded that target four years early, with 83% of our waste from our total operations beneficially used in the 2021 calendar year. What's even more exciting is that, for our continuing operations, the result was 91%.

The main way we manage the organic waste we generate at our large corn wet mills is working with the right local partner who can help us find environmentally responsible solutions. This year, we continued to focus on the major waste streams for which we still needed to find beneficial uses: the waste feed and filter aid from our largest plant in Decatur, Illinois, US (now part of Primient), and wastewater sludge from our Sagamore, Indiana, US plant. In doing so, we worked to expand our relationships with local partners and identify new opportunities to beneficially use our main waste streams – primarily through land application, renewable energy generation, animal nutrition and composting. At Sagamore, for example, we continued to work with local companies to collect and distribute our organic waste for use in local farms.

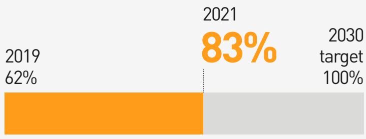
PROMOTING A 'WASTE MINDSET'

As of today, our three remaining corn wet mills in the US, Slovakia and the Netherlands, generate the bulk of our waste. Nonetheless, all our sites, no matter what their size, have a role to play in achieving our target. Each site has an annual target for the beneficial use of waste. Some already beneficially use nearly all the waste they generate, while many have taken other small actions to improve their environmental performance. Key to this is engaging employees – encouraging them to keep waste front of mind in their day-to-day work, and to come up with ideas for improving their own sites.

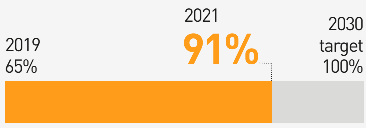
PROGRESS AGAINST 2030 TARGET

By 2030, 100% of our waste will be beneficially used, with an ambition to reach 75% by 2025.

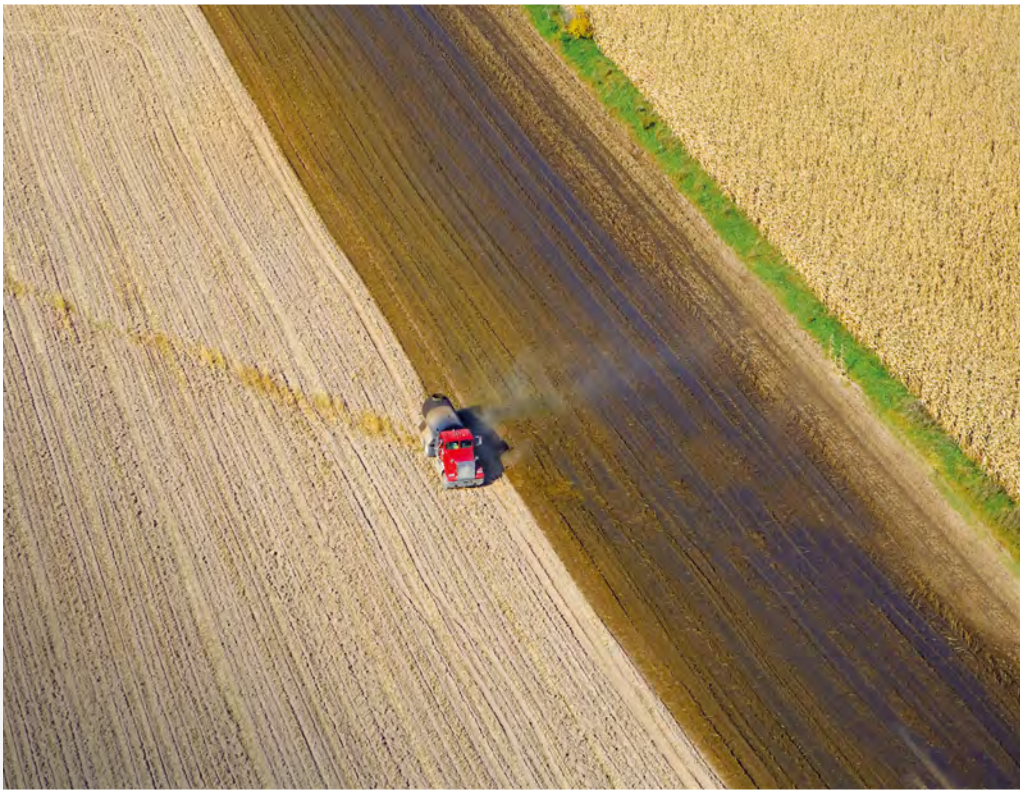
TOTAL OPERATIONS[1]



CONTINUING OPERATIONS[1]



1 Restated to reflect the acquisition of Sweet Green Fields in 2020.



Organic waste from our plants is used as nutrients for local farms in the US

USING LESS WATER

Our manufacturing operations, corn wet milling especially, use water-intensive processes, and many of our plants are located close to rivers or lakes. Water is a shared resource, which means we need to ensure our use is sustainable not only for ourselves, but for our local communities as well.

Considering the quantity of water we use, our target to reduce water use intensity by 15% is perhaps the most challenging of our 2030 environmental targets. When we set the target, we began a programme of water studies at our largest sites to determine the investments needed to reach it, and to identify the main ways we consume water and the equipment that could increase our water efficiency. Because we make ingredients for the food industry, quite rightly there are stringent regulations over how water can be recycled and reused. So an important part of our work has been to determine what we can and can't do with recycled water. Last year, we began testing a mobile water filtration device, devised by our innovation team, to pilot recycling techniques on different production streams. From this work, and larger scale filtration testing, we assessed the capital projects that would be necessary to meet the target.

STEADY PROGRESS TOWARDS OUR TARGET

This year, we began implementing water reduction projects at some of our plants in the US, and were pleased to see the results starting to come through in terms of reducing our overall use of water. However, because production volumes in total operations were lower this year, our water intensity figure actually increased by 3%.

The picture is a little different for our continuing operations. Although our absolute water use increased, because production volumes were higher overall at these plants, we succeeded in reducing our water intensity by 3% compared with 2020. Looking ahead, the capital investment plans we had in place which would have seen us reach our target by 2030 were largely focused on plants that are now part of Primient. So our focus this year will be to determine the capital projects we need to invest in at our continuing operations to achieve our target. We will also focus on increasing water efficiency and reducing water waste.

We already have a project underway at our Sagamore, Indiana, US site, which is now our biggest user of water, and we are looking into new projects for our other large sites. However, as our Sycamore, Illinois, US site has shown, we can achieve a tremendous amount simply by being aware of how we use water. The team there achieved a 9% absolute reduction in water use in just one year from improving the efficiency of their operations. In the coming year, we'll be taking the lessons from Sycamore and sharing them across Tate & Lyle, as well as focusing on the major projects needed to reach our target.

WATER USE

Cubic metres per tonne of production

TOTAL OPERATIONS[1]

2021	5.03
2020	4.87
2019	4.88

CONTINUING OPERATIONS[1]

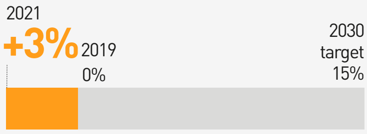
2021	5.45
2020	5.63
2019	5.62

1 Restated to reflect the acquisition of Sweet Green Fields in 2020.

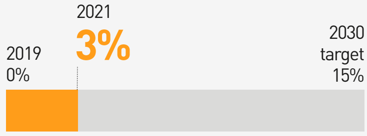
PROGRESS AGAINST 2030 TARGET

By 2030, we'll have reduced water use intensity by 15%.

TOTAL OPERATIONS



CONTINUING OPERATIONS



Projects are underway at our plant in Sagamore, Indiana, US to reduce water use

ENVIRONMENT, HEALTH AND SAFETY CONTINUED

SUSTAINABLE AGRICULTURE

Our commitment to supporting sustainable agriculture is fundamental to our overall ability to meet our environmental targets, because of the significant proportion of our impact on the climate that comes from agricultural raw materials. It has a wider significance too, because sustainable agricultural practices aren't just about their environmental impact – they're about supporting farmers' livelihoods and local communities, which also aligns with our aim of building thriving communities. Having a long-term, ongoing commitment is important because changes in agricultural practices don't happen quickly, and measuring their impact takes multiple growing seasons, given uncontrollable factors such as the weather.

REPORTING ON OUR COMMITMENT TO SUSTAINABLE CORN

When we set out our purpose targets and commitments, corn was by far our largest agricultural raw material, so our sustainable agriculture commitment was to maintain sustainable acreage equivalent to the volume of corn we bought globally each year; and, through partnerships, to accelerate the adoption of conservation practices.

We first achieved our target in 2019, when we succeeded in enrolling over 1.4 million acres of corn in the US Midwest in our sustainable agriculture programme with Truterra LLC, the sustainability business of Land O'Lakes, a leading US resource stewardship solutions provider. The first of its kind in our industry, the programme aims to help farmers understand the impact conservation practices have on their fields and their profitability, and to support farmers in adopting them. We've maintained our commitment for the last three years as well.

While we have 1.4 million acres currently in the programme, matching the volume of corn we bought globally this year, we report results from 'retained acres' which are those that have been in the programme since 2019. Retained acres in 2021 were 1.09 million, representing 1,400 growers; a 73% grower retention rate. Results for the three years include:

- 5% reduction in greenhouse gas emissions, equivalent to removing 5,966 petrol-powered cars from the road
- Soil quality improved by 2%, as measured by the Soil Conditioning Index
- Wind erosion reduced by 64%, the equivalent of 3,815 trucks of soil staying on a farm over the three-year period.

EVOLVING OUR FOCUS

Following our separation into two standalone businesses – Tate & Lyle and Primient – our new agricultural footprint is far less focused on corn. Other raw materials, especially stevia, have increased in relevance. So last year, we launched a sustainable agricultural programme for stevia and are expanding it further this year (see below).

Maintaining our commitment to corn

We remain committed to maintaining sustainable acreage equivalent to the volume of corn we buy for our plants, now some 437,000 acres. Primient now manages corn procurement for our remaining corn wet mill in the US, Sagamore, Indiana. The corn for Sagamore and the corn-based ingredients we now buy from Primient are all enrolled in the Truterra programme. Our two corn wet mills in Europe – Koog, the Netherlands and Boleráz, Slovakia – are also still enrolled in the Truterra programme. However for the future, we are looking into a local solution, working with our suppliers in those countries to procure sustainable corn.

Increasing our focus on stevia

Following our acquisition of the stevia business, Sweet Green Fields, in November 2020, we launched a pilot stevia grower outreach programme in China in partnership with Earthwatch Europe and support from Nanjing Agricultural University. The programme's focus is to help stevia growers minimise their environmental impact and gain greater economic benefit from the farming of this leaf which is used to produce a low-calorie sweetener. We launched the programme with a small number of growers in Dongtai in Jiangsu Province, focusing on the use of fertilisers and helping them understand soil health through regular, straightforward testing. In its first full year, we saw promising reductions in all of the nine impact categories measured against the 2019 baseline, notably:

- 16% reduction in eutrophication[1], a process in which a body of water becomes overly enriched with nutrients, therefore decreasing its quality
- 13% reduction in acidification potential[1], the measure of the potential increase in acidity of an ecosystem, which is linked to reduced soil health and water quality and lower crop yield
- 7% reduction in GHG emissions[1].

We are now expanding the programme to all of our Dongtai-based stevia suppliers and launching a pilot with two farms in Gansu Province, where we also source stevia, to apply the lessons we learned in Dongtai.

1 Per pound of stevia rebaudioside A produced.

PROGRESS AGAINST 2030 TARGET

Acres of sustainable corn maintained, equivalent to the volume of corn we buy globally each year.

TOTAL OPERATIONS

1.4m acres

Stevia farmers in Dongtai, Eastern China.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

INTRODUCTION

Climate change is one of the biggest and most urgent challenges facing the world today and presents risk to every country, business and person on the planet – Tate & Lyle is no different in that respect. That is why one of the three pillars of our purpose is Caring for our Planet, helping to protect its natural resources for the benefit of future generations. Guided by our purpose, we are committed to responding to and preparing for climate change as well as the related issues of water stress, beneficial use of waste and sustainable agriculture. We are continuing to develop our response to climate change and have included information on our actions and progress in several sections of this year's Annual Report.

The following statement, consistent with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures, summarises our approach and progress under each of the four pillars of the TCFD – governance, strategy, risk management, and metrics and targets. These four categories are interlinked and inform each other. Where appropriate, to avoid unnecessary repetition, we have cross-referenced to information provided elsewhere in this Annual Report and have included a table of concordance at the end of this statement showing where the relevant disclosures against the 11 principles of the TCFD can be found.

GOVERNANCE

The Board has responsibility for oversight of our sustainability strategy, including climate change. The Board considers climate-related matters when reviewing and guiding core components of commercial strategy, such as business plans, annual budgets and major capital expenditure.

Our Chief Executive, Nick Hampton, is responsible for the Group's preparedness and response to climate-related risks and opportunities. He is supported in that task by the Executive Committee with executive responsibility shared jointly by the Executive Vice President, Corporate Affairs and President, Global Operations. The Executive Vice President, General Counsel has executive responsibility for risk management, including the assessment of climate-related risk. We have a dedicated sustainability function which develops and manages our environmental programme, interacting and working with stakeholders throughout our value chain to accelerate positive action. This function reports into the Executive Vice President, Corporate Affairs and works closely with the Global Operations team and other members of the executive team as necessary.

Updates on the progress of our sustainability programme and climate-related targets are provided to the Board at least twice a year. The Risk Committee, a sub-committee of the Executive Committee, oversees the operation of our enterprise risk framework, including risk management policies and practices for climate-related risks. The Committee reviews updates from an internal working group established in 2020 to align processes and disclosures with the TCFD recommendations. The Risk Committee updates the Board at least annually.

Following the separation of the Group into two standalone businesses – Tate & Lyle and Primient – on 1 April 2022, we have further enhanced the governance structure for sustainability (see governance diagram on page 64). A new Sustainability Committee, a sub-Committee of the Executive Committee, has been formed to review the delivery of our sustainability strategy and progress against our climate-related and other environmental targets. This Committee is chaired by the Chief Executive and meets twice a year. On an operational level, a cross-functional Sustainability Working Group including internal experts from our sustainability and operations teams meets each quarter to discuss progress on key projects and detailed aspects of our approach to climate change and sustainability generally. This Steering Group is jointly chaired by the Executive Vice President, Corporate Affairs and President, Global Operations.

CLIMATE CHANGE AS PART OF REMUNERATION

Given the importance we place on climate-related matters, one of the elements of the performance criteria for our long-term share incentive plan is progress on sustainability, and this includes targets for an absolute reduction in greenhouse gas (GHG) emissions, reduction in water use and the beneficial use of waste. More information can be found in the Remuneration Report on page 121.

NEXT STEPS

In the 2023 financial year, we intend to embed the enhanced governance structure for sustainability (see governance diagram on page 64) into the business, following the separation of the Group into Tate & Lyle and Primient.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

CORPORATE GOVERNANCE
from 1 April 2022

STRATEGY

Tate & Lyle has operations all over the world and therefore is exposed to a wide variety of physical climate risks and the transition to a low-carbon economy. To better understand these risks, an internal team worked with climate change and sustainability specialists from AECOM to undertake a physical and transition climate change risk assessment (CCRA) of our production facilities and supply chain. The CCRA, which was completed in May 2021, also considered the results of a detailed water risk assessment of Tate & Lyle's major production facilities undertaken by AECOM in 2020. The outputs from the CCRA have, amongst other things, enabled us to strengthen our enterprise risk management framework through the further integration of climate-related business risks and opportunities, and better align our disclosures with the principles and recommendations of the TCFD.

The CCRA and the water risk assessment were both conducted on Tate & Lyle's operations before the business separation into Tate & Lyle and Primient on 1 April 2022. As the reports were conducted on a site-by-site, region-by-region and country-by-country basis, the content and outputs from the reports remain relevant to both businesses post-separation.

CLIMATE CHANGE RISK ASSESSMENT PROCESS

The CCRA considered risks and opportunities over three time horizons, and exposure to potential physical and low-carbon transition impacts under Representative Concentration Pathways (RCP) scenarios modelled by the Intergovernmental Panel on Climate Change (see page 65 for more detail). In line with our risk management criteria, potential business impacts and financial implications were determined by considering the likelihood of the risk occurring and the nature and magnitude of its impact on the business.

For both the physical and transition risk assessments described below, a series of interviews and working sessions were held between AECOM and Tate & Lyle throughout the assessment process to discuss findings, historic events and existing controls, nature of risks and definitions of impact magnitude.

PHYSICAL RISKS

Methodology

The assessment looked at the potential physical risk exposure of major production facilities, logistics and corn and stevia supply to projected acute weather events and incremental changes in climatic conditions over the short term (2020-2039), medium term (2040-2059) and long term (beyond 2060). This assessment was conducted under a business-as-usual scenario with no further decarbonisation policy changes over the three time horizons. Data for a defined set of climate variables was extracted from online World Bank databases, and from the previous water risk assessment of production facilities conducted by AECOM in 2020. Data was then reviewed to identify the potential likelihood of occurrence of climate-related hazards. Potential business risks resulting from these hazards were identified, for example a prolonged heatwave resulting in equipment failure and operational disruption. The likelihood of the risk occurring was considered in the context of the nature of operations, existing climate conditions and vulnerability to the climate hazard. The broad nature and magnitude of business impacts, such as repair costs, from the risks occurring were defined and an overall rating for each risk determined based on likelihood of risk occurrence and the magnitude of associated business impact in line with Tate & Lyle's existing Enterprise Risk Management (ERM) process.

Key risks for Tate & Lyle (continuing operations)

- **Production facilities:** In the short term, the potential risks most likely to impact certain production facilities include more frequent and severe flood events, tropical storms, wildfires and droughts. The greatest increase in temperature is projected for the McIntosh facility in Alabama, US, while all production facilities except Noto, Italy are projected to have more frequent and intense heavy precipitation. In the medium and long term, these trends are predicted to continue, with some additional sites affected over time. All sites are projected to experience higher maximum and average temperatures, as well as greater frequency, severity and duration of heatwaves than the preceding decades. The greatest increases in frequency and intensity of heavy precipitation events are expected at sites in the US and Brazil.
- **Distribution network:** In the short term, risks facing our distribution network (primarily road, rail and sea freight) include more frequent and severe extreme cold weather, floods and wildfires. In the medium term, it is predicted that the frequency and severity of these events will continue to increase. In the long term, as the trend continues, risks may also arise due to more frequent and severe tropical storms, storm surges and rising sea levels.
- **Corn and stevia supply:** In the short term, potential risks facing major corn and stevia supply regions include changes in total annual precipitation, increased seasonal variability of rainfall, and more severe droughts. In the US Midwest corn-growing region, risks also include increased frequency and severity of hurricanes, increased spring precipitation, and decreased summer precipitation. Extreme precipitation and flood frequency and intensity is projected in European corn-growing regions. In the medium and long term, along with higher temperatures, these trends are set to continue with additional regions potentially impacted over time.

Potential impacts on our business

It is recognised that if we do not continue to take proactive measures to mitigate the risks identified, our business could potentially be affected by, for example, operational disruptions, asset damage, increased raw material and utility costs, and transport delays. These measures include ensuring potential physical risks are appropriately monitored and adequate mitigation controls are in place, ensuring that carbon pricing costs are factored into engineering feasibility studies for capital projects, and continuing to review logistics and shipment risks associated with weather events.

- **Production facilities:** Key impacts could include disruption to production, asset damage, equipment failure and occupational health risks, potentially resulting in revenue loss, higher operating costs for energy and water, costs for repair and/or replacements, reduced work capacity, increased insurance premiums, and/or associated reputational damage.
- **Distribution network:** In the short term, impacts facing our business due to risks within our strategic distribution and logistics network relate primarily to disruption or delays in product distribution. For example, we have seen increased disruptions from port closures as a result of hurricanes as well as winter precipitation and flooding issues across our road transportation network. These may reduce our profitability as additional costs for shipment re-routing and/or product replacement may not necessarily be passed on to the customer.
- **Corn and stevia supply:** Potential impacts relate primarily to increased uncertainty and decline of crop yields resulting in increased operating costs and exposure to price volatility. If such risks are not addressed in a proactive and timely manner, profit erosion and reputational damage may come to be more material as climate-related hazards affecting crop growing regions become more frequent and more severe in the medium and longer term with increasing significance and cumulative business impacts.

TRANSITION RISKS AND OPPORTUNITIES

Methodology

The assessment looked at the potential exposure of production facilities and business activities (e.g. procurement, logistics) to market impacts driven by economic, policy, technology and social changes stemming from the shift to a low-carbon economy and the need to adapt to climatic change. The assessment looked at exposure under an aggressive mitigation scenario (2°C) over the short (2020-25), medium (2026-35), and long term (beyond 2035). Transition risks and opportunities were screened for their relevance, for example carbon pricing, and the likelihood of occurrence assessed through a review of trends and policies. The broad nature and magnitude of business impacts, such as increased costs for regulatory compliance, for each risk or opportunity was assessed, and an overall risk or opportunity rating for each risk was determined based on likelihood of risk occurrence and the magnitude of associated business impact in line with Tate & Lyle's existing ERM process.

Key risks for Tate & Lyle (continuing operations)

- **Short to medium term:** Potential financial impacts are most likely to arise through predicted changes in regulation, policy and technology. Specifically, compliance with new and emerging legislation for carbon tax and pricing mechanisms, and a global move towards lower emission modes of transport. Drivers that are expected to be most relevant are the national climate commitments in the countries where our major production facilities are located, as well as decreasing 'caps' on carbon allowances set as part of national Emissions Trading Schemes. There will be costs associated with adapting products and materials with lower carbon alternatives, such as additional research and development requirements, as well as additional processing indirectly leading to higher carbon emissions and costs associated with minimising emissions at a facility level.
- **Long term:** Transition risks may arise through increased utility and supply costs (e.g. where lower carbon alternatives are not available), and continued market expectations for low-carbon production. At an individual facility level, this may impact on competitiveness relative to another facility. At a corporate level, risks include increasing attention from customers and stakeholders on the commitment of businesses to reduce carbon emissions, potentially impacting reputation, demand, and market stability. The move towards lower-emissions transport modes could increase transport costs. For example, changes to vehicle fleets (upgrading road fleets to electric vehicles) may lead to increased expenditure as hauliers subcontracted through logistics providers work towards net zero and move away from diesel powered vehicles to lower carbon alternatives.

Transition opportunities

It is recognised that the need for transition to a low-carbon world also presents potential opportunities for Tate & Lyle. For instance, an increased market demand for low-carbon plant-based products within the food industry over the short to medium term may present access to new markets and improve business resilience through resource diversification. At our production facilities, opportunities include using more efficient production processes and a continued change to more sustainable and renewable energy sources. Changing transportation modes towards low and no-emissions transport could pose an opportunity for Tate & Lyle in the medium to long term due to improved efficiency and reduced costs.

PHYSICAL RISK ASSESSMENT

TIME HORIZON

Potential physical risks were considered over three time horizons:

- Short term: 2020-39
- Medium term: 2040-59
- Long term: beyond 2060

TATE & LYLE SITES

17 production sites across Brazil, China, Italy, Slovakia, the Netherlands and US

SUPPLY REGIONS

- 10 corn growing regions across US, France and Slovakia
- Stevia growing regions

TRANSPORTATION

Transport, distribution and logistics (upstream and downstream)

EMISSIONS CONCENTRATION PATHWAY

High emissions scenario

- +4°C, RCP 8.5 pathway[1]

TRANSITION RISK ASSESSMENT

TIME HORIZON

Potential transition risks were considered over three time horizons:

- Short term: 2020-25
- Medium term: 2026-35
- Long term: Beyond 2035

TATE & LYLE SITES

Countries in which production facilities are located – Brazil, China, Italy, Slovakia, Netherlands and US.

PROCUREMENT AND COMMERCIAL

Global policy trends in key geographies and markets

TRANSPORTATION

Transport, distribution and logistics (upstream and downstream)

EMISSIONS CONCENTRATION PATHWAY

Aggressive mitigation scenario

- 2°C, RCP 2.6 pathway[2]

1 RCP 8.5 is the 'high-emissions' business-as-usual scenario, with no policy changes to reduce emissions and with increasing high atmospheric GHG concentrations.
2 RCP 2.6 is the most aggressive mitigation scenario where GHG emissions are halved by 2050.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

Tate & Lyle's business strategy provides a degree of resilience to some of the physical and transition risks identified. For example, we are diversifying our substrate base which is reducing our dependency on corn-based products, such as the acquisitions over the last two years of businesses that use tapioca, stevia and chickpea as substrates. In addition, with our ongoing efforts towards lower-carbon production, including renewable electricity and cleaner energy, we will continue to proactively respond to emerging regulation with interventions that deliver both operational efficiency and reduce our exposure to variable fossil fuel prices and carbon taxes.

BENEFITS OF CONDUCTING THE CCRA

The process of preparing, and the output from, the CCRA had many benefits, in particular:

- Increased overall awareness and understanding within the organisation of climate change and its relationship to business risks
- Identified key climate-related business risks
- Identified business transition risks and opportunities
- Enabled Tate & Lyle to better align its corporate disclosures with recommendations of the TCFD
- Enabled further integration of climate-related risks into Tate & Lyle's ERM system (see risk management section below).

WATER RISK ASSESSMENT

In 2020, with the support of AECOM, a water risk assessment was undertaken to identify potential water risks facing our major production facilities and to provide a baseline for the 2030 target to reduce water use by 15% by 2030. As well as looking at potential or historic water scarcity and stress by site with the associated financial cost, and the existing management controls in place, the assessment looked at competition for available water resources. The water risk was categorised by site and the output included in the overall CCRA and its actions. Following the separation of the Group into two businesses on 1 April 2022, a further review is now being undertaken to consider potential actions to reduce water use at the four largest production facilities in the new Tate & Lyle.

CAPITAL INVESTMENTS

In line with our purpose, assessing the environmental impact or benefits of capital investments, such as capacity expansions, are part of our capital approval process. For example, in October 2021 we completed a multi-year investment programme of more than US$150 million to eliminate coal from our operations as part of our climate action commitments, and to increase operational efficiency. These investments included replacing coal-generated power with natural gas-fired systems and boilers at the US facilities in Loudon, Tennessee, Lafayette, Indiana, and Decatur, Illinois (all three are now part of Primient). Environmental impact and climate-related issues are also part of our process for reviewing potential acquisitions including the acquisition of Quantum Hi-Tech (Guangdong) Biological Co., Ltd announced in March 2022.

NEXT STEPS

In the 2023 financial year we intend to take the following actions:

- Split the CCRA that was conducted on Tate & Lyle's operations before the business separation into Tate & Lyle and Primient, so that we have a standalone assessment for the new Tate & Lyle. As part of this, we will consider if there are any new risks which were not included in the CCRA, for example, in relation to the businesses acquired since the CCRA was conducted.
- Conduct a materiality assessment and a scenario analysis to quantify the financial impact of climate risk.

RISK MANAGEMENT

The Board recognises the significant impacts posed by climate change and the consideration of climate-related issues is part of our global ERM system. Climate-related issues are predominantly captured as sub-risks through the principal risk on 'Disruptive Forces'.

During the year, the ERM system was updated to reflect findings from the CCRA. These changes included integration of more explicit definitions for climate sub-risks and an enhanced process to consider longer-term climate-related risks and opportunities in the risk assessment workshops held across the Group.

Climate-related risks are measured using the same risk measurement approach as other risks within the ERM process. This ensures that the significance of climate-related risks are compared with other risks within the overall ERM system.

More information about our ERM system and processes can be found on pages 69 and 70. These changes form part of ongoing efforts to stimulate discussion and find new and more innovative solutions to climate-related matters in the wider organisation, supported by education and training.

NEXT STEPS

In the 2023 financial year, we will continue to embed the findings from the CCRA into our ERM system, as well as the findings from the assessment of new sites acquired since the CCRA was conducted.

METRICS AND TARGETS

We have been measuring, managing and reporting our greenhouse gas (GHG) emissions for many years. For example, using a 2008 baseline, we set a target to reduce our Scope 1 and 2 GHG emissions by 19% per tonne of production by 2020, and we exceeded that target with a 25% reduction. Continuous improvement in our environmental performance is ingrained in our day-to-day operations with every production facility, regardless of size, having annual targets for carbon, waste and water that contribute to our global targets.

PROGRESS AGAINST OUR TARGETS AND COMMITMENTS FOR 2030

In May 2020, we announced a set of ambitious targets and commitments to assess and manage our environmental performance including in climate-related areas. These targets are, by 2030, to deliver:

- 30% absolute reduction in Scope 1 and 2 GHG emissions
- 15% absolute reduction in Scope 3 GHG emissions
- 100% of waste to be beneficially used, with an ambition to reach 75% by 2025
- 15% reduction in water use intensity.

Details of revised 2019 baselines and our performance against each of our environmental targets in the two years ended 31 December 2021 can be found in the Environment, Health and Safety section as follows:

- Reduction in absolute Scope 1 and 2 and Scope 3 GHG emissions on pages 57 and 58
- Beneficial use of waste on page 60
- Water use intensity reduction on page 61.

In June 2022, we announced an additional target to achieve zero Scope 2 GHG emissions by 2030.

As well as adopting these targets, we also committed to:

- Eliminate the use of coal in all our operations by 2025
- Establish our Scope 1 and 2 and Scope 3 GHG emissions reduction targets as science-based targets
- Maintain sustainable acreage equivalent to the volume of corn we buy each year and through partnerships accelerate the adoption of conservation practices.

We have made good progress against each of these commitments as follows:

- As previously stated, in October 2021 we closed down the final coal boiler in the corn wet mill in Decatur, Illinois, US thereby meeting our commitment to eliminate the use of coal in all our operations four years ahead of schedule
- Our GHG emissions reduction targets were validated by the Science Based Targets initiative (SBTi) in September 2020, with our Scope 1 and 2 GHG emissions reduction target at the 'Well below 2°C' level.
- Through the sustainable corn programme in partnership with Truterra, explained in more detail on page 62 in this Annual Report, we maintained sustainable acreage equivalent to the volume of corn we bought in 2021, being 1.4 million acres.

The scope, principles and methodologies used to report our GHG emissions can be found in 'EHS Reporting Criteria' at www.tateandlyle.com/purpose.

PATHWAY TO CARBON NET ZERO BY 2050

During the year, we analysed in detail what a carbon net zero pathway by 2050 would look like for our Scope 1, 2 and 3 GHG emissions. As part of this work, we undertook Scope 1 and 2 decarbonisation assessments at our four largest plants (after business separation) as well as a detailed analysis of our Scope 3 emissions. On the basis of this work, we have committed to being carbon net zero by 2050. More details of this commitment can be found on pages 58 and 59 of this Annual Report.

TABLE OF CONCORDANCE

The table below cross-refers to where the relevant disclosures in this Annual Report have been made against the 11 principles of the TCFD.

TCFD PRINCIPLES		PAGE(S)
1.	**Governance**	
1.1	Describe the Board's oversight of climate-related risks and opportunities	63, 64
1.2	Describe management's role in assessing and managing climate-related risks and opportunities	63, 64
2.	**Strategy**	
2.1	Describe the climate-related risk and opportunities the organisation has identified over the short, medium and long term	64-66
2.2	Describe the impact of climate-related risk and opportunities on the organisation's businesses, strategy and financial planning	65-66
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3.	**Risk management**	
3.1	Describe the organisation's processes for identifying and assessing climate-related risks	65-66, 70
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3.3	Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	66
4.	**Metrics and targets**	
4.1	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and management process	52-62, 66-67
4.2	Disclose Scope 1, Scope 2 and if appropriate Scope 3 greenhouse gas (GHG) emissions and related risks	57-59
4.3	Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets	52-62, 66-67

NEXT STEPS

In the 2023 financial year we will continue to measure progress against our targets and commitments for 2030. We will also consider additional climate-related metrics and targets against which we can assess and disclose our progress.

Following the business separation, we intend to take a fresh look at our sustainable agriculture commitment with a view to expanding it beyond corn. We recognise that promoting sustainable agriculture will be critical to delivering our Scope 3 emissions target and that is why we have expanded our sustainable stevia grower outreach programme in Eastern China, in partnership with Earthwatch Europe and Nanjing Agricultural University, both to minimise the farmers' environmental impact and increase the economic benefit of their production. More details of this programme can be found on page 62 of this Annual Report.

RISK REPORT: FOSTERING GREATER AWARENESS OF RISK

Our risk management processes played an important role in ensuring the successful separation of the Group into two standalone businesses.

PURSUING OUR SEPARATION WHILE MANAGING THE IMPACTS OF THE ONGOING PANDEMIC

Risk management can often feel very compliance-driven, but a true understanding of risk is a human experience, because it's about how people behave and why. That's never been more important than this year when, as well as continuing to live and work through a pandemic, we also took on the challenge of separating Tate & Lyle into two standalone businesses.

We said last year that we saw two positive outcomes of the pandemic with regards to risk management: first, more engagement around the business on strategic risk, and second, how our local teams really stepped up and owned risk in their own areas. It was pleasing that this year we saw that cultural shift continuing, with greater awareness of risk management in day-to-day operations, as well as in the strategic projects we worked on, notably the business separation and the integration of our stevia acquisition in China. Both were made more challenging by Covid-19 travel restrictions, but we still managed to deal with issues as they arose.

Business continuity planning has been central to our work this year, both for our continuing operations and for Primient. The business separation project involved many teams and people across the business, and it has really helped them to see the value of our risk management processes. It's also strengthened relationships between the teams, which will be hugely valuable in the future.

As you will see from our principal risks section, our overall risk profile has not changed significantly as a result of the business separation; it's more a matter of emphasis, given our ambitious growth agenda and wider geographical spread, especially our greater exposure to emerging markets. In considering our risks post-separation, we've paid particular attention to the increasingly complex and uncertain operating environment facing all global companies: geopolitical tensions and potential economic protectionism; inflation; pressure on global supply chains; and the challenges of climate change.

IMPLEMENTING NEW SYSTEMS AND PROCESSES

Core to our ability to plan for the future and manage uncertainty is effective systems and processes. This year we completed a project to deliver a new enterprise risk management system that replaces the lengthy, complex spreadsheets that were both time-consuming and cumbersome for our people. The new system has set us up well to manage risk post-separation, enabling risk owners to spend time where it really matters: investigating, managing and reporting on their risks in a co-ordinated way. A key focus in the year ahead will be training more of our people on the new system and embedding it across the organisation.

> This year we completed a project to deliver a new enterprise risk management system.
>
> **LINDSAY BEARDSELL** Executive Vice President, General Counsel

CONTINUING DUE DILIGENCE ON OUR SUPPLY CHAIN

Last year, we completed the risk assessment work for our new compliance programme for third parties, so we could focus our efforts on our highest risk areas. Those at highest risk include: agents and distributors; suppliers of some raw materials; and packaging and warehousing partners; either because of the nature of the supply chains themselves, or because of their importance to Tate & Lyle. For these third parties, we have a due diligence programme, and for other suppliers we launched an audit programme as part of our new Responsible Sourcing Programme. This programme uses the not-for-profit SEDEX system, where possible, since it minimises the burden on suppliers by enabling them to share audits with all of their customers. The target for our Responsible Sourcing Programme was to complete 75 high-risk supplier audits by the end of the year. We were pleased that, by 31 March 2022, we exceeded that target, with 77 audits completed.

Turning to our programme for agents and distributors, while some left and others joined during the year, we completed 88% of due diligence reviews of those in scope, compared with 55% last year. We also continue to monitor those after certification, and, when additional reviews are required, we carry out recertification. Our statement on anti-slavery and human trafficking can be found on our website at www.tateandlyle.com/antislaverystatement.

OUR FOCUS FOR THE YEAR AHEAD

We are now a company focused on delivering growth, and particularly in higher growth markets such as Asia. The pandemic showed us the difficulties of managing risks constructively when you don't have 'eyes on the ground', and so, given our recent acquisitions in Asia and China in particular, we have created a new role of compliance manager for Asia, based out of our Shanghai office. Our new manager has the cultural insight and local knowledge that will help us work constructively with our partners and suppliers as we build our business in the region. And, we will continue to support our people with the tools and systems they need to embed a risk mindset in all our operations, everywhere.

HOW WE MANAGE RISK

We have a single, Group-wide programme to identify, analyse and assess risks, and then to determine how we manage, control and monitor them.

THREE LINES OF DEFENCE

We manage significant risks at three distinct levels.

1 RISK OWNERSHIP AND CONTROL
Our business and operational managers identify risks and create policies and procedures to maintain effective controls day-to-day. They also update our front-line controls regularly in response to our changing risk profile.

2 MONITORING AND COMPLIANCE
Our Group functional teams help management to monitor key risk areas and make sure the first line of defence is working as intended. These teams include risk management, finance, quality, ethics and compliance, and environment, health and safety. They identify current and emerging risks, and ensure we address any changes in the risk landscape in good time. They also consider what the effects might be if a combination of certain risks materialises together.

3 INDEPENDENT ASSURANCE
Our Group Audit and Assurance team (internal audit) and external assurance providers give independent assurance over our risk management, control, and governance processes and systems.

OVERSIGHT

We oversee risk management at Group and operational levels to ensure it is governed well.

BOARD
Our Board has overall responsibility for how we manage and control risk, and for setting the Group's risk appetite. Every year, the Board thoroughly assesses our principal risks to determine the nature and extent of risk necessary to achieve our strategic objectives. They also evaluate emerging risks.

AUDIT COMMITTEE
Our internal audit plan and risk plan, reviewed and approved by the Audit Committee, is based on where our operational and Group risks lie. The audit plan is part of our wider assurance plan which involves our enterprise risk management, quality, and ethics and compliance teams.

EXECUTIVE COMMITTEE
Executive Committee members oversee and direct risk management in line with their respective responsibilities. They review our principal risks and risk appetite, ensuring these remain relevant. They also evaluate the potential impact of emerging risks.

RISK COMMITTEE
Our Risk Committee, which approves the annual risk assessment plan, reviews and challenges how the business assesses risk, looking at both single risks and combinations of risk. Each quarter, it reviews principal and emerging risks and progress against actions, and conducts a deep dive into agreed risk areas.

OUR APPROACH TO RISK

IDENTIFYING RISKS

Each year, we hold bottom-up and top-down reviews of our principal risks, namely those that could threaten our business model, strategy, performance, solvency or liquidity, looking at a three-year horizon.

The bottom-up process involves a rolling programme of workshops held around the business, facilitated by our risk team. These workshops help us to identify current and potential risks, which we then collate and report through functional and divisional levels to our Risk Committee and Executive Committee. We also consider any areas and behaviours which could bring about new risks, and different combinations of risk with other potentially larger impacts. Through these processes, we identify our main business, strategic, financial, operational, environmental and compliance risks and create action plans and controls to mitigate them to the extent appropriate to our risk appetite.

PRINCIPAL RISKS

The top-down review involves the Board assessing the output of this work, confirming that our principal risks have been captured and addressed, and that emerging risks have been considered. Our risk profile does of course evolve, and the Board updates its view of principal risks accordingly. Two changes have been made to our principal risks over the last year.

- In the first half of the 2022 financial year, the Board added a new principal risk: 'Failure to complete the sale of a controlling stake in Primary Products and to successfully manage the transition to two standalone businesses'. Following completion of the Primient transaction on 1 April 2022 and the successful transition into two standalone businesses, this principal risk has been removed. Risks that remain in relation to the ongoing relationship with Primient, in areas such as managing the long-term supply agreements, supply chain and information control have been integrated into other principal risks.
- The principal risk for 'Failure to manage effectively changes in government regulations and/or trade policies' has been merged with the principal risk relating to government, consumer and customer attitudes to form a revised principal risk on: 'Changes in government trade policies, regulations or attitudes to our products leading to a change in consumer or customer outlook'.

RISK REPORT CONTINUED

We will continue to review our principal risks in light of both the separation of the Group into two standalone businesses and external factors. For Tate & Lyle, a significant focus is now on delivering organic growth and growth by acquisition. The Company's geographic composition has shifted with a more balanced exposure to markets in North America, Europe and increasingly Asia. The wider risk environment also continues to evolve following the pandemic and increasing geopolitical instability.

Our Risk Committee reviews our principal risks regularly – at least every quarter – and reports to the Board any changes in the level or velocity of the risks, and the associated mitigating actions.

Our Board reviews the principal risks at least every six months.

COVID-19

The Covid-19 pandemic has presented a significant challenge for the business, its operations and employees. Our local teams continued to manage our response to keep our employees safe, ensure business continuity and mitigate the risks identified. Our local teams adapted their approach and mitigating activities as restrictions were lifted or, in some cases, imposed again. All our production facilities remained operational during the pandemic which is a testament to the commitment and skill of our people, as well as the effectiveness of the actions taken. The Board received updates on progress at every meeting. This pandemic risk is captured in the principal risk relating to disruptive forces.

DETERMINING OUR RISK APPETITE

As part of our annual risk assessment process, our Board and Executive Committee consider the nature and extent of our risk appetite. The outcome of this exercise informs our strategic planning activities, and helps us set the level of mitigation needed to achieve our strategic objectives – accepting, of course, that some level of risk is necessary.

MANAGING RISKS

Individual members of the Executive Committee have responsibility for managing certain risks and their mitigating controls. Senior management formally confirms to the Audit Committee once a year that risks are being managed appropriately in their areas of responsibility, and that controls are in place and effective.

CLIMATE-RELATED RISKS

The Board recognises the significant risks posed by climate change and consideration of these risks is part of our enterprise risk framework. The increasing importance of climate change risk is reflected in our principal risk relating to disruptive forces, external events which could materially impact our business and operations, including climate change, in addition to climate change being a core element of a number of our other principal risks.

The Board considers all the Group's principal risks, which include risks related to climate change, at least twice a year. Our Chief Executive is ultimately responsible for the Group's preparedness and response to climate-related risks and opportunities.

As explained under the Task Force on Climate-related Financial Disclosures (TCFD) on pages 63 to 67, last year we undertook a Climate Change Risk Assessment to better understand potential impacts of current and future climate-related risks and opportunities in our operations and supply chain. The findings of this assessment have been embedded into our enterprise risk management programme. For example, consideration of short-term and long-term climate-related risks has now been fully integrated into the risk assessment workshops held across the business each year.

VIABILITY STATEMENT

In accordance with the requirements of the UK Corporate Governance Code, the Directors have assessed the viability of the Group, taking into account our current position and the potential impact of the principal risks we face.

Although our strategic plan, which the Board reviews annually, forecasts beyond three years, we create a detailed three-year financial plan. This plan includes anticipated capital and funding requirements. For this reason, the Directors agree that it is appropriate to assess our viability over a three-year period to 31 March 2025.

To assess our viability, we stress-tested our strategic plan under three downside scenarios which might impact our potential viability if one or more of the downside risks set out below were to occur. We assessed the potential impact of these scenarios, individually and in aggregate, both before and after mitigating actions within our control.

The three downside scenarios modelled were:

- A major operational failure causing an extended shutdown of our largest manufacturing facility in the US following the Primient transaction
- The loss of two of our largest Food & Beverage Solutions customers
- Significant energy, raw material and commodity cost inflation due to the consequences of the conflict in Ukraine

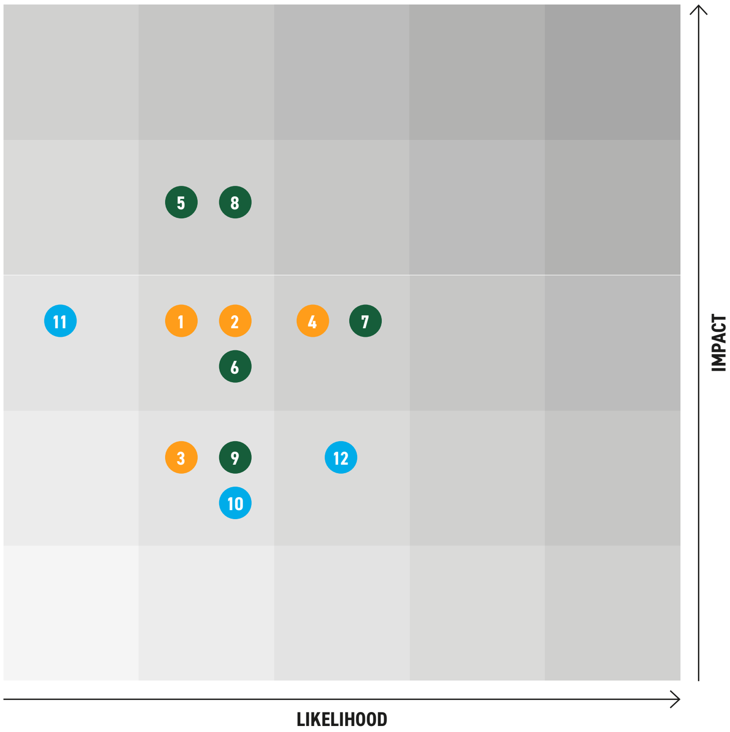
We measured the impact of these risks by quantifying their individual and aggregate financial impact on our strategic plan, and on our viability when set against measures such as liquidity, credit rating and financial covenant requirements. We also considered operational and commercial impacts. This exercise showed that, over this three-year period, the Group would be able to withstand the impact of the most severe combination of these risks.

At 31 March 2022, the Group has a strong cash position and committed and undrawn liquidity of £735 million, including a revolving credit facility of US$800 million, all of which is available for the entire three-year viability assessment period. In addition, none of the Group's borrowings mature until October 2023, at which point US$120 million of external borrowings mature. Although the Group expects to be able to refinance these at that time, given the significant liquidity position, this viability statement is not contingent on such refinancing.

Based on this assessment, the Directors have a reasonable expectation that we will be able to continue operating and meet our liabilities as they fall due between now and 31 March 2025.

PRINCIPAL RISKS

	STRATEGIC RISKS
1	Failure to deliver the Food & Beverage Solutions growth strategy
2	Failure to develop and commercialise new ingredients
3	Inability to attract, develop, engage and retain key people
4	Failure to adequately anticipate and minimise adverse impacts from global disruptive forces such as disease, climate change, natural disaster, trade disruption or civil unrest
	OPERATIONAL RISKS
5	Failure to act safely and operate our facilities safely and responsibly
6	Failure to maintain the quality and safety of our products
7	Inability to manage fluctuations in the price and availability of raw materials, energy, freight and other operating inputs
8	Failure to operate our plants continuously, manage our supply chain, and meet high standards of customer service
9	Failure to maintain the continuing operation and the security of our information systems and data
	LEGAL, REGULATORY AND COMPLIANCE RISKS
10	Breach of legal or regulatory requirements including our Code of Ethics
11	Failure to maintain an effective system of internal financial controls
12	Changes to government trade policies, regulations or attitudes to our products leading to a change in consumer or customer outlook



Key to the risks

- Strategic
- Operational
- Legal, Regulatory and Compliance

This heat map illustrates the relative positioning of our principal risks after taking into account any mitigating controls in place.

OUR PRINCIPAL RISKS

Trend compared with 2021 financial year

- Increasing
- Unchanged
- Decreasing

RISKS	HOW WE MITIGATE THE RISK	WHAT WE'VE DONE THIS YEAR	TREND

STRATEGIC RISKS

1. FAILURE TO DELIVER THE FOOD & BEVERAGE SOLUTIONS GROWTH STRATEGY

Risks	How we mitigate the risk	What we've done this year	Trend
Failing to grow Food & Beverage Solutions, our main business division, would prevent us from delivering against our Group targets. This could reduce our profitability over both the shorter and longer term and damage investors' view of us. Top-line growth, margin expansion and M&A activity remain key components of successfully growing our business and we have a five-year strategic plan in place to support this.	– Our organic and acquisitive growth plan supports our strategy. We have global and regional five-year plans focused on key categories. – Our M&A team works closely with Innovation and Commercial Development (ICD) and with Food & Beverage Solutions to find acquisitions and partnerships that will help us grow. – We have incentive schemes and bonus programmes for customer-facing teams tied to strategic as well as operational targets.	– We strengthened our customer offering and presence in Asia with the integration of the stevia and tapioca businesses we acquired in the previous year, and we announced an agreement to acquire Quantum Hi-Tech, a leader in prebiotic fibres in China. – We have strengthened our capabilities to serve our customers in areas such as applications, sensory and prototyping. – We continued to build capabilities in the new region of Asia, the Middle East, Africa and Latin America, established in the previous year, to accelerate our business in higher growth markets. – We continued to simplify the structure of our customer-facing teams to get closer to our customers and help commercialise new products more quickly. – We launched a number of online tools to further support and connect with our customers including our Stabiliser University.	Unchanged

RISK REPORT CONTINUED

RISKS	HOW WE MITIGATE THE RISK	WHAT WE'VE DONE THIS YEAR	TREND
STRATEGIC RISKS CONTINUED			
2. FAILURE TO DEVELOP AND COMMERCIALISE NEW INGREDIENTS			
New products are essential to our ability to lead the industry in our chosen categories, and thus to the long-term growth of our business. Without them, we might be unable to meet our customers' future requirements, which could damage our performance and reputation and result in customers switching to competitors.	– We have a robust innovation process that, through internal development and open innovation, delivers a strong pipeline of New Products. – Our ICD team tracks emerging consumer trends and works closely with commercial partners to create New Products and solutions that will deliver growth. – Our customer-facing teams' incentive and bonus schemes include targets for New Product revenue. – We have an open innovation team that scouts for breakthrough technologies. – We prioritise partnership opportunities with customers to accelerate development cycles and bring New Products to market more quickly.	– We launched 10 New Products and more than 30 new stevia sweetener solutions from our innovation pipeline. – The value of wins from our new business pipeline increased by 23%. – We increased our investment in the monitoring of global trends and consumer insights for sharing across our regions. – We opened new Customer Innovation and Collaboration Centres in Dubai and Chile. – We continued to offer online tools to support our customers including the Tate & Lyle Nutrition Centre and the Collaborate at Home Kitchen in North America.	
3. INABILITY TO ATTRACT, DEVELOP, ENGAGE AND RETAIN KEY PEOPLE			
To be a successful global business, and to deliver our strategy, having the right capabilities and people is critical. We therefore have a number of strategies in place to recruit, develop and retain our people as effectively as possible and to have a diverse and inclusive workforce.	– We have a mix of short- and long-term incentives. This includes a bonus scheme available to a broad population of employees. – Our talent development plans give employees opportunities and training to build their capabilities and resilience. – We have initiatives in place to enhance equity, diversity and inclusion across the organisation. We also have a dedicated team in place to develop and measure our progress on equity, diversity and inclusion. – We have a single global performance management system and talent planning process. – We measure progress against cultural objectives and carry out global employee surveys that help to tell us what employees really think about working at Tate & Lyle. – Our Executive Committee and the Board plan succession for business-critical roles. – We encourage open and transparent feedback from our people so we are able to react to any challenges that emerge.	– During the pandemic, we significantly expanded our internal communications programme to connect with our people working at home and in our plants and labs, using new initiatives such as virtual cafés with the Chief Executive and other senior leaders. – We have a Group-wide programme to support the physical and mental wellbeing of our employees. Our 'Happy Healthy Minds' Employee Resource Group provides support and information on mental health and wellbeing for employees. – We established and published a set of targets for the next eight years to measure our progress on equity, diversity and inclusion. – We introduced new policies to promote better work life balance, including a policy on equal parental leave. – We accelerated adoption of e-learning for all employees by providing access to learning tools such as LinkedIn Learning.	
4. FAILURE TO ADEQUATELY ANTICIPATE AND MINIMISE ADVERSE IMPACTS FROM GLOBAL DISRUPTIVE FORCES SUCH AS DISEASE, CLIMATE CHANGE, NATURAL DISASTER, TRADE DISRUPTION OR CIVIL UNREST			
Global disruptive events could have a significant impact on our business and our ability to conduct manufacturing operations. This could materialise at any point along the supply chain as well as affecting global demand, capacity or our customers' needs.	– We have a global business continuity management framework to enable effective recovery from a major disruption. – Caring for our planet is one of the three pillars of our purpose, and environmental considerations are part of how we make strategic decisions. – Having plants in different regions and countries means we can serve customers where practical from elsewhere if a particular area is disrupted, and diversifies our business into different markets and geographies. – Our Risk Committee oversees emerging risks to ensure we're prepared to meet customers' needs.	– The establishment of a Global Pandemic Response Team, together with teams at our local sites, managed our response to Covid-19 in order to minimise disruption. – We progressed our sustainability programme including good progress against our environmental targets for 2030. – We committed to become carbon net zero as a company by 2050. – We enhanced our strategic planning process to provide greater resilience and future-proofing against future disruptive events.	
OPERATIONAL RISKS			
5. FAILURE TO ACT SAFELY AND OPERATE OUR FACILITIES SAFELY AND RESPONSIBLY			
Safety is not just a priority, it's foundational at Tate & Lyle. Failure to comply with laws and regulations relating to health, safety and the environment could result in us being unable to protect our employees, stakeholders and the wider communities in which we operate. It could also lead to fines and have a negative impact on our reputation.	– We have a continuous improvement plan for Environment, Health and Safety (EHS) in place at all our sites (Journey to EHS Excellence, or J2EE). It is visibly sponsored by the Chief Executive and Executive Committee. – Our EHS Advisory Board, which includes our Chief Executive, receives EHS updates and reviews performance quarterly. Our Executive Committee and Board regularly review EHS performance and progress against J2EE. – The Incident Review Board conducts reviews of major, severe or potentially severe events. – Gensuite, a cloud-based tool, is used to manage EHS data and facilitate EHS reporting.	– We put in place strict protocols at all our sites to ensure we protected our people during the pandemic including sanitation, social distancing, hand washing and wearing face masks. – 27 of our sites have passed tollgate 3 (of 7) as part of our J2EE programme. – We continued to invest in our EHS team, recruiting, developing and embedding safety engineers at our major plants. – We utilised virtual safety assessments in light of Covid-19 to ensure we maintained progress with our safety programme. – Food safety, product quality and site security continues to be integrated into the responsibilities of our EHS team. – Employee wellbeing continues to be included into the J2EE programme.	

OPERATIONAL RISKS CONTINUED

RISKS	HOW WE MITIGATE THE RISK	WHAT WE'VE DONE THIS YEAR	TREND
6. FAILURE TO MAINTAIN THE QUALITY AND SAFETY OF OUR PRODUCTS			
Poor quality products could affect safety and also damage our reputation and relationships with customers. This could have a negative effect on our performance and corporate reputation.	– We have strict quality control and product testing procedures. – We regularly test our recall process. – We have a third-party audit programme, supplemented by internal compliance audits. – We assess our raw material suppliers, tollers and third-party warehouses for food safety and quality risks. – We have a programme to manage allergens in our supply chain and ensure our ingredients are either free from allergens or that any allergens are disclosed. – Our Quality Incident Review Board investigates incidents and shares best practice across our sites. – Governance process is in place for Tate & Lyle and Primient to review on a regular basis the delivery of the long-term supply and other related agreements, which determine the safety and quality standard that products sold to each business must meet.	– We continued to embed our centralised recipe management system streamlining how we manage products and ingredients. – We continued to ensure compliance with the US Food Safety Modernization Act across our plants. – We manage cross-contamination risk at our plants by using the US Food and Drug Administration (FDA) food defence plan builder. – Having previously combined the leadership of the Quality and EHS functions, we continued to leverage the strengths of the J2EE programme to apply them to the Global Quality Standards. – We established separate quality and safety product teams for Tate & Lyle and Primient as part of the business separation.	
7. INABILITY TO MANAGE FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF RAW MATERIALS, ENERGY, FREIGHT AND OTHER OPERATING INPUTS			
Fluctuations in crop prices could affect our margins. These changes could stem from things like alternative crops, co-product values and varying local or regional harvests because of, for example, weather conditions, crop disease, climate change or crop yields. In some cases, due to the basis for pricing in sales contracts or due to competitive markets, we may not be able to pass the full increase in raw material prices, or higher energy, freight or other operating costs, on to our customers. Our margins might also be affected by customers not taking expected volumes.	– We have strategic relationships and multi-year agreements with suppliers and trading companies. – Our supply and tolling contracts with customers help us reduce raw material risk. – Our raw material and energy purchasing policies increase the security of our supply. – Our US corn position is managed on a net basis, which includes operating within certain pre-approved limits on inventories of corn and co-products as well as executory contracts for the purchase of corn and sale of corn-based products. – Governance process is in place for Tate & Lyle and Primient to review on a regular basis the delivery of the long-term supply and related corn procurement services.	– We strengthened our procurement resources regionally to better manage local market variances under a global centralised management structure. – Our transportation procurement and logistics teams work together to manage supplier and customer service. – We continued to leverage new technologies such as Oracle Transportation Management System to manage freight more efficiently and cost effectively. – Following the outbreak of the conflict in Ukraine, we formed an executive steering committee that meets regularly to analyse the impact on our supply chain and our customers, and to develop appropriate mitigating actions.	
8. FAILURE TO OPERATE OUR PLANTS CONTINUOUSLY, MANAGE OUR SUPPLY CHAIN, AND MEET HIGH STANDARDS OF CUSTOMER SERVICE			
There are many risks in operating plants which could cause breaks in production leading to disruption and a deterioration in customer service. This, in turn, could damage our ability to grow our business.	– Our plant network has a preventative maintenance programme. – We have an ongoing programme to improve our global supply chain processes. – Business continuity capabilities enable us to supply products to customers from alternative sources quickly if there's a natural disaster or major equipment or plant failure. – Our customer service team is part of Global Operations so works closely with our plants, enabling us to be agile and responsive. – We have contingency plans to manage disruption such as extreme winter weather to the extent possible. – Governance process in place for Tate & Lyle and Primient to review on a regular basis the delivery of the long-term supply and other related agreements.	– We continued to operate strict hygiene protocols at all our sites to ensure our people were protected and our plants kept running during the pandemic. – We continued with new working protocols to enable major capital projects to continue. – We implemented our new business continuity framework across Tate & Lyle. – Our productivity programme continued to operate despite the challenges of the pandemic, delivering US$34 million of productivity benefits in total operations. – We completed our three-year programme to demolish old and potentially unsafe structures at our manufacturing sites.	

RISK REPORT CONTINUED

RISKS	HOW WE MITIGATE THE RISK	WHAT WE'VE DONE THIS YEAR	TREND
OPERATIONAL RISKS CONTINUED			
9. FAILURE TO MAINTAIN THE CONTINUING OPERATION AND SECURITY OF OUR INFORMATION SYSTEMS AND DATA			
A cyber security breach, whether stemming from human error, deliberate action or a technology failure, could lead to unauthorised access to or misuse of our information systems, technology or data. This, in turn, could result in harm to our assets, data loss and business disruption – and could bring legal risks and reputational damage.	– Our cyber security programme focuses on maintaining and strengthening our defences in terms of our processes, people and technology. – We run compulsory cyber security training. – We have robust cyber security defences including a continuous programme to detect threats and vulnerabilities, and we undertake independent penetration tests. – Our plants run on separate IT systems which increases their resilience. – We have a 24/7, third-party security operations centre to deal promptly with any issues.	– We continued to embed remote working technology such as MS Teams, strengthened our firewalls, invested in new equipment and maintained strict password security to ensure people could work safely. – We held a Cyber Security Awareness month to educate employees on cyber risks and security. – We strengthened our Cyber Security Incident Response Plan including critical breach scenario exercises and aligned it to our company-wide risk and controls management programme. – Dedicated teams were deployed, together with external support, to manage and deliver the separation of the IT systems for Tate & Lyle and Primient. Tate & Lyle continued to offer support services to Primient under a transitional services agreement.	
LEGAL, REGULATORY AND GOVERNANCE RISKS			
10. BREACH OF LEGAL OR REGULATORY REQUIREMENTS INCLUDING OUR CODE OF ETHICS			
If we don't meet our legal and/or regulatory obligations, our relationships with customers are likely to suffer, and we could be subject to contractual claims, threats to our licences and, in extreme cases, risks to our Directors and officers. It could also affect our performance and corporate reputation.	– Our legal and regulatory teams work closely with our commercial teams to identify legal and regulatory risk and provide advice and solutions. – We monitor legal and regulatory developments regularly to make sure we know what could affect Tate & Lyle. – We review our key legal policies regularly. – We run a legal and ethics and compliance training programme. – We have a third-party whistleblowing service that gives our employees a way to raise concerns anonymously if they're not comfortable raising them internally. – We have lawyers in each region to work with commercial colleagues to identify and mitigate legal risk from the bottom up.	– We further embedded our document management system to facilitate better ways of working that are easier to audit. – We strengthened our contract documentation processes including the tracking of agreed terms and conditions, and provided training for sales teams. – We continued to provide training to our global procurement team on legal policies including contract training. – We continued to provide legal, ethics and compliance training across the organisation as part of our annual training plan. – We provided anti-trust/competition training. – We developed sanctions awareness training and put in place processes to ensure no breaches occur.	
11. FAILURE TO MAINTAIN AN EFFECTIVE SYSTEM OF INTERNAL FINANCIAL CONTROLS			
Without effective internal financial controls, we could be exposed to the risk of fraud and error in our financial reporting as well as losses from events which may then affect our performance and ability to operate.	– We have an established framework of financial policies and standards supported by procedures and controls over key processes – in many instances these controls are automated and we maximise the use of preventative controls. – The design and operating effectiveness of controls are monitored on an ongoing basis and the results are reported twice a year to the Executive Committee. – We have several forums to monitor and manage our financial controls effectiveness, such as our quarterly regional Control Environment Councils chaired by the relevant General Manager. – The Chief Executive and Chief Financial Officer review the business and financials monthly. – At both the half year and the end of the financial year, confirmation is provided to the Executive Committee, the Audit Committee and the Board that minimum control standards are operating effectively. – Our well-resourced Group Audit and Assurance team provides independent assurance to management and the Board.	– We continued to invest in our financial controls function, expanding the team and increasing the scope and resources within our centres of excellence within our Global Shared Services Centre in Poland. – We established our Finance Global Process Ownership forum, to further enhance the consistency and effectiveness of financial controls at all Group locations. – We implemented specific financial controls in the readiness and separation testing for the disposal of our Primary Products business in the Americas, including continuous monitoring against necessary Financial Position and Prospects Procedures. – We carried out refresher training for our senior finance team on more complicated and judgemental areas of finance and accounting, and the importance of effective financial controls. – We established an end-to-end process owner forum.	

RISKS	HOW WE MITIGATE THE RISK	WHAT WE'VE DONE THIS YEAR	TREND

LEGAL, REGULATORY AND GOVERNANCE RISKS CONTINUED

12. CHANGES IN GOVERNMENT TRADE POLICIES, REGULATIONS OR ATTITUDES TO OUR PRODUCTS LEADING TO A CHANGE IN CONSUMER OR CUSTOMER OUTLOOK

Government actions or policies could impose import/export limitations on and other barriers to our business that could lead to additional costs, restrict our growth and limit our ability to operate in certain markets. The regulatory status or perception of our ingredients could also be affected by things like changes in customers' or consumers' attitudes, changes in food laws and regulations, and/or campaigns targeted at specific ingredients or technologies. These could also affect our ability or freedom to operate.

- We engage with political parties and regulatory authorities in the main countries in which we operate.
- Membership of trade organisations gives us access to broader sources of information and provides, where necessary, a single voice for our industry on issues (both regulatory and public interest) affecting our ingredients.
- The science behind our ingredients (for example, health claims or nutritional impact) is supported by credible sources and is communicated clearly to and understood by the relevant regulatory authorities.
- Our global regulatory team, supported by external consultants, monitors any local regulatory requirements that affect our products.
- Our global nutrition team initiates and monitors research and publications on the use and functionality of our ingredients, and maintains a global advisory network of health and nutrition clinicians, academics and experts.
- We work closely with thought-leading customers around the world to jointly focus on the science and consumer benefits of our ingredients.

- We continued to develop our regulatory team in the Asia, Middle East, Africa and Latin America regions to strengthen relationships with regulators in these markets.
- We continued to invest in our global nutrition team with funding for studies supporting the safety and efficacy of our ingredients.
- We worked with national and state trade associations as well as local authorities in both the US and China to progress our commercial and sustainability goals.
- We expanded our advocacy programme in key markets, including in partnership with customers, by taking up positions on boards and as committee chairs of key trade associations.
- We initiated a number of projects with external experts to specifically assess the changing nature of influencing factors on policy issues in key markets and their likely impact on the business.
- We expanded our online Nutrition Centre to include independent scientific contributions by external experts on key topics of public health.

NON-FINANCIAL INFORMATION STATEMENT

The table below sets out where you can find the information as required under the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006.

REPORTING REQUIREMENTS	RELEVANT POLICIES	WHERE TO READ ABOUT OUR IMPACT	PAGES
Environmental matters	Global EHS Policy[1]	Environment and sustainability Task Force on Climate-related Financial Disclosures	52 to 62 63 to 67
Employees	Code of Ethics[1] Global EHS Policy[1] Global HR Policy[2]	Our people Gender pay gap reporting Health and safety Ethics and whistleblowing	44 to 49 48 52 to 55 46 and 93
Human rights	Code of Ethics[1] Anti-Slavery Statement[1] Data protection[2]	Our people Supplier audit programme Risk Report	44 to 49 68 68 to 75
Social matters	Code of Ethics[1] Board Policy on equity, diversity and inclusion[1]	Our people Community involvement Equity, diversity and inclusion matters	44 to 49 50 and 51 Throughout this Report
Anti-bribery and corruption	Code of Ethics[1] Anti-money laundering and Anti-bribery Standard[2] Agents and Distributors[2] Group Competition (Anti-trust)[2] Trade Compliance[2] Gifts and Hospitality Standard[2]	Our people Supplier audit programme Risk Report	44 to 49 68 68 to 75
Business model		Our business model	24 to 25
Non-financial KPIs		Our purpose commitments and targets Gender diversity Health and safety Environment and sustainability	30 to 31 47 to 49 52 to 55 56 to 62
Principal risks		Risk Report	68 to 75

1 Available on our website www.tateandlyle.com and available to employees through the Tate & Lyle intranet.
2 Available to all employees through the Tate & Lyle intranet. Not published externally.

SECTION 172(1) STATEMENT AND STAKEHOLDER ENGAGEMENT

See page 95 within Governance for our 'Section 172(1) statement'. This describes how the Directors have had regard to stakeholders' interests when discharging the Directors' duties set out in section 172 of the Companies Act 2006. Our engagement activities with stakeholders and the impact of those interactions are set out from page 90.

The Board approved the Strategic Report on pages 11 to 75 of this Annual Report on 8 June 2022.

By order of the Board

CLAIRE-MARIE O'GRADY
Company Secretary

GOVERNANCE

GOVERNANCE

IN THIS SECTION

BOARD OF DIRECTORS

BOARD COMMITTEES

Certain responsibilities are delegated to three Board Committees, details of which are provided on pages 100, 102 and 108.

- A Audit Committee
- R Remuneration Committee
- N Nominations Committee

1

N

DR GERRY MURPHY

Chair and Chair of the Nominations Committee

Date appointed to Board: January 2017

Independent: Yes on appointment

Aged: 66

Nationality: Irish

SKILLS AND EXPERTISE:
Gerry started his career in the food and drinks sector and received his PhD in food technology. He has held a number of chief executive roles and has also been an investor and independent director in a number of international listed companies. His significant business and board level experience and detailed understanding of UK corporate governance requirements enable him to provide the Board with valuable leadership.

CURRENT EXTERNAL COMMITMENTS:
– Chair of Burberry Group plc

PREVIOUS ROLES:
Chairman of The Blackstone Group's principal European entity (2009 to September 2019). Senior Managing Director in Blackstone's Private Equity Group (2008 to 2017). CEO of Greencore Group plc, Exel plc, Carlton Communications plc and most recently Kingfisher plc (2003 to 2008). He held non-executive directorships in Intertrust NV, British American Tobacco plc, Invest Europe, Merlin Entertainments plc, Reckitt Benckiser Group plc, Abbey National plc and Novar plc.

2

NICK HAMPTON

Chief Executive

Date appointed to Board: September 2014

Date appointed Chief Executive: April 2018

Independent: No

Aged: 55

Nationality: British

SKILLS AND EXPERTISE:
Nick brings a wealth of food industry insights to the Board. His general management, financial and operational experience in senior management roles in a major multinational food and beverage business, combined with his experience in leading transformational projects, provides him with the skillset required to inspire and lead the Group.

CURRENT EXTERNAL COMMITMENTS:
- Non-executive director and Chairman of the Audit Committee of Great Portland Estates plc

PREVIOUS ROLES:
Prior to being appointed Chief Executive, he served as Chief Financial Officer of Tate & Lyle. Before joining Tate & Lyle, he held a number of senior roles over a 20-year career at PepsiCo, including Senior Vice President and Chief Financial Officer, Europe, and President, West Europe Region and Senior Vice President Commercial, Europe.

3

DAWN ALLEN

Chief Financial Officer

Date appointed to Board: May 2022

Date appointed Chief Financial Officer: May 2022

Independent: No

Aged: 53

Nationality: British

SKILLS AND EXPERTISE:
Dawn brings more than two decades of experience in the global food industry and has a proven track record of financial leadership. Her financial, commercial and international experience is of great value to the Board. Dawn is a member of the Institute of Chartered Accountants of England and Wales.

CURRENT EXTERNAL COMMITMENTS:
- None

PREVIOUS ROLES:
Global CFO & VP, Global Transformation at Mars Incorporated from 2020 until joining Tate & Lyle.

During a 25-year career at Mars, she held a number of senior financial roles in Europe and the US including Global Divisional CFO, Food, Drinks and Multisales, and Regional CFO Wrigley Americas.

4

A N

JOHN CHEUNG

Non-Executive Director

Date appointed to Board: January 2021

Independent: Yes

Aged: 57

Nationality: Chinese (Hong Kong)

SKILLS AND EXPERTISE:
John brings a breadth of food and beverage experience with a deep understanding of markets in Asia, particularly in China. His experience in senior positions in Asia in multiple companies and as a CEO enables him to provide valuable insights into the region.

CURRENT EXTERNAL COMMITMENTS:
- Chief Executive Officer at Zhejiang Supor Co., Limited
- Non-executive director at China Feihe Limited

PREVIOUS ROLES:
President of Wyeth Nutrition Global, Chairman and CEO of Nestlé Greater China, VP China at Coca-Cola.

5

R N

PATRÍCIA CORSI

Non-Executive Director

Date appointed to Board: May 2021

Independent: Yes

Aged: 49

Nationality: Brazilian

SKILLS AND EXPERTISE:
Patrícia brings brand marketing and digital expertise and significant experience and understanding of the Latin American market. She has over 20 years of experience in global consumer products throughout the region.

CURRENT EXTERNAL COMMITMENTS:
- Global Chief Marketing and Digital Officer at Bayer Consumer Health

PREVIOUS ROLES:
SVP and Chief Marketing Officer, Mexico for Heineken NV and held various global brand roles for Unilever as well as marketing roles for Kraft Foods and Tetra Pak International in Brazil.

6

R N

DR ISABELLE ESSER

Non-Executive Director

Date appointed to Board: June 2022

Independent: Yes

Aged: 58

Nationality: Belgian

SKILLS AND EXPERTISE:
Isabelle brings over 30 years' experience in global consumer food and ingredient companies, with a particular focus on research and development. Her scientific expertise and extensive technology leadership experience in Tate & Lyle's markets are of significant benefit to the Board.

CURRENT EXTERNAL COMMITMENTS:
- Chief Research, Innovation and Food Quality Safety Officer at Danone SA

PREVIOUS ROLES:
EVP, R&D Foods Transformation, Global Foods and Refreshment at Unilever PLC and Chief Human Resources Officer at Barry Callebaut AG.

BOARD OF DIRECTORS CONTINUED

BOARD COMMITTEES

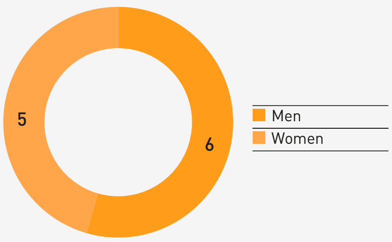
Certain responsibilities are delegated to three Board Committees, details of which are provided on pages 100, 102 and 108.

- A Audit Committee
- R Remuneration Committee
- N Nominations Committee

BOARD COMPOSITION

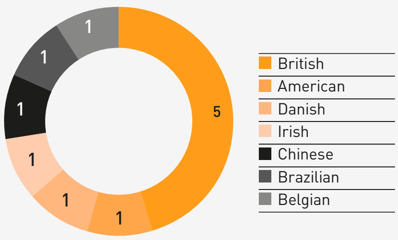
GENDER DIVERSITY OF DIRECTORS

As at 8 June 2022



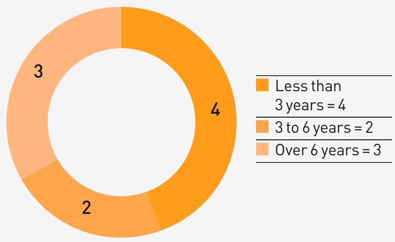
DIRECTORS' NATIONALITIES

As at 8 June 2022



TENURE OF NON-EXECUTIVE DIRECTORS

As at 8 June 2022



7

A N

PAUL FORMAN

Senior Independent Director

Date appointed to Board: January 2015

Independent: Yes

Aged: 57

Nationality: British

SKILLS AND EXPERTISE:

Paul has wide experience in global manufacturing, commercial, as well as strategy consultancy and M&A advisory services.
He brings insight to the commercialisation of innovation pipelines and the implementation of business-to-business customer and market-led strategies in a large multinational company. His experience as a CEO of a number of global companies enables him to provide valuable insights to the Board.

CURRENT EXTERNAL COMMITMENTS:

– Chief Executive of Essentra plc

PREVIOUS ROLES:

Group Chief Executive of Coats plc and Low & Bonar PLC. Served as a non-executive director at Brammer PLC.

8

R N

LARS FREDERIKSEN

Non-Executive Director

Date appointed to Board: April 2016

Independent: Yes

Aged: 63

Nationality: Danish

SKILLS AND EXPERTISE:

As the former CEO of a global speciality food ingredients business, Lars led a successful business transformation and his insights are invaluable to the Board as Tate & Lyle continues to evolve. He also brings operational expertise and an understanding of how to attract and retain talent in a global business.

CURRENT EXTERNAL COMMITMENTS:

- Chairman of Matas A/S
- Non-executive director of Falck A/S
- Chairman of the Hedorf Foundation
- Chairman of PAI Partners SA

PREVIOUS ROLES:

CEO of Chr. Hansen Holding A/S from 2005 until retirement in March 2013, leading a successful listing on the Copenhagen stock exchange during that period. Prior to becoming CEO, he held various management positions at Chr. Hansen.

9

A N

KIMBERLY (KIM) NELSON

Non-Executive Director

Date appointed to Board: July 2019

Independent: Yes

Aged: 59

Nationality: American

SKILLS AND EXPERTISE:

Kim brings substantial experience in the food and beverage industry and specific insights into the US market, having worked for General Mills Inc. for nearly 30 years. During her career at General Mills, she held a number of senior brand and general management roles, including serving as President of the Snacks operating division. She served as Senior Vice President, External Relations, leading on issues and crisis management, environmental, social, governance and global external stakeholder relations.

CURRENT EXTERNAL COMMITMENTS:

- Non-executive director of Cummins, Inc.
- Non-executive director of Colgate-Palmolive Company

PREVIOUS ROLES:

President of the Snacks operating division at General Mills Inc. and Senior Vice President, External Relations, from 2010 until retirement in 2018.

10

A R N

SYBELLA STANLEY

Non-Executive Director and Chair of the Remuneration Committee

Date appointed to Board: April 2016

Independent: Yes

Aged: 60

Nationality: British

SKILLS AND EXPERTISE:

Sybella has extensive commercial and financial experience and brings a wealth of knowledge about the London investment community and substantial experience of communicating with this and other investment communities outside the UK. Her long career in corporate finance and M&A is invaluable to the Board's consideration of strategic opportunities.

CURRENT EXTERNAL COMMITMENTS:

- Director of Corporate Finance at RELX plc
- Non-executive director of The Merchants Trust PLC
- Co-chair of the Somerville College Oxford Development Board

PREVIOUS ROLES:

Originally qualified as a barrister and, before joining RELX in 1997, she was a member of the M&A advisory team at Citigroup and later Barings.

11

A R N

WARREN TUCKER

Non-Executive Director and Chair of the Audit Committee

Date appointed to Board: November 2018

Independent: Yes

Aged: 59

Nationality: British

SKILLS AND EXPERTISE:

Warren is a chartered accountant and has extensive experience as a former Chief Financial Officer of a large global manufacturing group, where he also co-led the company's organic and strategic growth. His experience in large multinational and business-to-business organisations across several geographies and industries enables him to provide valuable insights to the Board. He also brings an understanding of the London investment community and shareholder institutions.

CURRENT EXTERNAL COMMITMENTS:

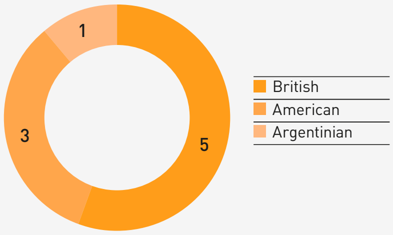
- Chairman of TT Electronics plc

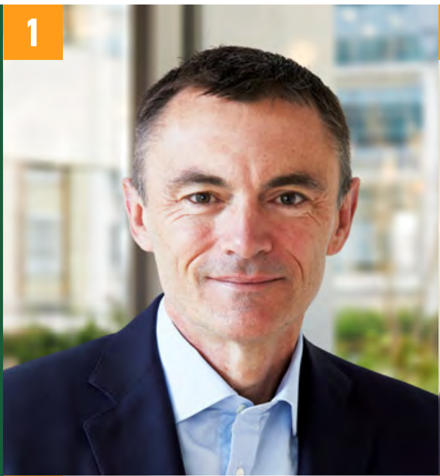
PREVIOUS ROLES:

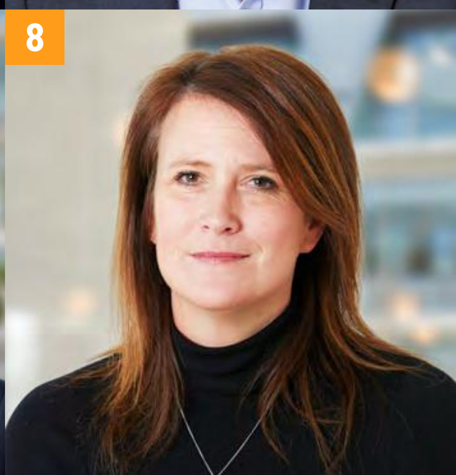
Executive director and Chief Financial Officer on the board of Cobham plc for 10 years until 2013. Most recently non-executive director of Reckitt Benckiser Group plc for a decade until 2020 and non-executive director and chair of the Audit Committee of Survitec Topco Ltd. He also held senior finance roles at Cable & Wireless and British Airways, and was a non-executive director and chair of the Remuneration Committee of Thomas Cook Group plc and a non-executive director at PayPoint plc.

OUR EXECUTIVE TEAM

NATIONALITIES OF THE EXECUTIVE COMMITTEE
As at 8 June 2022







1

NICK HAMPTON
Chief Executive

Nationality: British

Nick became Chief Executive of Tate & Lyle in April 2018, having joined as Chief Financial Officer in September 2014. He brings a wealth of food industry insights from his 20-year career at PepsiCo. He has general management, financial and operational experience through senior management roles, as well as experience in leading transformational projects. This provides him with the skills and attributes to inspire and lead the Tate & Lyle team.

2

DAWN ALLEN
Chief Financial Officer

Nationality: British

Dawn joined Tate & Lyle in May 2022 as Chief Financial Officer from Mars Incorporated where she was Global CFO & VP, Global Transformation since 2020. Prior to that, during a 25-year career at Mars, she held a number of senior finance roles in Europe and the US. Her financial experience and knowledge of the global food and beverage industry will be of great benefit to Tate & Lyle.

3

VICTORIA SPADARO GRANT
President, Innovation and Commercial Development

Nationality: Argentinian/American

Victoria joined Tate & Lyle in November 2020, from the Italian multinational food company Barilla, where she was the Chief Global Research Development and Quality Officer. Victoria has strong R&D, commercial and customer-facing expertise having previously held positions at Mars, Kraft Heinz and PepsiCo. Victoria has worked and lived in many countries including in Asia, US, Italy and her native Argentina. Her extensive experience driving innovation in the global food and beverage marketplace is key to delivering our growth strategy.

4

LINDSAY BEARDSELL
Executive Vice President, General Counsel

Nationality: British

Lindsay joined Tate & Lyle in September 2018 from GVC Holdings PLC where she was Group General Counsel. She studied local and European law in the UK, France and Germany, giving her a broad understanding of different legal environments. Lindsay brings a wide knowledge of corporate law and practical legal experience from her early career at Freshfields Bruckhaus Deringer, as well as from her years working in FTSE companies across a diverse range of sectors. Lindsay currently serves as a non-executive director of 4Imprint Group plc.

5

ANDREW TAYLOR
President, Asia, Middle East, Africa and Latin America

Nationality: American

Andrew joined Tate & Lyle in 2017 as President, Innovation and Commercial Development, having spent 20 years at management consultancy firm Boston Consulting Group (BCG), where he was a Senior Partner and Managing Director, and led BCG's Global Innovation Practice. He took on his current role in October 2020. Andrew's broad international experience and deep understanding of the food industry are key to delivering our strategy in many of the world's higher growth markets.

6

WILLIAM (BILL) MAGEE
President, North America

Nationality: American

Bill joined Tate & Lyle in 2018 as Commercial Vice President for Food & Beverage Solutions, North America. Later that year, he was appointed Senior Vice President and General Manager for Food & Beverage Solutions, North America before becoming President, North America and joining the Executive Committee in October 2021. Previously Bill held senior leadership roles in speciality materials firms including Rohm & Haas, Dow, and H.B. Fuller. Bill's experience and customer focus has been instrumental in driving North America's growth strategy.

7

MELISSA LAW
President, Global Operations

Nationality: American

A chemist by training, Melissa joined Tate & Lyle in 2017 after 20 years in the oil industry. Before joining us, she was President of the Global Specialities Division of Baker Hughes, a GE company. Prior to that, she held senior executive management positions in Australasia and the Gulf of Mexico in areas such as commercial management, supply chain and research and technology. Melissa currently serves as a non-executive director for Cactus Inc., a US-based oilfield service provider. Her commitment to making our operations safe and productive places to work is making a real difference across Tate & Lyle.

8

LAURA HAGAN
Chief Human Resources Officer

Nationality: British

Laura joined Tate & Lyle in September 2018 from Dyson Ltd, where she helped the business grow its global employee base more than tenfold, influencing the hiring and promotion of the top team. Her entrepreneurial spirit and understanding of how to get the best out of people, sharpened by previously setting up and running her own talent business, are crucial for the development of Tate & Lyle's people strategy. Laura currently serves as a non-executive director of Fever-Tree Drinks plc.

9

ROWAN ADAMS
Executive Vice President, Corporate Affairs

Nationality: British

Rowan is the longest serving employee on our Executive Committee. He joined Tate & Lyle in 2001 and has since held a number of senior roles including leading our global strategy team. He became EVP, Corporate Affairs, and joined the Executive Committee in November 2014. His current responsibilities include leading our global sustainability programme. He has deep knowledge and understanding of the Company and our industry.

CORPORATE GOVERNANCE: CHAIR'S INTRODUCTION

INTRODUCTION

This has been an unusually busy year for the Board of Tate & Lyle as the Group was repositioned as a focused speciality food and beverage ingredients business. In pursuing that transition and in taking the major decisions to enable it, the Board has been supported, and indeed reassured by, our governance framework and the commitment of our Board colleagues.

Due to Covid-19 restrictions, we continued to hold many of our Board and Committee meetings remotely via video conference, more recently enjoying the opportunity for some of the Board, including overseas Board members, to meet in person. While we have learnt that operating in an online forum can work well, we look forward to returning to more regular face-to-face meetings in the coming financial year and to visiting our sites around the world and connecting with our people in person too.

> An unusually busy year for the Board as we repositioned the business.

OUR PRIORITIES DURING THE YEAR

CONTINUING TO DEVELOP OUR LONG-TERM STRATEGY

In my introduction last year, I noted that the Board had spent time considering the potential separation of the Food & Beverage Solutions and Primary Products businesses through a sale of a controlling stake in the Primary Products business to a long-term financial partner. In July 2021, we were pleased to announce that we had agreed to sell a controlling stake in the Primary Products business in the Americas to KPS Capital Partners, LP. Inevitably, the Board spent significant time considering the benefits and risks of such a transaction, for all our stakeholders, in the months leading up to the announcement.

The Board also spent time considering the information circular to shareholders which sought approval for the transaction at a general meeting which took place in September 2021 and in considering the appropriate use of the proceeds. This included the payment of a c.£500 million special dividend to ordinary shareholders, together with an associated share consolidation, which was explained in a second information circular and approved by ordinary shareholders at a general meeting in April 2022.

The separation of the Primary Products business from Tate & Lyle was a complex undertaking especially for the IT and finance functions. The Board and in particular the Audit Committee, paid careful attention to the progress of the separation activities, and the risks and mitigation activities associated with them.

You can read more about the transaction on pages 16 and 17 and the work of the Audit Committee from page 102.

The successful completion of this transaction allows Tate & Lyle to concentrate its future strategy on becoming a growth-focused food and beverage solutions business both through organic and inorganic growth. A good example of this is the agreement signed in March 2022 to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading fibre business in China. This acquisition is fully aligned to Tate & Lyle's growth strategy. The Board took a detailed interest in this business which represents a significant acquisition for Tate & Lyle. My Board colleagues and I will pay close attention to the integration of the Quantum business into the Group. In fact, as soon as travel restrictions in China are relaxed, I plan to visit the business and also to return to Sweet Green Fields, our other recently acquired business in China.

Aside from these priorities, we also considered the usual subjects on the Board's calendar: financial performance; risk management; environmental, health and safety matters; and innovation and R&D initiatives with a detailed look into our key platform strategies and the performance and strategic progress of Food & Beverage Solutions in each of our regions. Our annual Board effectiveness review was internally facilitated this year following an externally facilitated review last year.

FOCUSING ON INNOVATION FOR THE FUTURE TATE & LYLE

We recognise that innovation is central to Tate & Lyle's strategy to be a growth-focused speciality food and beverage business. To that end, the Board spent time with Victoria Spadaro Grant and members of her leadership team to learn about the priorities, initiatives and investment opportunities which will unlock our customers' growth potential. The Board was also delighted to receive a presentation from, and to have the opportunity to hold a discussion with, the Head of Research and Development at a major food and beverage multinational, and one of our largest customers, about the trends and opportunities which that organisation anticipates will shape the food and beverage industry over the coming years, and the characteristics they look for in their preferred partners and suppliers.

DEVELOPING OUR RELATIONSHIPS WITH STAKEHOLDERS

Although, as a Board, we are very mindful of all stakeholders and try to consider every perspective in our discussions, we cannot, of course, engage directly with everyone. Covid-19 continued to present challenges but we continued to use technology to ensure we had meaningful engagement with our people, customers and shareholders. Here are some of the Board's highlights.

- **Our people:** After the completion of the transaction, I co-hosted a virtual café with Nick for our senior leadership team and my Board colleagues Kim Nelson, Lars Frederiksen and John Cheung held virtual cafés open to all employees in North America, Europe, Middle East and Africa and Asia Pacific, respectively. Patrícia Corsi will host a virtual café for our colleagues in Latin America in August 2022. These sessions gave the Board the opportunity to thank our people directly for their resilience and commitment through a busy year and for our people to ask questions and make comments and observations about the business and their view on the future of the new Tate & Lyle and Primient.
- **Customers:** The Board takes close interest in, and receives regular updates on, conversations Nick and his senior leadership team have had with customers and on the feedback they've received. This year, these reports have helped us to understand how well Tate & Lyle is managing challenges experienced in the global supply chain and of rising inflation from the perspective of our customers.
- **Shareholders:** We were pleased to hold our AGM in person again in 2021 although we also took the opportunity in advance of the meeting to publish a presentation on our website along with answers to questions submitted from shareholders. We also enjoyed engaging with those shareholders who attended the general meetings to approve the Transaction and the special dividend and associated share consolidation in September 2021 and April 2022, respectively. We look forward to meeting again with shareholders at our AGM in July 2022.

A CULTURE DRIVEN BY A REFRESHED PURPOSE

Having a clear purpose at Tate & Lyle which guides our approach to our business and our stakeholders is fundamental. That is why the Board was fully engaged with, and supportive of, Nick and the management team in refreshing our purpose statement for the new Tate & Lyle. Transforming Lives through the Science of Food inspires all our people including the Board.

The safety of our people continues to be of significant focus for the Board. As in previous years, we received updates from Nick on health and safety performance at every Board meeting and had two in-depth sessions during the year on the continuing progress of our Journey to Environment, Health and Safety Excellence (J2EE) programme. Laura Hagan, our Chief Human Resources Officer also regularly updates the Board on people issues. The focus this year was around mental health and wellbeing particularly in the context of the Transaction which meant the transition for many members of staff, often with very long service records at the Company, from Tate & Lyle to the new joint venture company, Primient. Progress on equity, diversity and inclusion has also been an area of focus for management and about which the Board takes a keen interest. We are pleased with the progress in this area.

Our ethics and compliance programme is essential to how we operate at Tate & Lyle. Each year we review a report from our Head of Ethics and Compliance on the progress of our programme, and the number and nature of reports to our whistleblowing hotline. The Audit Committee also receives reports from the Head of Ethics and Compliance twice a year. This year we learnt that the number of reports continued to be lower than in pre-pandemic years, but we did see more reports coming from our Asia region, potentially evidence of better integration of our compliance policies and procedures in our new businesses in that region, which the Board found to be reassuring.

OUR EFFECTIVENESS AS A BOARD

As I mentioned, our Board effectiveness review was internally facilitated this year. The Board also invited members of management (who are regular attendees at our meetings), external advisors Deloitte (for the Remuneration Committee) and our external auditor EY (for the Audit Committee) to share their views.

This year's review showed that the Board and its Committees are operating well and identified areas for increased or continued focus in the year ahead as described on page 89.

OUR FOCUS FOR THE 2023 FINANCIAL YEAR

Tate & Lyle started the 2023 financial year as a newly focused company with a clear strategy to grow the business as a speciality food and beverage solutions business. Our focus as a Board will be to help Nick and his team deliver on that strategy while navigating the challenges of inflation and global supply chain disruption. We will do that whilst also keeping front of mind our other recurring key themes of people and culture, sustainability, and succession and development. I and all my Board colleagues are looking forward to connecting with our people around the globe in person again, and we sincerely hope that the Covid-19 pandemic will not frustrate those desires for a third year.

GERRY MURPHY
Chair

OUR GOVERNANCE STRUCTURE

LEADERSHIP

OUR GOVERNANCE STRUCTURE

The Group's primary decision-making body is the Board. It is accountable to shareholders for the Group's financial and operational performance, and is responsible for setting the strategy and ensuring that risk is managed effectively. The Board maintains a schedule of items which it is required to consider and approve. We review this schedule regularly and update it to reflect developments in corporate governance and emerging practice.

As shown in the diagram below, the Board has delegated certain responsibilities to a number of Committees. The Board retains overall accountability and the Committee Chairs are responsible for reporting back to the Board on the Committees' activities. Minutes of the Committees' meetings are made available to all the Directors on the web-based Board portal.

THE BOARD – CHAIR: DR GERRY MURPHY

- Accountable to shareholders for the Group's financial and operational performance
- Sets the Group's strategy
- Oversees management's implementation of the strategy
- Monitors the operational, environmental and financial performance of the Group
- Sets the Group's risk appetite
- Ensures that appropriate risk management systems and internal controls are in place
- Sets the Group's ethics and culture and agrees the Group's purpose and values
- Ensures good corporate governance practices are in place

CHIEF EXECUTIVE NICK HAMPTON

AUDIT COMMITTEE

CHAIR: WARREN TUCKER

- Oversees financial reporting, internal financial controls and risk management systems, the risk management process, the internal audit function and the Group's relationship with the external auditor

Read more on → **PAGE 102**

NOMINATIONS COMMITTEE

CHAIR: DR GERRY MURPHY

- Makes recommendations to the Board regarding the structure, size, composition and succession needs of the Board and its Committees
- Reviews the performance of the Executive Directors
- Oversees succession planning for Directors and senior management

Read more on → **PAGE 100**

REMUNERATION COMMITTEE

CHAIR: SYBELLA STANLEY

- Recommends the Group's Remuneration Policy for Executive Directors
- Sets and monitors the level and structure of remuneration for the Executive Directors and other senior executives
- Sets the Board Chair's fee

Read more on → **PAGE 108**

EXECUTIVE COMMITTEE

- Recommends strategic and operating plans to the Board
- Assists the Chief Executive in implementing the strategy agreed by the Board
- Monitors performance against our purpose commitments
- Monitors the performance of the Food & Beverage Solutions and Sucralose businesses and global support functions
- Identifies, evaluates, manages and monitors risks facing the Group
- Manages the relationship with Primient

The Executive Committee is supported by a number of operational committees, including the Environment, Health and Safety (EHS) Advisory Board, the Operations Committee, the Risk Committee, and the Capital Approval Committee. Committees may also be established for a finite period to oversee key strategic or operational priorities.

KEY RESPONSIBILITIES OF THE BOARD

At the date of this Annual Report, the Board comprises the Chair, two executive directors and eight non-executive directors. Their responsibilities are summarised below. There is a clear division of responsibilities: the Chair leads the Board and the Chief Executive leads the business.

CHAIR

Responsible for the effective operation, leadership and governance of the Board

- Chairs Board meetings, Nominations Committee meetings and the Annual General Meeting
- Sets the Board agenda with the Chief Executive and Company Secretary
- Facilitates active engagement by all Directors
- Sets the style and tone of Board discussions
- Ensures the Directors receive accurate, timely and clear information

CHIEF EXECUTIVE

Responsible for proposing strategy to the Board and delivering it

- Runs the business
- Communicates within the organisation the Board's expectation with regard to culture, values and behaviours
- Ensures the Board is aware of current business issues

CHIEF FINANCIAL OFFICER

Responsible for the Group's financial affairs

- Contributes to the management of the Group's business
- Supports the Chief Executive with the development and implementation of the strategy

NON-EXECUTIVE DIRECTORS

Responsible for overseeing the delivery of the strategy within the risk appetite set by the Board

- Advise and constructively challenge the executive directors
- Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance
- Perform their duties diligently and use best endeavours to promote, protect, develop and extend the business of the Group
- Devote time to develop and refresh knowledge and skills

SENIOR INDEPENDENT DIRECTOR

Responsible for ensuring that the Chair's performance is evaluated

- Acts as a sounding board for the Chair and supports him in the delivery of his objectives
- Serves as an intermediary with the Chair for other Directors if necessary
- Maintains a comprehensive understanding of the major views of shareholders and is available if shareholders have any concerns that they have been unable to resolve through the normal channels

COMPANY SECRETARY

Responsible for maintaining the governance and listing rules compliance framework

- Supports the Chair, Chief Executive and Committee Chairs in setting agenda items for Board and Committee meetings
- Advises the Board on developments in corporate governance, legislation and regulation
- Assists the Chair and the Chief Executive in ensuring that the Directors are provided with relevant information in a timely manner
- Organises inductions for new Directors and ongoing training for all Directors

BOARD ACTIVITY DURING THE YEAR ENDED 31 MARCH 2022

The Board holds six scheduled meetings each year and a meeting to discuss strategy. Due to the ongoing Covid-19 pandemic and lockdown restrictions, this year's meetings were held via video conference, with occasional in person attendance by those Board members who were able to travel. The Board held a number of additional calls and meetings during the year to consider and approve the sale of a controlling stake in the Primary Products business in the Americas to KPS Capital Partners, LP (KPS) and the acquisition of Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum).

STRATEGY

- Approved the sale of a controlling stake in the Primary Products business in the Americas to KPS (the Transaction). Monitored the project and received regular updates on progress towards successful separation of the two businesses and completion on 1 April 2022
- Undertook deep dives into the strategy of our Food & Beverage Solutions (F&BS) division focusing in detail on North America, Latin America, Europe and our other growth markets, considering the key growth drivers, markets and customers in each
- Reviewed the priorities identified for our three key innovation platforms within Innovation and Commercial Development (ICD), namely: our Sweetening, Mouthfeel and Fortification platforms
- Approved Tate & Lyle's new purpose statement, ambition and strategy (see pages 26 to 30 for more information)
- Reviewed the Group's five-year strategic plan
- Considered the Group's strategy for organic and M&A growth opportunities. Approved the acquisition of Quantum.

FINANCIAL

- Approved the full-year results and financial statements and the Annual Report and financial statements for the 2021 financial year
- Approved the half-year results for the 2022 financial year
- Approved the payment of the interim dividend for the 2022 financial year and recommended payment of the final dividend for the 2021 financial year
- Considered and agreed treasury and tax matters
- Approved the Group's tax strategy (available on the Company's website)
- Approved the Annual Operating Plan for the year ending 31 March 2023
- Regularly reviewed the Group's financial performance and forecasts
- Reviewed and agreed the Company's commitment to be carbon net zero by 2050
- Considered the use of proceeds from the Transaction and recommended to shareholders the payment of a c.£500 million special dividend and associated share consolidation.

OPERATIONAL/COMMERCIAL

- Received regular progress updates on the Group's Environment, Health and Safety (EHS) and Quality strategy including from the independent safety expert appointed to the EHS Advisory Board
- Considered the ongoing impact of the Covid-19 pandemic on the safety of our people, the Group's operations and financial performance and reviewed management's plans for mitigating its impact on the Group's operations and customers
- Reviewed progress embedding purpose and progress on our long-term purpose targets, including our sustainability targets for 2030.

LEADERSHIP AND EMPLOYEES

- Approved the appointment of Dawn Allen as Chief Financial Officer
- Approved the appointment of Dr Isabelle Esser as a non-executive director
- Endorsed the Chief Executive's appointment of Bill Magee to the Executive Committee
- Reviewed the Group's people agenda including equity, diversity and inclusion, talent management and bench strength within the organisation
- Considered the impact of the ongoing Covid-19 pandemic on the health and wellbeing of our employees.

INTERNAL CONTROL AND RISK MANAGEMENT

- Considered and agreed the Group's risk appetite and principal risks particularly in the context of the sale of a controlling stake in the Primary Products business in the Americas to KPS
- Assessed the effectiveness of our internal controls and risk management systems
- Agreed the Viability Statement as disclosed in the Annual Report 2021
- Approved the adoption of a going concern basis of accounting in preparing the half- and full-year results
- Agreed the Modern Slavery Act statement, available on the Company's website.

GOVERNANCE AND STAKEHOLDERS

- Considered the output and recommendations from the Board effectiveness review
- Discussed feedback from institutional shareholders and analysts
- Reviewed and approved the Directors' register of interests.

DIRECTORS' ATTENDANCE AT BOARD AND COMMITTEE MEETINGS DURING THE FINANCIAL YEAR

NAME	BOARD	AUDIT COMMITTEE	REMUNERATION COMMITTEE	NOMINATIONS COMMITTEE
Dr Gerry Murphy	9/9	6/6[1]	4/5[1]	4/4
Nick Hampton	9/9	6/6[1]	5/5[1]	4/4[1]
Vivid Sehgal[2]	5/5	4/4	n/a	n/a
John Cheung	9/9	6/6	n/a	4/4
Patrícia Corsi[3]	9/9	n/a	4/4	4/4
Paul Forman	9/9	6/6	n/a	4/4
Lars Frederiksen	9/9	n/a	5/5	4/4
Anne Minto[4]	3/3	2/2	2/2	1/1
Kim Nelson	9/9	6/6	n/a	4/4
Sybella Stanley	9/9	6/6	5/5	4/4
Warren Tucker	9/9	6/6	5/5	4/4

1 Although not a Committee member, attended the Committee meetings by invitation.
2 Resigned from the Board with effect from 3 November 2021.
3 Appointed to the Board as a non-executive director with effect from 1 May 2021.
4 Retired from the Board at the end of the AGM on 29 July 2021.

BOARD EFFECTIVENESS REVIEW

This year's internally facilitated evaluation of the Board and its Committees took the form of a questionnaire circulated to the relevant Board members as well as to regular attendees from management and external advisors. The questionnaires sought input on a range of matters including: composition; Board and Committee dynamics, particularly in light of the virtual meeting arrangements necessitated by the Covid-19 pandemic; engagement with management; effective oversight of matters within remit, including risk; and quality of papers and presentations. Please see pages 100, 102 and 108 for information about the effectiveness evaluations of each of the Committees and of individual Directors conducted this year.

2022 BOARD EFFECTIVENESS REVIEW

AREAS FOR FOCUS	ACTION
Continuing to focus on mergers and acquisitions (M&A)	During the 2022 financial year (FY22), the Board approved the acquisition of Quantum. The Board and the management team will continue to review M&A opportunities and to monitor the successful integration of recent acquisitions including that of Quantum.
Organic growth and innovation	During FY22, the Board looked in depth at the performance and strategies of our Food & Beverage Solutions business in North America, Europe and in Asia, Middle East, Africa and Latin America and at the platform strategies for Sweetening, Mouthfeel and Fortification. In the 2023 financial year (FY23), it will continue to look in depth at the delivery of our growth strategy, building capabilities and new product pipeline development. The Board will also review updates on the progress of the relationship with Primient from time to time.
Building our understanding of customers and consumers	The Board will continue to welcome opportunities to hear directly from Tate & Lyle's major customers about consumer and market trends and how Tate & Lyle can be the solutions partner of choice for our customers.
Board succession planning, and talent development throughout the organisation	The Nominations Committee will focus on succession planning for those non-executive directors who are due to retire from the Board in the near term. The Board will also consider long-term executive sucession planning and how we nurture and develop our talented people throughout the organisation.
Culture, equity, diversity and inclusion	The Board will continue to monitor the culture of the organisation with a particular focus on our progress towards greater equity, diversity and inclusion within our business.

STAKEHOLDER ENGAGEMENT

At Tate & Lyle we engage with a wide range of stakeholders, all of whom are essential in enabling us to do business across the world.

The table below describes our key stakeholders and summarises the engagement that has been undertaken across the business, including by the Board, during the year. In addition, the Board's engagement with our workforce is set out from page 92. How the Board understands the interests of stakeholders, and how the Board considers stakeholders' interests in decision-making, including examples of principal decisions made in the financial year and our section 172(1) statement, are summarised on page 95.

STAKEHOLDER ENGAGEMENT

	WHY THEY MATTER	ENGAGEMENT ACTIVITIES	OUTCOMES/IMPACT
Shareholders	Our shareholders are investors in and owners of our business, providing the capital we need to invest in and grow the business.	Engagement takes various forms throughout the year: by executive directors; our Chair; and our Investor Relations team. The Transaction resulted in more shareholder interactions this year, including two additional shareholder meetings. For more information, see pages 16 and 17.	Our engagement activities provide opportunities for management and the Board to communicate our strategy and performance, and to listen and understand shareholders' views and concerns. The Board and management team are aware that our shareholders, together with wider society, are increasingly interested in environmental, social and governance (ESG) issues. At the general meeting in September 2021, the Board received approval to amend the Directors' Remuneration Policy to include non-financial performance conditions linked to ESG metrics for the long-term incentive awards.
Customers	As a business-to-business company, all the ingredients we make are sold to our customers. Listening to our customers helps us to better understand their needs and provide the products and services they want.	We maintain close relationships with our customers at all levels of their organisation, from the Chief Executive to R&D, to Sales and Marketing. We are a growth partner for many of our customers. In July, the Board had the pleasure of speaking directly with the Chief Science and Global R&D Officer of one of our major customers about innovation in the food and beverage market and about ways of working to optimise partnerships between suppliers such as Tate & Lyle and their customers.	Our ingredients help our customers meet growing consumer demand for food and drink which is lower in sugar, calories and fat, and with added fibre, and which also taste great. Customer insight and market understanding plays an important part in our decision-making process, for example, in areas such as new product development and capacity expansions. To support our customers during the pandemic, we moved a number of our services online, such as bespoke webinars on areas such as sugar reduction and plant-based ingredients. We also continued to launch online tools to help our customers with their reformulation efforts, including our new Stabiliser University (educational course). As pandemic restrictions have been lifted in some of our key markets we have started to meet with customers face-to-face again.
Employees	Everyone at Tate & Lyle plays a key role in driving our success by partnering with each other in an agile way to deliver a consistently great service for our customers, to ensure our plants run safely and efficiently, and that new products are created that provide solutions to address our customers' and consumers' needs.	We listen to our employees to gain their insight and feedback through a range of channels such as team meetings, townhalls and pulse surveys. This feedback helps us to take actions and establish programmes which develop and stretch our employees and helps them both deliver our strategy and fulfil their personal goals. Details of the Board's engagement with employees are set out from page 92.	Having the right culture is central to our success. People are at their best when they feel they are contributing to the Group and are fully engaged and happy in their work. This has never been more important than during the Covid-19 pandemic, when maintaining connectivity and supporting employees' physical and mental health were paramount. We continued to operate a number of programmes to keep our people safe, well connected and productive. The Board increased its focus on equity, diversity and inclusion during the year, supporting management's actions including the publication of a set of number targets for the next eight years. See pages 44 to 51 for more details on our people and how we engage with them.

REGIONAL VIRTUAL CAFÉS WITH BOARD MEMBERS

Following the completion of the sale of a controlling stake in our Primary Products business in the Americas to KPS on 1 April 2022, our non-executive directors, Lars Frederiksen, Kim Nelson and John Cheung each hosted virtual cafés with staff in our Europe, Middle East and Africa, North America and Asia Pacific regions. Here, Lars Frederiksen is joined by Murat Orhon, SVP & General Manager, Europe and over 200 colleagues from our sites in Europe, Middle East, South Africa and the United Kingdom.

STAKEHOLDER ENGAGEMENT

	WHY THEY MATTER	ENGAGEMENT ACTIVITIES	OUTCOMES/IMPACT
Suppliers	We cannot conduct or grow our business without the products, expertise, advice and support of our suppliers.	We have a dedicated procurement function, based around the world, which engages with our suppliers to optimise the way we work with them. We build relationships globally, regionally and locally with our suppliers to better understand the markets where we source.	By leveraging third-party supplier relationships we are able to be more agile and meet ever-changing customer demands. This also limits our supply risk across an increasingly complex global supply network.
Communities	It's where our employees and their families live and where we recruit many of the people who work for us. It's also important that, as a significant local employer in some locations, we support the local community not only through employee involvement but as a responsible and sustainable local manufacturer.	Our community involvement programme is centred around three main areas: health, hunger and education, with a particular emphasis on supporting children and young adults. We support projects in our local communities based on these three areas.	Through a range of programmes supporting health, wellbeing and education across the world, we help improve the lives of thousands of people in our local communities. See pages 50 and 51 for more details. In response to the impact of the pandemic on many of our local communities, we provided 1.2 million additional meals for people in need during the year through donations to food banks and charitable partners. Since the humanitarian crisis in Ukraine began we have made donations to charitable partners to support Ukranian refugees in the communities in Poland and Slovakia in which we have operations as well as more widely. In November 2021, we published our second Purpose Report, explaining what our purpose is and setting out our progress on delivering our long-term purpose targets and commitments.
Regulators	Before our new ingredients can be incorporated into our customers' products they must be approved by regulatory authorities.	We have a dedicated team of regulatory experts, based around the world, who actively engage with regulators to provide evidence of, and answer enquiries about, the safety and quality of our ingredients.	By helping regulators understand our ingredients we speed up the process of regulatory approval.
Governments	Government policies on trade, safety and product quality, transport, tax and inward investment, among others, all have an impact on how we do business.	We meet periodically with federal, state and local officials in countries where we have significant operations. We are also members of major trade associations in our key markets, such as the Corn Refiners Association in the US.	Government policies and legislation, in areas such as trade and tax, can have an impact on our ability to operate competitively, and sell and transport our products around the world. At a more local level, permits are needed to operate or expand our production facilities.

STAKEHOLDER ENGAGEMENT CONTINUED

PEOPLE AND CULTURE

Engaging with our people

In 2019, the Board considered the 2018 UK Corporate Governance Code requirements on workforce engagement. The Board concluded that each Director should be active in engaging with our people in order to gather their views and to understand the culture within the Group. The Board decided not to introduce any of the three methods suggested in the Code but to develop an approach which built on the mechanisms and practices which we already had in place, in particular the non-executive director site visit programme. The methods of engagement are set out below.

Prior to the Covid-19 pandemic, it was the practice at each Board meeting, for the Chair and the non-executive directors to brief the Board on their interactions with, and impressions of, our people, our sites and our culture. The Board believes that these methods of engagement have enabled them to learn the views of a wide cross-section of the workforce and to understand how our strategy, purpose and priorities are being received, understood and applied across Tate & Lyle. Board members look forward to returning to a programme of individual site visits during the course of the 2023 financial year.

Although the Covid-19 pandemic prevented Board members from visiting our sites, Board members actively participated in a number of engagement initiatives throughout the year as described below.

At Tate & Lyle we consider our workforce to include employees, contractors (in post for three months or more), representatives in countries where we do not have employees and contingent labour. We do not include temporary contract labour (of less than three months), service provision workers, outsourced contract consultants and staff at our joint ventures.

ENGAGEMENT ACTIVITIES

Reaching the wider workforce	To mark the start of a new era for Tate & Lyle after the completion of the sale of a controlling stake in the Primary Products business in the Americas, Board members held a series of virtual cafés in April 2022 to engage with the wider workforce in our regions and to hear their thoughts about the new Tate & Lyle. Kim Nelson hosted a café for our colleagues in North America, John Cheung hosted a café for colleagues in our Asia Pacific region and Lars Frederiksen hosted a café for colleagues in Europe, Middle East and Africa. Patrícia Corsi will host a café with colleagues in Latin America in August 2022. Nick hosted a virtual café for the Global Leadership Team of the new Tate & Lyle business with Gerry Murphy, the Board Chair.
Higher Growth Markets Engagement	Patrícia Corsi met in person with members of our senior leadership team for Asia, Middle East, Africa and Latin America to share her experiences of building business in higher growth markets such as those in Latin America.
Black Employee Network sponsorship	Kim Nelson continued to provide support to the Black Employee Network, one of our Employee Resource Groups.
Recognising our Global Shared Services team	In September 2021, our Global Shared Services team in Łódź in Poland celebrated its 10th anniversary. To mark this occasion and to recognise the work of the team, members of the Audit Committee held a virtual meeting with the leadership team in Łódź.
Employee surveys and engagement initiatives	The Chief Executive and the Chief Human Resources Officer regularly report to the Board on the outcome of employee surveys and other engagement initiatives. The quarterly business performance dashboard which is shared with the Board contains information on the number of open roles, regrettable resignations and gender diversity throughout the workforce.
CEO Newsletter and 'virtual cafés'	At the end of February 2020, Nick Hampton began to share a weekly Covid-19 and business update with the workforce via email and video. Later in the year, after feedback from employees, this update moved to once every two weeks and continues to be shared with employees. Nick has also held regular virtual cafés, sometimes with other members of the Executive Committee. Between April 2021 and May 2022, Nick held 34 virtual cafés providing our broader employee population with an opportunity to connect with him.

> I was delighted to host a virtual café with our teams in the Asia Pacific region and to hear first-hand the enthusiasm and passion which this group of future stars have for their work and for Tate & Lyle's purpose.

JOHN CHEUNG Non-executive director

Investing in and rewarding our people
The Remuneration Committee considers remuneration arrangements for our global workforce. The Group's remuneration strategy is to provide competitive packages that enable the Group to recruit, retain and motivate high-calibre individuals in the markets where we operate, so that we can deliver consistently strong operational performance and financial results. For more information, see our Directors' Remuneration Report from page 108.

Assessing and monitoring culture
As described in the Chair's introduction to corporate governance on pages 84 and 85, the Board has multiple touchpoints throughout the year which provide opportunities for gauging and monitoring the culture at Tate & Lyle and how it aligns with our purpose and values. These touchpoints include individual Board member engagement activities and management reports to the Board and its Committees on a range of topics including: environment, health and safety performance; results of employee engagement surveys; equity, diversity and inclusion statistics and analysis; reports to the whistleblowing hotline; reports from the Head of Group Audit and Assurance; and reviews of workforce policies and practices. On those occasions where the Board is not satisfied that policy, practices or behaviours are aligned with the Company's purpose, values and strategy, it seeks assurance from management that: (i) it has thoroughly understood the extent of and the reasons for the issue; (ii) it has considered whether the issue concerned could have implications across the wider Group; (iii) corrective action has been taken to address the issue; and (iv) any lessons which might be learned are identified and communicated across the Group.

Ethics and whistleblowing programme
Speak Up, the Group's whistleblowing programme, has been in place for a number of years in all operations controlled by the Group. This programme, which is monitored by the Board, is designed to enable employees, contractors, customers, suppliers and other stakeholders to raise concerns confidentially about conduct they consider contrary to the Group's values. It may include, for example, unsafe or unethical practices, or criminal offences.

The Speak Up programme provides a number of ways to raise concerns including a telephone reporting line, email and a web-based reporting facility. These multilingual communication channels are operated by independent service providers who submit reports to the Speak Up Committee for investigation as necessary. For more information about Speak Up, see page 46.

Reports received during the year were kept strictly confidential and the concerns identified were referred to appropriate managers within the Group for resolution. Where appropriate, action was taken to address the issues raised. The reports were analysed and monitored to ensure the process continued to be effective. The Board received an analysis of all reports submitted via the Speak Up programme during the year. The Head of Ethics and Compliance reports to the Audit Committee twice a year on the ethics and compliance programme and its activities.

ENGAGEMENT WITH INVESTOR COMMUNITY

Investors are an essential stakeholder for any listed company.

At Tate & Lyle, as well as our institutional investors and debt investors, we have a significant number of retail shareholders, including many employees and retired employees, who have a personal interest in the ongoing success of the Company.

We've always held our investor community in the highest respect as owners and supporters of the business, and our relationships with them are very important to us, particularly in difficult times like Covid-19, when restrictions have made it difficult to meet them in person.

As Covid-19 restrictions have eased, we have resumed some face-to-face meetings with investors, but have also continued to use video conferencing technologies which have enabled us to keep as close as possible to our usual Investor Relations programme. This programme has two objectives. It aims to help existing and potential investors understand Tate & Lyle, and ensure that Directors understand the views of our major investors through regular feedback. All Directors receive periodic updates on investor communication activities, including at every Board meeting.

We are guided in our approach by our purpose. We published our second annual Purpose Report in November 2021, which set out progress on our purpose targets and commitments to 2030. This report is available on our website at www.tateandlyle.com/purpose.

Institutional investors
The Chief Executive, Chief Financial Officer and our VP, Investor Relations, maintain a programme of meetings with institutional investors from the UK, Europe and North America. Our key meetings take place after our full-year and half-year results, but we also meet investors regularly outside the results cycle. Many of these meetings are arranged direct, but we also take part in investor conferences arranged by sell-side institutions. Other members of the senior management team occasionally participate in these conferences where possible, giving investors the opportunity to appreciate the breadth and depth of the executive team.

Investor interactions have been significantly higher this year, driven in particular by the transaction for the sale of a controlling stake in our Primary Products business in the Americas. The Transaction has generated incremental interest from investors who have been keen to understand the rationale and details of the Transaction. On the announcement of this transaction, the Chief Executive and Chief Financial Officer presented to investors and analysts via a webcast and then participated in an additional cycle of investor meetings.

The Transaction has also meant extra communications with shareholders to seek their approval for the Transaction and the treatment of the proceeds. In particular, we issued an information circular and held a general meeting in September 2021 to obtain approval for the Transaction and issued another information circular and held a further general meeting in April 2022 to obtain approval for the c.£500 million special dividend and associated share consolidation. We also issued a

STAKEHOLDER ENGAGEMENT CONTINUED

restatement document in October 2021 to assist investors in understanding the accounting impact of the transaction, including details of the framework under which the future results of Tate & Lyle will be reported, and restated comparative information for the six months to 30 September 2020 and the year ended 31 March 2021.

As well as the full-year and half-year results presentations to investors and analysts, we host conference calls after trading updates are issued. We publish presentations, together with the associated announcements, on the Company's website and we also make audio recordings available for a short period after each event. The Chief Financial Officer and VP, Investor Relations, also meet regularly with analysts.

Feedback
Our corporate brokers regularly seek investors' feedback following key announcements and investor meetings. A summary of feedback is communicated to all Directors. Our advisers also give us updates on best practice in investor relations, which we seek to reflect in our programme. Recent recommendations include suggestions to support our efforts to build a broader shareholder base in the UK and US, and expanding disclosures on environmental, social and governance (ESG) matters, an area growing significantly in importance to the whole investment community.

Other capital providers
The Chief Financial Officer, Group Treasurer and VP, Investor Relations meet periodically with our committed lending banks, debt investors and ratings agencies (Standard & Poor's and Moody's).

Private (retail) shareholders
We encourage private shareholders to talk to our Company Secretary who will then share their views with the Board. We also include a questions card with the AGM documentation we send to shareholders so that those who cannot come to the meeting can have their questions answered.

Annual General Meeting
The AGM gives all shareholders the opportunity to ask questions of the Board, including about this Annual Report. In 2021, we were once again pleased to invite shareholders to attend an in-person event. Mindful of the ongoing Covid-19 pandemic in addition to the general meeting itself, we chose again to give shareholders the opportunity to watch a presentation and to submit questions in advance of the meeting, which were then answered through an audiocast presentation from our Chair, Gerry Murphy, and our Chief Executive, Nick Hampton, published on the Company's website in advance of the proxy voting deadline.

We look forward to meeting shareholders in person at our AGM in July. The details of the 2022 AGM are set out in the Notice of AGM. Votes received in respect of each resolution put to the AGM, together with the number of abstentions, are announced through a regulatory information service and published on the Company's website. Shareholders can choose to receive shareholder documentation, including the Annual Report, electronically or in paper format, and may submit proxy votes and any questions either electronically or by post.

ENGAGING WITH SHAREHOLDERS

INVESTOR CALENDAR

Set out below is a summary of our major investor activity during the year:

May 2021
Full-year results issued

June 2021
Investor roadshow meetings – by video
Investor conference based in France – by video
Annual Report published

July 2021
Announcement of agreement with KPS for the sale of a controlling stake in Primary Products business (the transaction)
Audiocast relating to the transaction
Investor roadshow meetings in respect of the transaction – by video
Audiocast published in support of Annual General Meeting

Sept 2021
Information circular published relating to the transaction
General Meeting to approve the transaction
Investor conferences based in the UK – by video

Nov 2021
Half-year results issued
Investor roadshow meetings – by video and in person
Investor conference based in the US – by video

Dec 2021
Investor conference based in the UK – by video
Purpose booklet published

Jan 2022
Investor roadshow meetings in the US – by video

Feb 2022
Trading statement issued

Mar 2022
Investor conferences based in the UK – by video and in person

Apr 2022
Information circular published relating to a proposed special dividend and share consolidation
General Meeting to approve the special dividend and share consolidation

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard, among other matters, to the:

- likely consequences of any decisions in the long term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct, and
- need to act fairly as between members of the company.

In discharging our section 172 duties we have regard to the factors set out above. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and views of our pensioners. We acknowledge that every decision we make will not necessarily result in a positive outcome for all our stakeholders. By considering the Company's purpose and values together with its strategic priorities, and having a process in place for decision making, we do, however, aim to make sure that our decisions are consistent and predictable.

For details on how our Board operates and the way in which we reach decisions, including the matters we discussed and debated during the year, the key stakeholder considerations that were central to those discussions and the way in which we have had regard to the need to foster the Company's business relationship with customers, suppliers and other stakeholders, please see the Chair's introduction to corporate governance from page 84, our corporate governance structure from page 86, Board activities on page 88 and stakeholder engagement from page 90.

We set out below some examples of how the Directors have had regard to the matters set out in section 172(1)(a)-(f) when discharging our section 172 duty and the effect of that on decisions taken by them.

ANNUAL STRATEGY REVIEW

Each year the Board carries out a review of the Group's strategy, in addition to reviews of the business and enabling units throughout the year. In 2021, the Board spent significant time considering the purpose, ambition and strategy of Tate & Lyle after the sale of a controlling stake in the Primary Products business in the Americas to KPS Capital Partners, LP (KPS), which was completed in April 2022 (see more below). In considering this the Board focused on the long-term interests of the Company, the interests of shareholders, employees, customers and the impact of the Company's operations on the community and environment.

SALE OF CONTROLLING STAKE IN PRIMARY PRODUCTS BUSINESS IN THE AMERICAS TO KPS

In approving this Transaction, which created a joint venture business called Primient, the Board was mindful of the interests of a range of stakeholders, including our employees, customers and the potential benefits for our shareholders. In particular, the Board considered that the Transaction had the following benefits:

For shareholders, the Transaction:

- accelerates Tate & Lyle's transformation by creating a more focused business, better positioned for growth
- creates potential for a re-rating of the share price in line with value-added and speciality ingredients companies
- allowed for a significant return of cash to shareholders (in the form of the special dividend which was paid in May 2022 and associated share consolidation)
- creates a strong balance sheet for further organic and M&A growth opportunities

For customers, the Transaction:

- allows both Primient and Tate & Lyle to focus their innovation efforts on serving their respective customers' needs
- allows each business to allocate capital to drive their respective growth strategies in service of their customers
- provides greater potential for more creative partnerships such as over-the-fence arrangements that might benefit customers and geographical expansion

For employees and communities, the Transaction:

- provides greater opportunities for employees to grow and develop within more focused organisations, each with their own clear growth strategies
- will enable each business to continue to serve the communities in which they operate

For suppliers, the Transaction:

- creates the opportunity to participate in the growth and development of both companies.

DIVIDEND

The Board recognises the importance of dividends to shareholders. The Board approved an increase in the interim dividend for the six months to 30 September of 0.2p to 9.0p per share.

In April 2022, the Board sought and received approval to pay a special dividend to shareholders of c.£500 million or 107p per share using part of the proceeds from the sale of a controlling stake in our Primary Products business in the Americas. The Board considered that returning funds to shareholders in this way, while retaining the balance to invest in growth, was in the best interests of shareholders.

As previously described, following the sale of a controlling stake in our Primary Products business in the Americas, future dividends will be rebased to reflect the earnings base of the re-focused Tate & Lyle. The pay-out ratio (excluding any Primient earnings) is expected to be maintained and the dividend per share reduced by around 50%, before the impact of the share consolidation. Following payment of the special dividend of c.£500 million and the associated share consolidation which took place in May 2022, it is intended that a progressive dividend policy will be maintained (available on the website). Accordingly, the Board recommends a final dividend of 12.8p per share for approval by shareholders at the Annual General Meeting.

As well as the cash dividend option, shareholders are also offered a Dividend Reinvestment Plan alternative.

SECTION 172(1) STATEMENT CONTINUED

RESPONDING TO THE COVID-19 PANDEMIC

During the year, the Board continued to monitor and engage in management's response to the Covid-19 pandemic. The physical and mental wellbeing of our employees, both those working in our plants and those working from home, has been a key concern for us.

The Board was pleased that the Company was able to navigate the pandemic without furloughing any staff or seeking any government support.

ACQUISITIONS

In March 2022, we announced that we had signed an agreement to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China. The Board was mindful of the positive impact this acquisition will have on Tate & Lyle's customers, in particular in China and the wider Asia region, as it will expand our ability to provide added-fibre solutions for our customers in those markets across a range of categories including dairy, beverages, bakery and nutrition (including infant nutrition), and to meet growing consumer interest in gut health.

In the 2021 financial year, we completed the acquisition of two businesses in Asia; Chaodee Modified Starch in Thailand and Sweet Green Fields in China. During the 2022 financial year, the Board has taken an active interest in the integration of these businesses into Tate & Lyle to ensure that they each operate within our framework of standards and controls and in accordance with our values and purpose for the benefit of all our stakeholders. The Board will continue to monitor their integration and that of our latest acquisition, Quantum in the 2023 financial year.

SUSTAINABILITY

The Board recognises the need for businesses to play their part in reducing global greenhouse gas emissions for the benefit of all our stakeholders. That is why the Board is fully supportive of the Group's sustainability targets and commitments for 2030 aimed at reducing our environmental impact; and was particularly pleased that we were able to eliminate the use of coal-based energy in all our operations across the globe in 2021. The Board also fully supports the Company's commitment to be carbon net zero by 2050.

EQUITY, DIVERSITY AND INCLUSION

The Board of Tate & Lyle recognises the importance of equity, diversity and inclusion to all its stakeholders and for the success of the Tate & Lyle business. That is why in December 2021, Tate & Lyle announced a new strategy for equity, diversity and inclusion consisting of four pillars – systems, talent, culture and society and a new set of ambitious targets and commitments spanning each of these pillars over the next eight years.

OUR GOVERNANCE STRUCTURE

HOW WE HAVE APPLIED THE PRINCIPLES OF THE CORPORATE GOVERNANCE CODE
Compliance with the 2018 UK Corporate Governance Code: For the year ended 31 March 2022, we are pleased to report that we have applied the principles and complied with the provisions of the Code. The Code can be found at www.frc.org.uk.

1. BOARD LEADERSHIP AND PURPOSE

A. THE ROLE OF THE BOARD:
Our Board comprises a diverse group of skilled and experienced individuals as described in their biographies on pages 78 to 81. Working within the governance structure set out on page 86 and through a programme of regular meetings with agendas which focus on financial performance, strategic initiatives, sustainability, risk management, our people and our priorities, together with an annual strategy day, the Board promotes the long-term sustainable success of the Company through the decisions it takes about the products, customers, markets and geographies in which the Group operates and invests. The Board maintains a dividend policy to share the value generated by these operations with shareholders. Tate & Lyle's products, many of which also support health and wellbeing, and our sustainability strategy contribute to the wider society.

→ **For more information about the Group's strategy, see the Strategic Report from page 11.**

B. PURPOSE, VALUES AND CULTURE:
The Board fully endorses Tate & Lyle's refreshed purpose of Transforming Lives through the Science of Food. This purpose informs our strategy, our values and our culture and inspires our people. The Board reviews workforce culture and employee engagement through a series of touchpoints throughout the year. The Audit Committee receives quarterly updates from our Group Audit and Assurance function as well as regular updates from our Head of Ethics and Compliance. These updates include the results of internal audits and whistleblowing and provide insights into the culture of the Group and individual areas of the business. The Committee reviewed steps taken by management to address any areas of concern and to ensure follow-up actions were taken.

→ **For more information about: our purpose see page 19; workforce engagement see page 92; Board oversight of culture see page 93; and the work of the Audit Committee see page 102.**

C. RESOURCES AND CONTROLS:
The Board ensures that the necessary resources are in place for the Group to meet its objectives and measure performance against them. The Group has established an executive Risk Committee and operates a three lines of defence model which provides a framework for establishing a range of internal controls and managing risk.

→ **For more information see the Risk Report from page 68 and the Audit Committee Report from page 102.**

CONFLICTS OF INTEREST:
The Board has a formal system in place for Directors to declare a conflict, or potential conflict of interest. A statement of Directors' interests in Company shares is set out on page 125.

D. SHAREHOLDER AND STAKEHOLDER ENGAGEMENT:
The Board maintains regular engagement, whether directly or indirectly, via feedback from the Chief Executive and other members of management, with shareholders as well as a range of key stakeholders.

→ **For more information on our engagement with shareholders see the Chair's introduction to corporate governance from page 84, the shareholder engagement section on pages 93 and 94 and the Remuneration Committee Chair's introduction to the Directors' Remuneration Report on page 108.**

→ **For information on our approach to stakeholder engagement see from page 90. Our section 172(1) statement is set out on page 95.**

E. WORKFORCE POLICIES AND PRACTICES:
Our Code of Ethics sets out our values and the standards of behaviour we expect from everyone at Tate & Lyle and those who work with us. We encourage people to report any breaches of the Code through our Speak Up (whistleblowing) programme which is available to all our workforce and to third parties. The Board is given access to the Code training undertaken by our people and reviews the operation of and reports from the Speak Up programme.

→ **For more information about this and our approach to ethics and compliance generally, see page 46.**

OUR GOVERNANCE STRUCTURE CONTINUED

2. DIVISION OF RESPONSIBILITIES

F. THE ROLE OF THE CHAIR:

Dr Gerry Murphy, our non-executive Chair, leads the Board and facilitates constructive and open dialogue and debate between the Board and management. Under his leadership the Board is responsible for its overall effectiveness in directing the Company and, every year, the Board conducts a review of its own effectiveness and those of its Committees. The Chair reviews the performance of individual non-executive directors and the Senior Independent Director leads a review of the Chair. The Nominations Committee reviews the performance of the executive directors.

→ **For information about the outcome of the Board's effectiveness review this year see page 89 and the Nominations Committee Report from page 100.**

G. BOARD COMPOSITION AND DIVISION OF RESPONSIBILITIES:

The Board comprises ten Directors in addition to the Chair: two executive directors (Chief Executive, Nick Hampton and Chief Financial Officer, Dawn Allen) and eight independent non-executive directors, one of whom is the Senior Independent Director. None of the Directors has served on the Board for more than nine years. The Board considers all the non-executive directors to be independent. The Chair was deemed independent on appointment.

→ **Membership of the Board and information about individual Directors is set out from page 78. The responsibilities of the executive and non-executive directors are described on page 87.**

H. ROLE OF THE NON-EXECUTIVE DIRECTORS:

The role of the non-executive directors is to provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. Before every Board meeting the Chair holds a pre-meeting without the executive directors present to gather the views of the non-executive directors on the papers submitted and the topics to be discussed. At the conclusion of each Board meeting, the Chair holds another meeting without the executive directors present to consider and discuss any matters that have arisen during the meeting. The Chairs of the Audit and Remuneration Committees also hold meetings without the executive directors present at each Committee meeting.

Time commitment: In accepting their appointment to the Board of Tate & Lyle, non-executive directors confirm that they are able to allocate sufficient time to discharge their duties effectively. Each year the Nominations Committee reviews the time commitments of the non-executive directors, which indicates that in a typical year, non-executive directors spend between 30 and 46 days on business relating to Tate & Lyle, with the Chairs of the Audit and Remuneration Committees spending the most time.

The Board Chair typically spends two days a week on Tate & Lyle business. In 2019, the Board agreed a framework for determining the number of public company directorships directors can undertake in addition to their appointment at Tate & Lyle in order to ensure that they do not become over-committed.

→ **The significant commitments of each of the Directors are included in the Board biographies from page 78. For more information, see meeting attendance in the 2022 financial year on page 89.**

I. ENSURING THE BOARD FUNCTIONS EFFECTIVELY AND EFFICIENTLY:

The Company Secretary works with the Board Chair, the Chairs of the Committees, the Chief Executive and other members of management to ensure that the Board has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. All Directors have access to the advice of the Company Secretary who is responsible for advising the Board on all governance matters. Directors also have access to the advice of the Executive Vice President, General Counsel, as well as independent professional advice at the expense of the Company.

3. COMPOSITION, SUCCESSION AND EVALUATION

J. SUCCESSION PLANNING FOR THE BOARD:

The Nominations Committee (which comprises all the non-executive directors and the Chair) is responsible for succession planning for, and recommending candidates for appointment to, the Board and certain senior management positions. It applies a formal, rigorous and transparent process focused on finding candidates who can support the strategic priorities of the business while also representing the diversity of our global workforce and customer base. The UK Corporate Governance Code provides that all Directors should seek re-election on an annual basis and all Directors will seek re-election at the forthcoming AGM.

→ **For more information about the work of the Nominations Committee and the Board's policy on diversity and inclusion, see the Nominations Committee Report from page 100.**

K. SKILLS, EXPERIENCE AND KNOWLEDGE OF THE BOARD:

The Nominations Committee ensures that the Board and its Committees have a combination of skills, experience and knowledge necessary to discharge their oversight roles and to support the management team in the execution of the Company's strategy.

→ **For more information on the Board's skills and experience, see page 78 and the Nominations Committee Report from page 100.**

L. BOARD EVALUATION:

In the 2022 financial year, the Board undertook an internally facilitated review, in line with the UK Corporate Governance Code guidance.

→ **For more information, see the Board evaluation on page 89.**

4. AUDIT, RISK AND INTERNAL CONTROL

M. ENSURING THE INDEPENDENCE AND EFFECTIVENESS OF INTERNAL AND EXTERNAL AUDIT:

The Audit Committee is responsible for reporting to the Board on a range of matters concerning audit, risk and internal controls. In particular, the Audit Committee reviews and monitors the independence and performance of the internal audit function, Group Audit and Assurance, and the external auditor, EY. The Audit Committee has established and monitors a policy for non-audit work which EY is permitted to conduct.

→ **For further information about the role and work of the Audit Committee, external audit and Group Audit and Assurance, see from page 102.**

N. FAIR, BALANCED AND UNDERSTANDABLE ASSESSMENT:

The Audit Committee reviews the financial statements set out in the Group's annual and half-year results and reports its findings and recommendations to the Board. The Board, as a whole, considers the recommendations of the Audit Committee, the representations made by management and the views of the internal and external auditor in order to satisfy itself of the integrity of the narrative and financial statements and to determine whether the financial and narrative statements when taken together present a fair, balanced and understandable assessment of the Company's position and prospects.

→ **For further information, see the Audit Committee Report from page 102 and the 'fair, balanced and understandable' statement on page 107.**

O. RISK MANAGEMENT AND INTERNAL CONTROLS:

The Audit Committee oversees the internal controls framework and receives regular reports from management and the internal audit function on the effectiveness of that framework. It reports its findings to the Board. At least twice a year, the Board reviews the principal and emerging risks which apply to the Group to ensure that they remain current and that, to the extent possible, there are mitigation plans in place to manage those risks in accordance with the risk appetite that the Board determines, from time to time, is appropriate to achieve the long-term strategic objectives of the Group.

→ **For further information, see the Risk Report from page 68 and the Audit Committee Report from page 102.**

5. REMUNERATION

P. DESIGNING REMUNERATION POLICIES:

The Remuneration Committee is responsible for determining remuneration policies and practices which support the strategy and promote the long-term sustainable success of the Group.

→ **For more information about the work of the Remuneration Committee, see the Directors' Remuneration Report from page 108.**

Q. EXECUTIVE REMUNERATION:

The Directors' Remuneration Policy was approved by shareholders on 23 July 2020. In September 2021, shareholders approved a change to the Directors' Remuneration Policy to enable the Remuneration Committee to set performance requirements for the vesting of awards under the long-term incentive performance share plan (PSP) which are not restricted to financial performance conditions, but, following good corporate governance, which also include those linked to environmental, social and governance metrics. The revised Policy: (i) aligns with corporate governance best practice; (ii) enables the attraction and retention of executive talent to deliver against the Group's strategy; and (iii) promotes the delivery of the long-term strategy. As part of the process for developing the Directors' Remuneration Policy, including revisions to the Policy, the Chair of the Remuneration Committee consulted major institutional shareholders on the Committee's proposals. A summary of the Directors' Remuneration Policy can be found from page 113.

→ **The full, revised, Directors' Remuneration Policy is available on the Company's website at www.tateandlyle.com.**

R. REMUNERATION OUTCOMES AND INDEPENDENT JUDGEMENT:

The Remuneration Committee determines remuneration outcomes for the Executive Directors and other members of senior management and in so doing exercises independent judgement and discretion in the context of Company and individual performance and the wider circumstances. No Director or member of management is involved in determining his or her own pay.

→ **For more information about the Remuneration Committee and remuneration outcomes, see the Directors' Remuneration Report from page 108.**

NOMINATIONS COMMITTEE REPORT: CHAIR'S INTRODUCTION

This year, our focus will be on succession planning for those non-executive directors who will retire in the near term.

SUCCESSION PLANNING

Executive committee members

This year we combined continuing our focus on long-term succession planning for the executive directors with the need to appoint a new Chief Financial Officer following Vivid Sehgal's departure. The Nominations Committee supported Nick in the search for a new Chief Financial Officer and was delighted with the appointment of Dawn Allen. The Committee was also pleased to support the promotion of Bill Magee to the Executive Committee.

Non-executive directors

As previously reported, in 2018 we undertook an externally facilitated review of the Board's composition to ensure that we have the right combination of skills and experience to support management in delivering our strategy into the future. That review produced two important recommendations. The first was to appoint a non-executive director (NED) with relevant and recent senior management experience in the US food and beverage sector, which is so critical to our business. In July 2019, Kim Nelson joined our Board to fulfil that mandate.

The second recommendation was to appoint a NED with similar experience in Asian markets to support our expansion in that region. John Cheung joined our Board in January 2021. John has many years of experience in nutrition, food and beverages notably in China.

In May 2021, we were delighted to welcome Patrícia Corsi to the Board. Patrícia, a Brazilian national, brings in-depth knowledge of our key growth markets in Latin America as well as global marketing, digital and brand expertise.

Earlier this month, we welcomed Dr Isabelle Esser to our Board. Isabelle's scientific expertise and extensive technology leadership experience in our markets will be of significant benefit to the Board.

Over the next three years, three of our non-executive directors: Paul Forman, our Senior Independent Director, Sybella Stanley, Chair of our Remuneration Committee and Lars Frederiksen will retire, as they each approach the nine-year anniversary of their appointment to the Board. In contemplation of the departure of these distinguished colleagues, the Nominations Committee will once again turn its attention to Board composition and succession planning for the Board and will undertake another externally facilitated review, as it did in 2018, to inform those deliberations.

DIVERSITY AT AND BELOW THE BOARD

As I have said before, in a purpose-led business like Tate & Lyle, diversity at all levels is a pre-requisite to future-proofing our Company, by ensuring that our employees reflect the customers and communities we serve. And, as a global business, our Board needs to reflect the rich diversity of the regions where we operate. This is not just a matter of governance and social responsibility, important as these dimensions are, it's just good common sense.

This year, the Nominations Committee refreshed our Board Diversity Policy in light of the revised targets set by the FTSE Women Leaders Review and committed to maintain, as a minimum, gender diversity of at least 40% and non-white ethnic diversity in line, as a minimum, with the recommendations of the Parker Review. We are pleased that, at the time of writing, our Board is 45% women and 18% from Black, Asian or non-white ethnically diverse groups with a mix of nationalities that reflects the global profile of our business.

It is also why the Board supported management's commitment made in 2020 to achieve 50% gender diversity in leadership roles by 2025. We monitor progress against this target and are pleased to see that in the last 12 months the number of women in leadership roles has increased to 33% (at 31 March 2022). From 1 April 2022, this target is being expanded to leadership and management roles, more than 500 people. At 1 April 2022, 42% of the top 500 managers in Tate & Lyle were women. With Dawn's appointment in May 2022, 56% of the Executive Committee are women.

PRIORITIES FOR THE YEAR AHEAD

As mentioned above, to assist and inform our succession planning for the non-executive directors in the context of the new Tate & Lyle, we have engaged an independent external consultant to conduct a Board effectiveness and Board composition review which will take place in the last quarter of the 2023 financial year. Also in the year ahead, we will continue to focus on long-term succession planning for senior executives below the Board and to follow the progress of management's talent development and equity, diversity and inclusion initiatives.

GERRY MURPHY
Chair of the Nominations Committee

COMMITTEE GOVERNANCE

Responsibilities

The Committee assists the Board by reviewing the size and composition of the Board, including succession planning, and the leadership needs of the Group generally. It recommends candidates for appointment as Directors and as Company Secretary and reviews the performance of the executive directors. Further details of its responsibilities are in the Committee's terms of reference, which the Committee reviews annually and can be found on the Company's website, www.tateandlyle.com.

Composition

During the financial year under review, the Committee comprised the Chair of the Company and all independent Directors. The Company Secretary is the secretary to the Committee.

Meetings during the year

Meetings are generally held around the time of scheduled Board meetings. The Committee held four meetings during the year. Attendance during the year is set out on page 89.

The Chief Executive and the Chief Human Resources Officer are invited to attend and present to the Committee on an ad hoc basis, depending on the issues being discussed.

Effectiveness

The Committee carried out an internally facilitated review of its effectiveness and the output was discussed by the Committee.

This concluded that the Committee continued to operate effectively and confirmed that the focus for the coming year would be non-executive succession planning while continuing to review executive director succession planning, and succession planning for other members of the executive management team.

WORK UNDERTAKEN DURING THE YEAR

The Committee maintains a calendar of items for consideration at each meeting and reviews and updates it regularly.

Board succession planning

During the course of the year, the Nominations Committee was involved in the search for a new Chief Financial Officer, culminating in the appointment of Dawn Allen. The Committee also considered and approved the appointment of Dr Isabelle Esser. MWM Consulting assisted in the appointment of Dr Esser.

Both MWM and Russell Reynolds which assisted in the search for Dawn Allen are signatories to the Voluntary Code of Conduct for Executive Search Firms and both have a good understanding of the Group's business.

Succession planning for senior management

The Committee also considered succession plans for senior executive roles. During the year, members of the Committee were consulted on the promotion of Bill Magee to the Executive Committee as President, Food & Beverage Solutions, North America.

Review of individual Directors and members of the Executive Committee

Each Director goes through a formal performance review process as part of the annual Board effectiveness review. Dr Gerry Murphy led performance reviews of the non-executive directors. All Directors completed this process during the year.

The Nominations Committee reviewed the performance of the Chief Executive. The Senior Independent Director, Paul Forman, led the review of the Chair.

These reviews confirmed that each Director continues to make an effective contribution to the Board's work and is well prepared and informed about issues they needed to consider. In each case, their commitment remains strong.

The Committee evaluated the performance of the other members of the Executive Committee and reported its conclusions to the Remuneration Committee.

BOARD DIVERSITY

As described in the Chair's introduction to this Nominations Committee Report, the Board believes that a diverse and inclusive culture is a driver of superior business performance, growth and innovation. In its Diversity Policy the Board commits to maintain, as a minimum, 40% gender diversity and ethnic representation in line with the targets set out in the Parker Review.

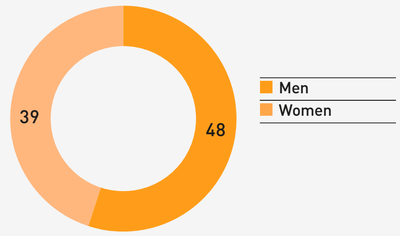
The Committee uses search firms who are signatories to the Voluntary Code of Conduct for Executive Search Firms which seeks to address gender diversity on boards and best practice for the related search processes.

When considering candidate directors, the Committee looks at a number of different criteria, including experience, gender, age, culture and personal attributes such as thinking style. This is reflected in the longlists and shortlists of possible candidates.

As at the date of this Annual Report, the Board comprises the Chair, two executive directors and eight non-executive directors. Female representation (five Directors) equates to 45% of the Board and representation from Black, Asian or non-white ethnically diverse groups is 18%.

GENDER DIVERSITY OF SENIOR MANAGEMENT AND THEIR DIRECT REPORTS[1]

As at 8 June 2022



1 In accordance with the Code, senior management is defined as the Executive Committee (including the Chief Executive and Chief Financial Officer) and the Company Secretary.

> We continue to build a Board and senior leadership team which is diverse in terms of gender, nationality, ethnicity and experience.

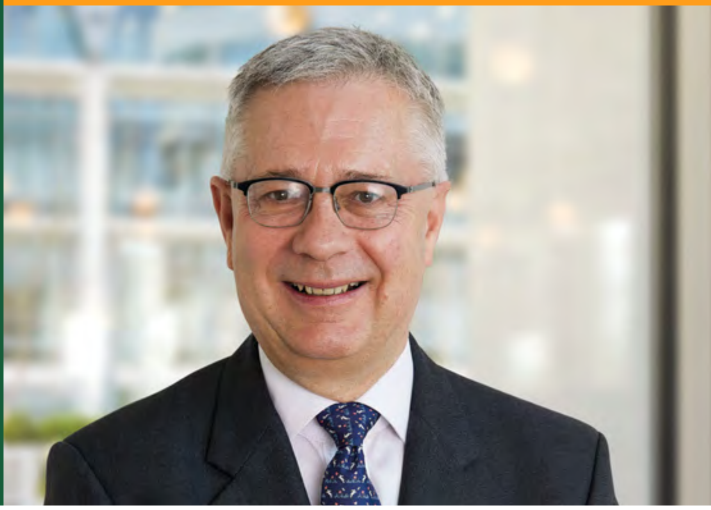
Diversity below the Board

We recognise that to be a successful company, we must be both diverse and inclusive. We expect everyone, everywhere, to play a role in ensuring we become a truly diverse and inclusive organisation where differences are respected and everyone's contributions are valued.

Our human resources policy sets out our commitment to providing opportunities for all colleagues, irrespective of (among other things) sex, race, ethnicity, colour, religion, background, age and sexual orientation.

The Board supported management's commitment to achieve 50% gender diversity in leadership roles across the organisation by 2025 and tracks progress against that target. It also supported the establishment of a team to progress equity, diversity and inclusion across the business.

AUDIT COMMITTEE REPORT: CHAIR'S INTRODUCTION



A significant area of focus for the Committee this year was the impact of the sale of a controlling interest in our Primary Products business in the Americas to KPS.

INTRODUCTION

I am pleased to present the work of the Committee during the year. My Committee colleagues and I enjoyed the opportunity to meet in person on some occasions, although we have and will continue to conduct some meetings via video conference. As described below, a significant area of focus for the Committee this year was the impact of the sale of a controlling interest in our Primary Products business in the Americas to KPS.

In discharging its duties this year, the Committee was mindful that the Group was without a Chief Financial Officer for a significant part of the financial year. Accordingly, I (and members of the Committee) spent additional time outside the formal meeting cycle with the Group Financial Controller and the senior financial leader of the Food & Beverage Solutions business to provide support and guidance, where appropriate.

As in previous years, I continued to engage with a significant number of stakeholders, including the Group Audit and Assurance (internal audit) function, senior management and the external auditor (EY) to ensure our processes and controls were not impacted by the ongoing pandemic (and working from home arrangements) or by the Primary Products Transaction. Conscious of ongoing restrictions in China due to the Covid-19 pandemic, the Committee also kept a focus on the operation of the risks and controls framework in our business there.

The Committee and I were reassured that the Company continued to operate robust processes and controls throughout the year.

As the crisis in Ukraine unfolded, the Committee engaged with management on the impact of the crisis including on our people in our shared services centre in Łódź, Poland.

REVIEWS DURING THE YEAR

In addition to the usual review of accounting judgements and disclosures on key accounting matters including commodity accounting, exceptional items and taxation (see details set out on page 104), we continued with our practice of looking in particular depth at certain aspects of the control environment. During the year, we met leaders from the Group Tax and Treasury teams and undertook in-depth reviews into each of their functions.

The Committee also received updates on the work of the Group Audit and Assurance team, Ethics and Compliance, IT and cyber risks, data privacy management and the Finance talent management programme. The Committee continued to monitor the implementation of Tate & Lyle's controls, processes and ethics and compliance programme into our recently acquired businesses, Sweet Green Fields and Chaodee Modified Starch Co., Ltd. The Committee will continue to monitor the integration of these businesses including the integration of Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum).

This was a year in which the business undertook two major transactions: the Primary Products Transaction and the agreement to acquire Quantum. The Committee held an additional meeting to review and understand the implications of the Primary Products transaction for the Group's accounting, to consider the size and mechanics of a return to shareholders of a portion of the proceeds from the transaction in the form of a special dividend and associated share consolidation, and also to understand the steps management were taking to mitigate the risks of separating the Primary Products business in the Americas from the remaining Tate & Lyle business. The Committee was reassured by management and the external auditor that the Company continued to operate robust processes and controls throughout this period. The Committee and the Board would like to thank the teams for their commitment and resilience during this exceptional year.

I would also like to thank my fellow colleagues on the Committee for their support during the year.

CONCLUSION

Information on the following pages sets out in detail the composition of the Committee, its activities and our priorities going forward. The Committee and I are looking forward to spending more time with our colleagues in person and visiting our sites in the coming year.

I hope that you find this report useful in understanding our work in the past year and I welcome any comments from shareholders on my report.

WARREN TUCKER
Chair of the Audit Committee

COMMITTEE GOVERNANCE

Responsibilities

The Committee assists the Board by overseeing financial reporting, internal controls and the risk management process, the Group Audit and Assurance function and our relationship with the external auditor. Further details of its responsibilities are in the Committee's terms of reference on the Company's website, www.tateandlyle.com.

Composition

The Committee currently comprises five independent Directors: Warren Tucker (Chair), John Cheung, Paul Forman, Kim Nelson and Sybella Stanley.

The Code stipulates that:

i. the Committee, as a whole, shall have competence relevant to the sector in which the Company operates. The Committee considered that it does, as a whole, have extensive experience of global manufacturing and supply organisations, and of business-to-business groups, experience of commercialisation of innovation pipelines and a wealth of knowledge and understanding of the London investment community and governance matters. It continues to strengthen the competencies of its members through deep dives and updates on relevant matters.

ii. at least one Committee member should have recent and relevant financial experience. Warren Tucker meets this requirement. Warren was Chief Financial Officer of Cobham plc for a decade until 2013 and is a chartered accountant. He also served as an independent non-executive director on a FTSE 100 audit committee from 2010 to May 2020.

The Company Secretary is the secretary to the Committee.

Meetings during the year

Meetings are generally scheduled in line with key times in the Group's financial reporting calendar. The Committee held five scheduled meetings during the year and one additional meeting to discuss the accounting impact of the Primary Products Transaction, as described above. Attendance during the year is set out on page 89. The Committee has also met once since the end of the financial year and prior to the signing of this Annual Report.

The Chief Financial Officer, VP Group Audit and Assurance, VP Group Financial Controller, EVP General Counsel and representatives of the external auditor are invited to, and attend, all relevant parts of each meeting. The Chair of the Board and Chief Executive are also invited to, and attend, each Committee meeting. In addition, senior finance and operational leaders attend and present to the Committee as needed, depending on the issues being discussed.

The Committee meets privately with each of: the Chief Financial Officer; the VP Group Audit and Assurance; the Chief Executive; and the Company's external auditor on an individual basis to ensure the effective flow of material information between the Committee and management. The Committee also meets without management present at the end of every meeting.

Effectiveness

The Committee Chair carried out an internally facilitated review of its effectiveness and sought feedback from its Committee members, certain members of senior management and the external auditor. The output was discussed by the Committee. This concluded that the Committee continued to operate effectively throughout the year.

WORK UNDERTAKEN DURING THE YEAR

The Committee maintains a rolling calendar of items for consideration at each meeting and reviews and updates it regularly. As well as the work referred to above, the Committee maintained its focus on four main areas: financial reporting; oversight of the external auditor; oversight of the internal audit function; and internal control and risk management. During this financial year, the Committee paid close attention to certain matters relating to the Primary Products Transaction. As part of this, the Committee reviewed the document published in October 2021 that set out the restatement of the prior year financial information to show the impact of disclosing the disposed Primary Products business as a discontinued operation together with proforma financial information illustrating the effect of the Primary Products transaction on the Company's historical financial reporting. The Committee also considered other accounting judgements applied to the Primary Products business as well as the use of proceeds from the transaction, the special dividend and associated share consolidation.

The Committee also took a close interest in the management of finance and IS/IT risks associated with the separation of the Primary Products business from the remaining Tate & Lyle business in advance of the close of the Transaction, receiving progress reports from management at each meeting.

Financial reporting

At each of its meetings, the Committee reviewed and constructively challenged the accounting methodologies, judgements and disclosures set out in the papers prepared by management and determined, with the input from the external auditor, the appropriateness of these. The significant issues considered by the Committee in relation to this year's financial statements are listed on page 104. Papers on the Group's existing and emerging litigation risks were also considered.

AUDIT COMMITTEE REPORT CONTINUED

SIGNIFICANT MATTERS RELATING TO THE FINANCIAL STATEMENTS CONSIDERED BY THE COMMITTEE

AREA	BACKGROUND	COMMITTEE'S ACTIVITIES AND CONCLUSION
Sale of controlling stake in Primary Products (the Primary Products transaction)	In July 2021, we entered into an agreement to sell a controlling stake in the Primary Products business in the Americas to KPS. The sale closed immediately after the end of the financial year. See pages 16 and 17 for further information.	The Committee considered the accounting treatment of the proposed sale. In particular, it considered the accounting impact of the classification of Primient as held for sale and a discontinued operation. It also considered the use of proceeds from the Transaction and the mechanism for returning those proceeds to shareholders by way of a special dividend and associated share consolidation.
Commodity accounting	Within our discontinued Primary Products business, we used commodity contracts to manage and hedge our corn and associated co-product positions in the US. The valuations of co-products positions in particular are underpinned by several judgements, which could have a material impact on the reported results of the Group.	The Committee considered the work performed by management and the external auditor and probed management on the assumptions and modelling before concluding that the judgements made in determining the accounting treatment and valuations of commodity and co-product positions were appropriate. The Committee also reviewed in detail how commodity accounting for Tate & Lyle in the 2023 financial year will change in light of the disposal of the Primary Products business, including within its 49.9% interest in Primient.
Exceptional items	We exclude from certain of our alternative performance measures exceptional items which are material in amount and that are outside the normal course of business or relate to events which do not frequently recur. Therefore, these merit separate disclosure in the financial statements in order to provide a better understanding of the Group's underlying financial performance.	The Committee constructively challenged the judgement of management regarding the measurement and classification of exceptional items. The Committee also considered the appropriateness of the associated disclosures and concluded that both the judgements made, and the disclosures proposed were reasonable. See page 39.
Taxation	We operate and pay taxes in multiple jurisdictions, which requires the interpretation of complex tax law. As such, we make provision for potential tax exposures to local tax authorities and reassess these as necessary at the half year and year end. Our assessment is underpinned by a range of judgements from tax professionals and external advisors.	The Committee reviewed the key judgements made in estimating the Group's tax charge along with the key disclosures, set out on page 40 and in Note 11. The Committee was satisfied that the judgements made in estimating the Group's tax charge were reasonable, and that the disclosures were appropriate. The Committee considered and challenged the appropriateness of tax provisions at the balance sheet date, including changes in provisions during the year, as well as the Group's associated tax risks. The Committee also considered the composition of the Group's deferred tax balances and recognition judgements. The Committee concluded that the measurement and disclosures of tax balances were appropriate. In addition, the Committee considered the implications of the Primary Products Transaction on the Group's tax position including the cash tax payable on the disposal, non-cash exceptional and other tax charges.
Integration of new acquisitions	In the previous financial year, Tate & Lyle acquired Sweet Green Fields and a majority shareholding in Chaodee Modified Starch Co.	The Committee monitors the implementation of Tate & Lyle's controls, processes and ethics and compliance programme into new businesses acquired by the Group.
Impairment reviews	We test all goodwill for impairment annually and, additionally, as required test all assets where there has been an indicator of potential impairment.	The Committee reviewed and challenged the annual goodwill impairment assessments and considered the appropriateness of management's assumptions, including consideration of the impact of the pandemic and the Primary Products Transaction on such assessments. Management concluded that there was significant headroom in its goodwill impairment reviews and, accordingly, no impairments were required on the Food & Beverage Solutions cash generating unit. Management also concluded that no impairment was required for any held for sale assets (including goodwill) as proceeds from the Primary Products Transaction exceeded the carrying value of these assets. Impairment reviews were also undertaken on other assets and concluded that any impairments recorded were appropriate. The Committee agreed with these conclusions. The disclosure is set out in Note 19.

FOCUS AREAS FOR THE AUDIT COMMITTEE IN THE 2023 FINANCIAL YEAR

In addition to the recurring matters on the Committee's rolling calendar, the Committee will focus on (i) the integration into our controls framework of our recent acquisitions; (ii) continued enhancements to the risk and controls matrix; and (iii) talent management and succession planning in the Finance function. The Committee will continue to carry out deep dives into our Food & Beverage Solutions business, both at Group functional level and at a regional level, on a rotational basis. In addition, the Committee will review the effectiveness of new controls which will operate in relation to certain aspects of the long-term agreements between Tate & Lyle and Primient.

EXTERNAL AUDITOR

As part of the reporting of the half-year and full-year results statements, EY reported to the Committee on its assessment of the Group's accounting judgements and estimates and its control environment. EY did not report any significant deficiencies in controls nor did it disagree with any of the Group's accounting judgements and estimates. The Chair of the Committee meets with EY prior to each meeting and outside the meeting cycle on a regular basis.

Safeguarding the auditor's independence

The independence of the external auditor is essential to the provision of an objective opinion on the true and fair view presented in the financial statements. Auditor independence and objectivity are safeguarded by a number of control measures, including limiting the nature and value of non-audit services performed by the external auditor.

The Committee operates a policy to safeguard the objectivity and independence of the external auditor. This policy sets out certain disclosure requirements by the external auditor to the Committee; restrictions on the employment of the external auditor's former employees; and partner rotation.

During the year, the Committee reviewed the operation and results of this policy and confirmed that, in its opinion, the external auditor remained independent.

Provision of non-audit services

The policy also sets out the circumstances in which the external auditor may be permitted to undertake non-audit services and the services which are not permitted under any circumstances, such as the provision of remuneration advice and internal audit outsourcing.

The Committee considers quarterly reports which set out any non-audit services provided by the auditor and the fees incurred by the Company. Under our policy on non-audit services, the Chief Financial Officer has authority to approve permitted services up to £10,000, with any amounts above that limit requiring approval of the Committee Chair or the Committee itself. Any amounts approved by the Chief Financial Officer are reported to the Committee at its next meeting.

The total amount payable in respect of the Group audit and audit of subsidiaries was £3.1 million, including £0.4 million of one-off audit fees in relation to the Primary Products Transaction. In addition, the fee for the Group's half-year review was £0.1 million, which is included as a non-audit service in accordance wth standard practice. The Group incurred a further £1.1 million of non-audit costs specific to the transaction, including £0.5 million for work as Reporting Accountant, £0.1 million for other assurance work associated with the Class 1 Circular and £0.5 million for a non-statutory audit required under the terms of financing agreements for the disposed Primary Products business. Fees paid in respect of non-audit services therefore comprised 33% of the total fees paid to EY.

Audit quality

To maintain audit quality, the Committee reviews and challenges the proposed external audit plan, including its scope and materiality, before approval, to make sure that EY has identified all key risks and developed robust audit procedures and communication plans. Throughout the year, the Committee looks at the quality of the auditor's reports and considers its response to accounting, financial control and audit issues as they arise.

The Committee also meets with EY regularly without management present, providing an opportunity to raise any matters in confidence and for an open dialogue. This meeting also gives the Committee the chance to monitor the performance of the lead engagement partner both inside and outside Committee meetings.

The Chair meets to review EY's quality reporting and discussed items that could impact Tate & Lyle, in particular the culture of EY's audit division.

Effectiveness of the external auditor

The effectiveness of the external auditor is assessed in accordance with a process agreed by the Committee. As part of the process, the auditor's performance for the 2021 financial year was reviewed against criteria set at the start of the audit, which includes quality and experience of the audit team, audit planning and adaptability to changes in business needs and the control environment, providing objectivity and challenge, project management, and reporting and communication. The Committee also took into consideration the latest FRC's guidance on evaluating audit quality.

The review sought feedback from management at Group and divisional levels most directly involved in the year-end audit and feedback was also sought from EY on the contribution from our management team to an effective audit.

The Committee considered the feedback received together with its wider knowledge and concluded that the external audit process for the 2021 financial year was effective and that EY provided independent challenge to management. Areas of focus were identified for the 2022 financial year.

The Committee will formally assess EY's performance in relation to the 2022 audit following its completion.

Tenure

EY was appointed the Group's external auditor at the Company's AGM in 2018 for the financial year ended 31 March 2019 following a formal tender process. Subject to EY's continuing satisfactory performance, we anticipate approving the appointment of a successor to Lloyd Brown as EY lead audit partner when he rotates off the engagement after his fifth year as lead audit partner, i.e. after the financial year ending on 31 March 2023.

The Committee recommended, and the Board intends to propose, the reappointment of EY as the Company's auditor for the 2023 financial year. It believes the independence and objectivity of the external auditor and the effectiveness of the audit process are safeguarded and remain strong.

The Committee considers that the Company has complied with the Competition and Markets Authority's Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 for the financial year under review.

There are no contractual obligations that restrict the Committee's choice of external auditor.

AUDIT COMMITTEE REPORT CONTINUED

INTERNAL AUDIT – GROUP AUDIT AND ASSURANCE

Group Audit and Assurance (GAA) is an internal function that provides independent and objective assurance to all levels of management up to the Board. Its responsibilities include evaluating and reporting on the adequacy and effectiveness of the systems of risk management and internal controls operated by management. Management remains responsible for identifying risks and for the design and operation of controls to manage risk effectively.

The GAA function is staffed by professionally qualified and experienced individuals located in London, Chicago, Poland and Singapore. They report to the VP, GAA, who is based in London, who in turn reports directly to the Chair of the Audit Committee and the Chief Executive.

The Committee received, considered and approved the annual internal audit plan, which was constructed using a risk-based approach taking account of risk assessments, input from senior management and previous audit findings. This year there was an emphasis on providing assurance on the management of risks, including finance and IS/IT risks, associated with the separation of the Primary Products business, key financial controls given the disruption to working practices due to the ongoing Covid-19 pandemic and a continued focus on cyber security and IT operations. The audit plan is kept under review depending on the operational limitations and business requirements and any proposed changes to the plan are discussed and agreed with the Committee.

Ongoing visibility of the internal control environment is provided through internal audit reports to management and the Committee. This year, it was possible to conduct some audits in person again although many were performed remotely and with an external local co-source partner where appropriate. The reports are graded to reflect an overall assessment of the control environment under review, and the significance of any control weaknesses identified. Remedial actions to address findings are identified and agreed with management. The Committee receives a quarterly status report from the VP, GAA, detailing progress against the agreed plan, key trends and findings. The Committee places high emphasis on actions being taken as a result of internal audits and regular reports are provided on the status of any overdue actions.

The Committee also reviewed the effectiveness of GAA this year. It was undertaken by way of a questionnaire and feedback was sought from members of the Audit Committee, senior management and external auditor. The Committee concluded that the function continues to operate effectively.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving the Group's strategic objectives and for maintaining sound risk management and internal control systems. A formal process is in place which aims to identify and evaluate risks including emerging risks and how they are managed. Further details including the description of principal risks are set out on pages 71 to 75. The objective of the internal control system is to protect the Group's assets and reputation and to ensure the reliability of financial information for both internal use and external publication. The systems of internal control and risk management cannot eliminate the risk of failure to achieve business objectives and can only provide reasonable, not absolute, assurance against material misstatement or loss. The Committee continued to receive and consider regular reports from management and the VP, GAA, on the effectiveness of the Group's internal controls and risk management system as well as the external auditor on matters identified during its statutory audit work.

During the year, the Enterprise Risk Manager presented to the Audit Committee on risk process enhancements made over the previous 12 months and planned improvements to enhance the risk process over the following 12-month period. He also presented the risk management plan for calendar year 2022.

Internal control over financial reporting

The Group has specific internal mechanisms that govern the financial reporting process and the disclosure controls and procedures around the approval of the Group's financial statements. Twice a year, representatives from the business certify that they have complied with the minimum control standards and that their reported information provides a true and fair view of the state of the financial affairs of their business unit and its results for the period. The results of this financial disclosure process are reported to the Audit Committee.

ANNUAL REVIEW OF THE EFFECTIVENESS OF THE SYSTEMS OF INTERNAL CONTROL

The Board monitors the effectiveness of the Group's systems of internal control and risk management throughout the year. Once a year, the Board, supported by the Audit Committee, conducts its own review of the effectiveness of the systems of risk management and internal control. As last year, the 2022 review was facilitated by GAA and covered the period from the start of the financial year to the date of this Annual Report. The process included a two-stage review to facilitate discussion, with the Audit Committee discussing the results of the review at their meetings in March and May 2022. The Board then discussed the output at its meeting in May 2022.

The 2022 review covered material financial, operational and compliance controls, our values and behaviours, and the risk management process. The review included an independent analysis of the questionnaires and representation letters completed by management to ensure that the responses from management were consistent with the results of its work during the year. The Committee reported to the Board that the process for monitoring and reviewing internal control and risk management processes is robust and appropriate for the size and scale of the business. It was noted that no significant failing or weakness had been identified and confirmed that it was satisfied the systems and processes were functioning effectively.

The Board recognises that the risk profile of the Group will change as a result of the Primary Products transaction and will conduct a further detailed review of the Group's principal risks and risk appetite during the course of the financial year.

The Group's going concern and Viability Statement disclosures are set out in the Strategic Report on pages 42 and 70 respectively.

CORPORATE GOVERNANCE

FAIR, BALANCED AND UNDERSTANDABLE REPORTING

Robust year-end governance processes are in place to support the Board's review of the Annual Report which include:

- ensuring that all of those involved in the preparation of the Annual Report have been briefed on the 'fair, balanced and understandable' requirements;
- internal verification by the Group Audit and Assurance team of non-financial factual statements, key performance indicators and descriptions used within the narrative;
- regular engagement with, and feedback from, senior management on proposed content and changes;
- feedback from external parties (corporate reporting specialists, remuneration advisors, external auditor) to enhance the quality of our reporting;
- review by the Audit Committee of the governance processes employed to provide assurance that the Annual Report is fair, balanced and understandable, including the opportunity to challenge members of management, Group Audit and Assurance and the external auditor on the robustness of those processes; and
- a process to ensure that unfavourable outcomes have been duly highlighted.

The Board considers that, taken as a whole, the Annual Report is fair, balanced and understandable. The Board further believes that the Annual Report provides the necessary information for shareholders to adequately assess the Company's position and performance, business model and strategy.

DIRECTORS' REMUNERATION REPORT: CHAIR'S INTRODUCTION

The Committee reflected on the remuneration outcomes in the context of the value created for shareholders in a year of major strategic change and good financial performance for the Group.

DELIVERING OUR STRATEGY

As you will have read in the introductory statements in this Annual Report, it has been a landmark year for Tate & Lyle. With the sale of a controlling stake in the Primary Products business in the Americas, now called 'Primient', to KPS Capital Partners, LP (KPS) (the 'Transaction'), Tate & Lyle has been repositioned as a leading global speciality food and beverage solutions business. The Transaction, which was announced on 12 July 2021 and approved by 99.9% of ordinary shareholders who voted at a general meeting on 30 September 2021, was completed on 1 April 2022 and represents a major strategic milestone in unlocking potential growth opportunities for both Tate & Lyle and Primient.

The separation into two standalone businesses – Tate & Lyle and Primient – was a demanding project which took many months to execute. As a Board we are very grateful to the management team and the broader workforce, who demonstrated great resilience and commitment to ensure the successful completion of this complex transaction. The sense of achievement is all the greater as it was delivered alongside our priorities for the year, to: look after our colleagues and communities through the continuing Covid-19 pandemic; keep our customers served and strengthen our relationships with them; maintain our financial strength; and continue our strategic progress, particularly through New Product growth and acquisitions.

REFLECTING ON OUR FINANCIAL PERFORMANCE AS CONTEXT FOR REMUNERATION OUTCOMES

Consistent with our practice in prior years, and with established principles, performance targets for annual and long-term incentive plans were set at the start of the relevant performance period.

In practical terms these had to be set with reference to the Group as it was before the Transaction was announced. As noted earlier in this Annual Report, the Transaction means that our financial reporting and headline financial key performance indicators (KPIs) have been split into 'continuing', 'discontinued' and 'total' operations. Performance and remuneration outcomes for executive directors reflect the performance of the Group as a whole (total operations) for the full financial year and therefore may not align with headline KPIs set out elsewhere in this Annual Report.

The Committee has also reflected on the financial health and performance of both the Group and the continuing operations (new Tate & Lyle), to ensure that remuneration outcomes are appropriate in this broader context – and is pleased to report positive momentum across our KPIs as well as clear strategic progress (see headlines opposite).

FOCUS ON SUSTAINABILITY

We live our purpose of Transforming Lives through the Science of Food through three pillars: Supporting Healthy Living, Building Thriving Communities and Caring for our Planet. In May 2020, we announced long-term targets and commitments linked to these three purpose pillars.

Our performance against these targets (as described on pages 30 and 56) has formed part of the bonus assessment; and following shareholder consultation and approval in 2021, four of these purpose targets will also be reflected in our long-term (Performance Share Plan) awards from 2021.

We have made good progress against these purpose targets and commitments. For example, in the last two years we have delivered a 12% reduction in Scope 1 and 2 absolute greenhouse gas emissions in our total operations and in October 2021 we eliminated the use of coal in all our operations four years ahead of schedule.

The Board is currently reviewing appropriate future environment, social and governance (ESG) targets for new Tate & Lyle reflecting the changes in our operational footprint. We are being supported in this work by sustainability specialists, AECOM.

FINANCIAL PERFORMANCE HIGHLIGHTS:

Continuing operations (New Tate & Lyle)
- Revenue growth +18%; adjusted operating profit before tax +14%
- Positive momentum in Food & Beverage Solutions: +5% volume; +19% revenue growth, double-digit organic growth across all regions; +7% adjusted operating profit £160 million
- Acceleration in New Product revenue growth of +35%
- Good progress in purpose-linked sustainability programme

Discontinued operations (Primient)
- Volume flat; adjusted profit after tax (9)% lower
- Sweeteners & Starches profit (42)% lower
- Commodities profit 52% higher in an exceptionally strong market

STRATEGIC PROGRESS:

(New Tate & Lyle)
- Integration of two businesses acquired in 2021 financial year progressing well
- Agreement to acquire leading dietary fibre business in China: Quantum Hi-Tech (Guangdong) Biological Co., Ltd. (Quantum) significantly strengthening our fortification platform
- 10 New Products and more than 30 stevia sweetener solutions launched from innovation pipeline

OUR PEOPLE

We are very grateful to our employees for the commitment and resilience they have shown to serve our customers through the pandemic and to separate the Group into two standalone businesses – new Tate & Lyle and Primient.

As we closed the year, the executive team and the Committee have been particularly aware of the recent rise in the cost of living for our employees. We had preserved normal employee salary increases throughout the pandemic (except for a salary freeze for management roles in 2020) and the salary review at 1 April 2022 was fully reflective of the latest available inflation information.

Additionally, in the context of our financial and strategic performance, including performance against our purpose targets described above, we continue to recognise the majority of our employees with at least six months' service through some form of discretionary reward or recognition for the year.

SHAREHOLDER SUPPORT FOR OUR POLICY AND GOVERNANCE OF EXECUTIVE PAY

We have engaged proactively with shareholders over successive years, and I am pleased to report that the level of shareholder support for our Remuneration Policy and framework remains strong – our most recent Policy and Report resolutions both received support in excess of 97%:

- Our Policy renewal in 2020 formally adopted structural reductions in bonus opportunity and retirement benefit provision – Executive Directors agreed changes to the level of their own retirement benefits, to give up the equivalent of 10% of salary, so that benefits are in line with the rate available to the wider UK workforce from 1 April 2021.
- In September 2021, following consultation, shareholders approved an amendment to Policy (with a vote of 99% FOR) to enable the adoption of environmental, social and governance (ESG) metrics into our performance share plan (PSP); and we have also adopted relative Total Shareholder Return (TSR) performance into our PSP from 2021 to demonstrate our commitment to long-term value creation (see page 121).

EXECUTIVE DIRECTOR CHANGES IN THE YEAR

Vivid Sehgal stepped down from the Board, as announced on 3 November 2021 and ceased employment with the Company on 31 December 2021. Vivid's remuneration is therefore limited to fixed elements only.

We are very pleased to welcome Dawn Allen who joined the Board as Chief Financial Officer on 16 May 2022. Further details of Dawn's remuneration are set out on page 117.

ASSESSMENT OF PERFORMANCE IN THE CONTEXT OF THE PRIMIENT TRANSACTION

As noted earlier, the targets for the annual and long-term incentives were set at the start of their relative performance periods and before the Transaction to create two new businesses, the new Tate & Lyle and Primient, was announced. The Committee has, therefore, looked to ensure that the outcomes are assessed on a fair basis to ensure management did not benefit from, nor were they penalised as a consequence of, the Transaction. Where it has been appropriate to make adjustments to achieve this, the Committee has been supported in its assessment by the Audit Committee. In this context, the Committee took particular note of the fact that the Transaction closed on 1 April 2022, contemporaneous with the year end, and that this had a direct impact on a number of financial KPI outcomes. The impact of the timing of the Transaction was most pronounced on cash flow (a KPI for 20% of the annual incentive) where, for instance, working capital increased in what became the Primient business. This was recognised in the payment received on completion of the Transaction by the Group, which occurred just after year-end. In addition, ahead of closing the Transaction, the Group took certain actions with respect to inventory balances in the continuing business and customer invoicing to support the successful closing of the Transaction and to ensure continuity of operations and supply. These activities negatively impacted working capital and cash flow in the final month of the financial year in the continuing business. Together these factors resulted in an increase in working capital at the year-end which was only caused by the actions taken to ensure the Transaction completed smoothly.

Having assessed the relevant factors, the Committee is satisfied that overall outcomes for the year are appropriate in the context of strong operational and financial performance of the business and clear strategic progress. The outcomes are summarised below:

- Annual bonus plan: the CEO bonus award at 67% of maximum (as described on page 119) reflects strong Food & Beverage Solutions net sales growth; total Group operating profit at 'target'; and adjusted cash flow at below 'target' level, relative to stretching targets set at the start of the year; as well as strong progress against strategic non-financial targets, including performance against our purpose and sustainability commitments. The outcomes for the bonus plan reflect the Committee's judgement and assessment of cash flow performance (as descibed above) taking account of the impact of the timing of closing the Transaction.
- Performance Share Plan (PSP): awards made in 2019 will vest at 42% of maximum (as described on page 121) reflecting: (i) adjusted return on capital employed in the period to 31 March 2022 of 16.1% and (ii) Food & Beverage Solutions volume growth of 3.4%; while (iii) growth in Group Adjusted Earnings Per Share before tax was below the level required for that element to vest.

Total Director remuneration is therefore at around a 'target' policy level overall (and notably lower than the prior year).

KEY SECTIONS OF THIS REPORT

Having reviewed these outcomes, the Committee believes these are appropriate in the context of the performance achieved for the Group (taking account of the targets set at the start of the year), and in the context of the progress against our strategic objectives and the re-positioned new Tate & Lyle with the enhanced value proposition we have created for all shareholders.

IMPACT OF THE SPECIAL DIVIDEND AND SHARE CONSOLIDATION ON SHARE AWARDS

Following completion of the Transaction, a return of capital by way of a special dividend was approved by shareholders on 26 April 2022. This was accompanied by an associated share consolidation, intended to preserve the market value of a share pre and post the special dividend, (as explained in the shareholder circular). The Committee gave careful consideration to the appropriate treatment of share incentive participants (which extend to a broader management group beyond executive directors) in the context of the special dividend and share consolidation. As these participants did not receive the special dividend, and the intention of the share consolidation was to maintain equivalent market value of a share pre and post the special dividend, the Committee confirmed (having taken advice on the prevailing market practice) that awards should remain in effect over the original number of shares (allowing the special dividend and the share consolidation to offset one another).

CONCLUDING REMARKS

The Committee is satisfied that, at the time of writing, our Policy will continue to provide for a strong alignment between the performance of Tate & Lyle and the remuneration of the Executive Directors. A resolution to approve the Remuneration Report will be proposed at the AGM on 28 July 2022.

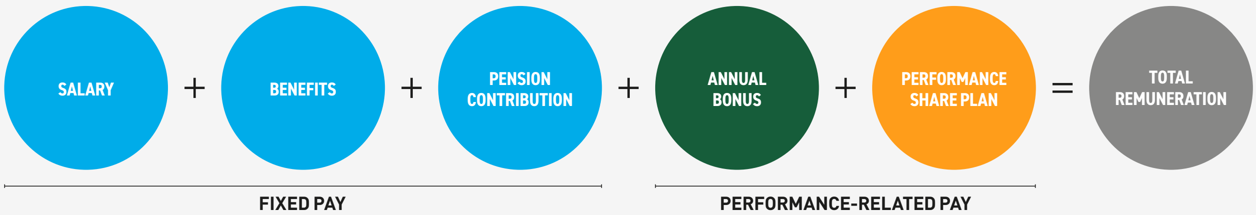
In closing, I would like to thank Anne Minto for her stewardship of the Committee before I assumed the chair following the 2021 AGM; and my fellow members of the Committee for their diligence and engagement through the year, particularly regarding the additional matters we have considered in relation to the Transaction.

SYBELLA STANLEY
Remuneration Committee Chair

REMUNERATION AT A GLANCE

Our remuneration philosophy is simple: we offer competitive packages that mean we can recruit, develop and motivate excellent people wherever they are in the world – people who are not only highly skilled at their jobs, but those who believe in our purpose and will therefore help us create sustainable, long-term, profitable growth. This philosophy applies to all our people.

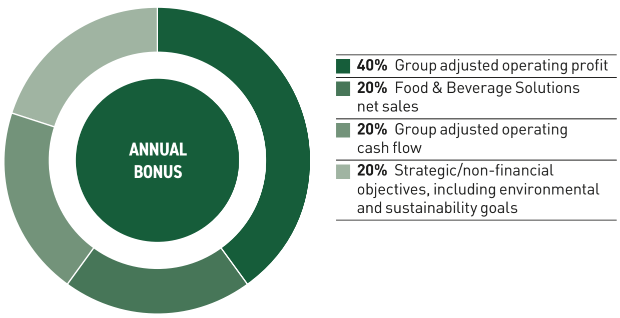
WHAT ARE THE COMPONENTS OF OUR EXECUTIVES' REMUNERATION?



Shareholding requirements: CEO 4 x salary; CFO 3 x salary

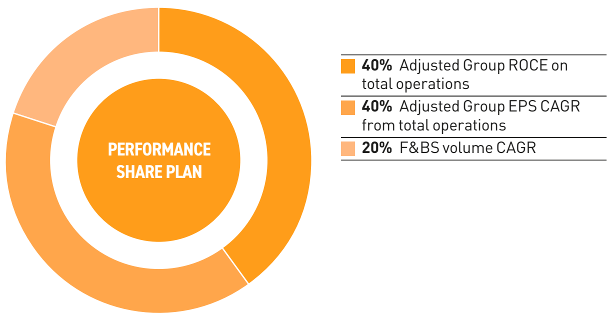
HOW DID WE DETERMINE PERFORMANCE-RELATED PAY IN 2022?

Annual bonus metrics
Rewards achievement of annual performance objectives:



- Target bonus is 75% of salary; Maximum is 150%
- Maximum cash bonus is 100% of salary
- Any award over 100% is paid in shares, deferred for two years, subject to clawback

Performance share plan awards vesting in 2022
Rewards achievement of long-term strategic objectives:



- Maximum award is 300% of salary
- Only 15% of the award vests at 'threshold'
- A five-year timeframe applies: three-year performance period plus a two-year post-vesting holding period

HOW DID TATE & LYLE PERFORM IN 2022?

Food & Beverage Solutions volume	Food & Beverage Solutions revenue	Adjusted profit before tax – continuing operations	Adjusted diluted earnings per share (EPS) – total operations	Adjusted free cash flow – continuing operations	Group return on capital employed (ROCE) – total operations
+5%	**+19%**	**+14%**	**-4%**	**-£81m**	**-240bps**
	£1,212m	£145m	56.0p	£72m	14.9%

The adjusted results for the year ended 31 March 2022 have been adjusted to exclude exceptional items, amortisation of acquired intangible assets, the tax on those adjustments and tax items that are themselves exceptional. A reconciliation of statutory and adjusted information is included in Note 4 to the Financial Statements. Growth percentages are calculated on unrounded numbers and are in constant currency.

HOW DID ACTUAL PERFORMANCE COMPARE TO THE PERFORMANCE-RELATED PAY TARGETS?

Annual bonus

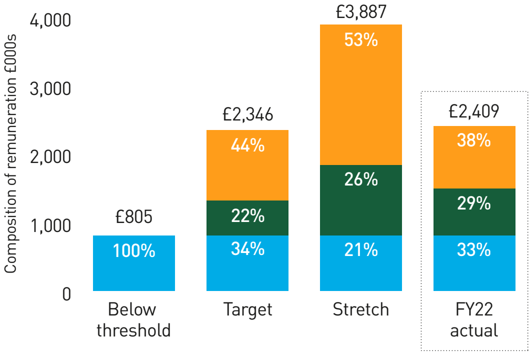
METRICS	THRESHOLD	TARGET	STRETCH	Actual	OUTCOME (% OF MAX)
Group adjusted operating profit before tax, exceptional items, amortisation and net retirement benefit interest (40%)	309	324	338	324	50%
Food & Beverage Solutions net sales (20%)	1,431	1,530	1,560	1,691	100%
Group adjusted operating cash flow (20%)	281	296	311	292	40%
Non-financial personal and strategic performance (20%)		50%	100%	90%	90%
Overall outcome annual bonus (% of max)		50%	100%	67%	67%

Performance share plan awards made in 2019 vesting in 2022

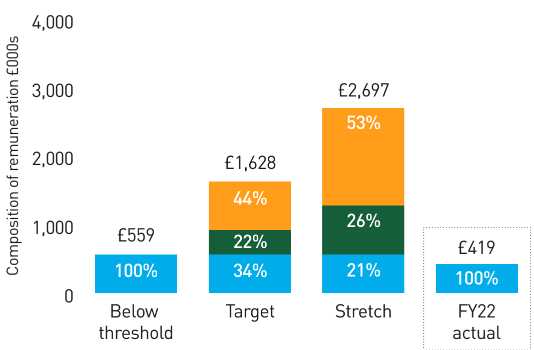
METRICS	THRESHOLD	TARGET	STRETCH	Actual	OUTCOME (% OF MAX)
Adjusted Group ROCE on total operations (40%)	13%		17%	16.1%	33%
Adjusted Group EPS CAGR total operations (40%)	5%		10%	1.9%	0%
Food & Beverage Solutions volume CAGR (20%)	2%		6%	3.4%	9%
Overall outcome annual bonus (% of max)	15%		100%	42%	42%

REMUNERATION OUTCOMES VS POLICY SCENARIOS FOR THE YEAR ENDED 31 MARCH 2022

Chief Executive – Nick Hampton



Chief Financial Officer – Vivid Sehgal



- Base and Benefits
- Annual Bonus
- Performance Share Plan

SUSTAINABILITY PERFORMANCE IN 2022

Total operations

Scope 1 and 2 greenhouse gas emissions reduction	Beneficial use of waste	Water use intensity
-12%	**83%**	**+3%**

See pages 30 and 56 for more detail and how performance links to our 2030 targets.

THE YEAR AHEAD

2021 Policy amendment reflected changes to:

- Performance Share Plan awards - to enable the adoption of non-financial metrics (ESG, sustainability and purpose-related) in respect of up to 20% of each award.

The current Policy will apply without change in the year ahead:

- The Committee believes that our Policy continues to provide an effective overall framework that is aligned with our long-term ambition, generating returns for shareholders, and value creation for our broader stakeholders.

ANNUAL REPORT ON REMUNERATION

PREPARATION OF THIS REPORT

This Report has been prepared in accordance with the requirements of the Companies Act 2006 (the Act) and Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, the Listing Rules of the UK Listing Authority and the UK Corporate Governance Code. Ernst & Young LLP have audited such content as required by the Act (the information marked as '(audited)').

RESOLUTION TO APPROVE THE ANNUAL REPORT ON REMUNERATION AT THE 2022 AGM

A resolution to approve this Annual Report on Remuneration will be proposed at the AGM on 28 July 2022.

THE REMUNERATION COMMITTEE

COMMITTEE MEMBERSHIP AND MEETINGS DURING THE YEAR

The Remuneration Committee comprised the following independent non-executive directors during the year: Anne Minto (Committee Chair until 29 July 2021 when she stepped down from the Board), Sybella Stanley (became Committee Chair from 29 July 2021), Lars Frederiksen, Warren Tucker and Patrícia Corsi (from joining the Board on 1 May 2021). Dr Isabelle Esser joined the Committee with effect from 1 June 2022. The Company Secretary serves as secretary to the Committee. Membership and attendance during the year are set out on page 89.

The Chair of the Board; the Chief Executive; the Chief Human Resources Officer; and the VP, Global Compensation and Benefits may be invited to attend meetings to assist the Committee, although none is present or involved when his or her own remuneration is discussed.

The Committee met five times during the year, and twice after the end of the financial year and before the signing of this Annual Report. The Committee's external advisor attends each meeting to provide independent advice, and also provides regular updates to the Committee on relevant corporate governance and market-related developments to ensure that the Committee's decisions take Group strategy and the needs of the business into account, while reflecting investor and governance expectations.

MAIN RESPONSIBILITIES OF THE REMUNERATION COMMITTEE

The Committee has a formal calendar of items for consideration. The main responsibilities of the Committee include:

- Assessing the appropriateness of executive remuneration in the context of the Group's strategy and priorities as well as overall competitiveness, informed by data from independent, external sources
- Setting the detailed remuneration of the Executive Directors, designated members of senior management, and the Chair of the Board (in consultation with the Chief Executive), including: base salary or fees, annual bonus, long-term incentives, benefits, and contractual terms
- Setting performance targets for awards made to senior executives under the annual bonus plan and the long-term incentive plan, and reviewing performance outcomes
- Reviewing the broader operation of the annual bonus and Performance Share Plans, including participation and overall share award levels
- Reviewing workforce remuneration policies and engagement in accordance with the UK Corporate Governance Code
- Reviewing its own effectiveness each year.

The Committee's terms of reference, which are reviewed annually, are available on the Company's website, www.tateandlyle.com.

COMMITTEE EFFECTIVENESS

The Committee Chair carried out an internally facilitated review of its effectiveness and sought feedback from the Committee members, certain members of senior management and the external advisor. The output was discussed by the Committee. This concluded that the Committee continued to operate effectively throughout the year and confirmed the intended areas of focus for the year ahead.

COMMITTEE ADVISOR

The Committee appointed Deloitte LLP to act as external advisor following a review and competitive tender process in 2012, with a change in lead advisor in 2019. As part of its annual processes, the Committee considered and confirmed that advice received during the year from Deloitte LLP was objective and independent. Deloitte LLP is a signatory to the Remuneration Consultants' Code of Conduct; this gives the Committee additional confidence that the advice received is objective and independent of conflicts of interest. Fees charged by Deloitte LLP for the provision of remuneration advice to the Committee amounted to £34,750 for the year ended 31 March 2022, with fees charged on a time incurred basis. During the year ended 31 March 2022, Deloitte LLP also provided unrelated services to the rest of the Group in respect of corporate finance, consulting, tax and compliance.

REMUNERATION POLICY

SUMMARY OF THE DIRECTORS' REMUNERATION POLICY

Executive Directors' remuneration consists of base salary, annual bonus, long-term incentives/share awards, and retirement and other benefits as summarised in the 'at a glance' section on pages 110 and 111. Each component has a clear purpose, and the variable elements are driven by achievement against relevant financial and non-financial performance indicators which have a clear link to Company strategy and purpose. A strong alignment with shareholders' interests is maintained through a weighting of the package towards performance-based reward as well as significant personal shareholding requirements imposed on each Executive Director. Safety and broader environmental, sustainability and corporate responsibility matters are specific factors that the Committee may factor into decisions on pay and annual incentive plan outcomes. Malus and clawback provisions apply to incentive awards following release.

Non-executive directors receive fees, relating to their Board and Committee responsibilities, and do not receive additional benefits or participate in incentive arrangements.

Directors' Remuneration Policy (Policy) was approved by shareholders at the AGM on 23 July 2020 (with 97% of votes cast to support the resolution), and an amendment to the Policy was approved by shareholders on 30 September 2021 (with 99% of votes cast to support the resolution) to enable the adoption of non-financial ESG metrics to be included for PSP awards from 2021, as described on page 121. The full Policy, incorporating that amendment, is available on the Company's website (www.tateandlyle.com/investors-hub).

The Committee retains discretion on specific aspects of Policy and implementation, as described in the Policy, along with an overriding discretion to determine bonus outcomes and judge the level at which share awards vest, to ensure that payments are consistent with the underlying financial health and performance of the business, within the maximum opportunity stated in the Policy tables.

The Committee may make minor changes to the Policy without seeking shareholder approval, for example, to benefit the administration arrangements, or to take account of changes in legislation. Any such changes would be disclosed in the relevant Annual Report.

SERVICE CONTRACTS

The Group's policy regarding Executive Directors' service contracts and appointment terms is to take account of market practice, and to ensure that provisions in relation to notice periods or termination payments are not excessive, as well as to ensure that contracts provide appropriate protection for the Group, for example, in relation to restrictions on competition, solicitation of customers or employees, and the protection of intellectual property. Executive Directors are employed under service contracts that provide for six months' notice from the executive and 12 months' notice from the Company.

The Chair and non-executive directors have letters of appointment and do not have service contracts or notice periods. Under the terms of their appointment, they are usually expected to serve on the Board for between three and nine years, subject to their re-election by shareholders. The Chair and non-executive directors receive a fee for their services, and do not participate in the Group's incentive or pension schemes, do not receive any other benefits, and have no right to compensation if their appointment is terminated.

Service contracts for Executive Directors and letters of appointment for the Chair and non-executive directors are available for inspection at the Company's registered office.

EXECUTIVE DIRECTORS' EXTERNAL APPOINTMENTS

The Board believes that the Group can benefit from Executive Directors holding external non-executive directorships. Such appointments are subject to approval by the Board and are normally restricted to one position for each Executive Director. Fees may be retained by the Executive Director concerned.

STATEMENT OF SHAREHOLDER VOTING

The Remuneration Policy was approved by shareholders at the AGM on 23 July 2020 and an amendment was approved on 30 September 2021. The last Annual Report on Remuneration was approved by shareholders at the AGM on 29 July 2021. The following voting outcomes were disclosed after the relevant AGM:

RESOLUTION	TOTAL FOR (NUMBER OF VOTES)	% OF VOTE	TOTAL AGAINST (NUMBER OF VOTES)	% OF VOTE	VOTES WITHHELD[1] (NUMBER OF VOTES)
Directors' Remuneration Policy – 23 July 2020	333,350,795	97.24%	9,474,353	2.76%	1,515,345
Annual Report on Remuneration – 29 July 2021	334,425,571	96.48%	12,211,637	3.52%	1,704,959
Amendment Directors' Remuneration Policy – 30 September 2021	337,351,740	99.29%	2,427,714	0.71%	92,074

1 Votes withheld are not counted in the calculation of the proportion of votes for or against a resolution.

IMPLEMENTATION OF THE REMUNERATION POLICY IN THE FINANCIAL YEAR ENDING 31 MARCH 2023

As a Committee, we believe that our Policy continues to provide an effective overall framework that is aligned with long-term success and returns to shareholders. No changes have been made to the Policy or its operation, subsequent to the amendment approved by shareholders in September 2021, and we intend to operate within this Policy in the year ahead.

DIRECTORS' REMUNERATION REPORT CONTINUED

CONTEXT FOR EXECUTIVE REMUNERATION

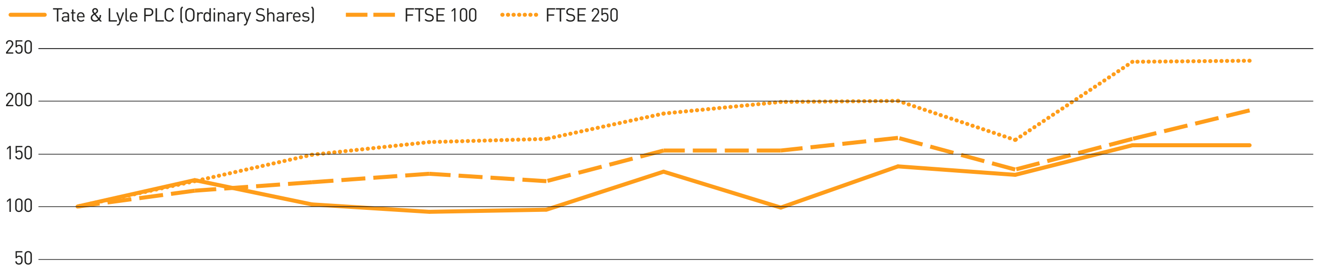
WE OPERATE IN AN INTERNATIONAL CONTEXT

Although we are UK-listed and headquartered in London, UK, only c.1% of our revenue[1] is made in the UK and only c.5% of our global workforce are located in the UK. Accordingly, it is important that our remuneration arrangements are and remain competitive in that international context.

1 Geographic sales (from total operations) as per Note 5.

TOTAL SHAREHOLDER RETURN AND CHIEF EXECUTIVE'S PAY

The chart illustrates cumulative total shareholder return (TSR) performance of the Company in comparison with the FTSE 100 and FTSE 250 indices, as they represent a broad equity market with constituents comparable in size and complexity to the Company. The chart shows the value of £100 invested in each Index and the Company in the 10 years from 31 March 2013.



	31 MARCH 2013	31 MARCH 2014	31 MARCH 2015	31 MARCH 2016	31 MARCH 2017	31 MARCH 2018	31 MARCH 2019	31 MARCH 2020	31 MARCH 2021	31 MARCH 2022
Chief Executive's[1] total remuneration (£000s per single figure table)										
Nick Hampton	n/a	n/a	n/a	n/a	n/a	n/a	3 045	2 499	3 246	2 409
Javed Ahmed	5 367	2 728	996	2 139	3 239	3 672	n/a	n/a	n/a	n/a
Annual bonus (% of max)	18%	1.6%	0%	77%	80%	72%	53%	78%	90%	67%
LTI vesting (% of max)	100%	67.7%	0%	10.9%	50%	100%	75%	62.5%	57.3%	42%

1 Nick Hampton has served as Chief Executive since his appointment on 1 April 2018. Javed Ahmed served as Chief Executive from his appointment on 1 October 2009 until 1 April 2018.

COMPARISON OF MOVEMENT IN DIRECTOR AND BROADER EMPLOYEE REMUNERATION

The table below shows the percentage change in remuneration of Directors[1] and the broader employee population for the year ended 31 March 2022 vs year ended 31 March 2021.

2022 v 2021	DR GERRY MURPHY	NICK HAMPTON	VIVID SEHGAL	JOHN CHEUNG	PAUL FORMAN	LARS FREDERIKSEN	ANNE MINTO	KIMBERLY NELSON	SYBELLA STANLEY	WARREN TUCKER	PATRICIA CORSI[2]	AVERAGE EMPLOYEE
Salary/fees	0%	3%	0%	0%	0%	0%	0%	0%	13%[4]	0%	n/a	3%[5]
Benefits[3]	n/a	-20%[7]	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-1.2%[6]
Bonus[3]	n/a	-24%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-14%

1 Figures for Directors are consistent with the values shown in the Single Figure table (see page 126 for explanatory notes).
2 Patrícia Corsi joined the Board during the year, so there is no prior year comparison.
3 The Chair and non-executive directors do not receive benefits nor participate in bonus arrangements.
4 Fee increases for Sybella Stanley were due to changes in Board responsibilities when she became the Remuneration Committee Chair on 29 July 2021.
5 The salary review process ran as normal this financial year, with average employee salaries increasing by 3% from 1 April 2021.
6 No changes to benefits policies were made in the year. The reduction in the total value reflects headcount changes and individual employee benefit elections (for example reduction in the take up of certain benefits) which has reduced the overall cost of provision year on year.
7 CEO retirement benefits reduced to 15% of salary to align with the wider employee population from 1 April 2021.

The table below shows the percentage change in remuneration of Directors[1] and the broader employee population for the year ended 31 March 2021 vs year ended 31 March 2020.

2021 v 2020	DR GERRY MURPHY	NICK HAMPTON	IMRAN NAWAZ	VIVID SEHGAL[1]	JOHN CHEUNG[1]	PAUL FORMAN	LARS FREDERIKSEN	ANNE MINTO	KIMBERLY NELSON	DR AJAI PURI	SYBELLA STANLEY	WARREN TUCKER	AVERAGE EMPLOYEE
Salary/fees	0%	0%	0%	n/a	n/a	5%[3]	0%	0%	0%	0%	0%	8%[3]	0-3%[4]
Benefits[2]	n/a	0%	-88%[6]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-8%[5]
Bonus[2]	n/a	15%	-100%[6]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	18%

1 Vivid Sehgal and John Cheung joined the Board during the year, so there is no prior year comparison. Kimberly Nelson joined in the prior year and there is no change in annual fee.
2 The Chair and non-executive directors do not receive benefits nor participate in bonus arrangements.
3 Fee increases for Paul Forman and Warren Tucker were due to changes in Board responsibilities.
4 As described in last year's report, salary increases (typically 3%) were awarded to employees in our manufacturing facilities, effective April 2020, while discretionary salary increases for the broader management population were limited. The salary review process has run as normal this year, with average employee salaries increasing by 3% from 1 April 2021.
5 No changes to benefits policies were made in the year. The reduction in the total value reflects headcount changes and individual employee benefit elections (for example reduction in the take up of certain benefits) which has reduced the overall cost of provision year on year.
6 Imran Nawaz – stepped down as a director on 31 March 2021 and left employment on 30 April 2021.

RELATIVE IMPORTANCE OF SPEND ON PAY

	YEAR ENDED 31 MARCH 2022	YEAR ENDED 31 MARCH 2021	% CHANGE
Remuneration paid to or receivable by employees of the Group (total operations)	£360m	£347m	4%
Distributions to shareholders (by way of dividend and purchase of ordinary shares)	£149m	£137m	9%

The year-on-year variance in employee remuneration is attributable to factors including foreign exchange rate movements (reflecting our significant US employee base) as well as variable pay arrangements driven by Group financial performance.

The year-on-year change in 'distributions to shareholders' reflects dividend payments £144 million up from the prior year £137 million, this excludes the special dividend payment that will be reported in our financial year ended 31 March 2023. The purchase of shares to satisfy share incentive awards in the current year to 31 March 2022 was £5 million, the purchase of shares for the prior year £nil. See Notes 13 and 22 for further information.

UK GENDER PAY RATIO

Our two employing businesses in the UK each employ fewer than the 250-employee threshold for reporting gender pay statistics. Therefore, we elect to report voluntarily. The Committee supports gender pay reporting and the actions taken in the business to drive gender balance, supporting a culture of inclusion which is representative of our communities. We are committed to providing opportunities based on capability and talent, irrespective of gender, ethnicity, or culture. See page 48 for more information.

CEO PAY RATIO

Key principles of our people strategy are to provide competitive remuneration for each role in a way that enables the Group to recruit, retain and motivate high-calibre individuals so that we may deliver consistently strong operational performance and financial results; and to provide opportunities to employees for career and salary progression over time, reflecting each individual's contribution and capabilities.

Reflecting our commitment to high standards of governance and transparency, we have reported on the ratio of CEO pay to UK employee pay since 2019. Data representing employees at the 'median', 'upper' and 'lower' quartiles are as follows:

CEO PAY RATIO VS UK EMPLOYEES

YEAR	LOWER QUARTILE	MEDIAN	UPPER QUARTILE
2022 – pay ratio (total compensation)	49x	25x	14x
2022 – representative employee salary	£20,621	£60,825	£108,446
2022 – representative employee total compensation	£48,748	£97,860	£175,464
2021 – pay ratio (total compensation)	71x	37x	21x
2020 – pay ratio (total compensation)	55x	27x	13x
2019 – pay ratio (total compensation)	74x	39x	20x

In the table above, total compensation has been calculated for all UK employees individually as at 31 March 2022 in a consistent manner for comparison with the CEO 'single figure' total compensation figure in the table on page 126, adjusted only to provide a consistent comparison of employee data on a full-time equivalent basis. (This approach is known as 'Method A' in the reporting regulations and was selected because it provides greater consistency in comparison).

The Committee notes that the median pay ratio figure of 25x has decreased and is the lowest figure reported to date. The overall ratio is driven primarily by performance-related (incentive) outcomes, the value of which is greater for Executive Directors than employees, and the reduction in the ratio this year reflects lower overall CEO remuneration for the year (with variable pay outcomes at around 'target').

The Committee notes that the 'median' employee is not a participant in the long-term performance share plan. As such, the ratio remains sensitive to financial performance and consequently to incentive plan outcomes and share price performance (which may lead to greater variability in the CEO pay figure as compared with the broader employee group) over time.

CONSIDERATION OF SHAREHOLDER VIEWS

The Chair of the Remuneration Committee engages with our major institutional shareholders each year specifically on remuneration topics, alongside the Board's shareholder engagement programme.

Detailed consultation was undertaken in 2018-2019 in conjunction with changes to the operation of our incentive plans (and reduction in overall incentive opportunity), and ahead of the renewal of our Remuneration Policy in 2020 – which received overwhelming support from our shareholders.

We consulted with a broad group of our largest shareholders on an amendment to our Policy in connection with the Transaction, to enable the adoption of non-financial (ESG, sustainability and purpose-related) targets (in respect of up to 20% of each award) alongside the introduction of relative TSR performance and retaining key financial key performance metrics. Shareholders approved this amendment to our policy on 30 September 2021 (with more than 99% of votes cast in approval). Details of these changes are on page 121.

The Committee also receives regular updates on investors' views and corporate governance matters. These lines of communication ensure that emerging best practice principles are factored into the Committee's decision-making during the year.

STATEMENT OF CONSIDERATION OF EMPLOYMENT CONDITIONS IN THE GROUP

The principles on which we base remuneration decisions for executives (as described on page 116) are consistent with those on which we base remuneration decisions for all employees. In particular, the Committee takes into account the general pay and employment conditions of other employees of the Group when making decisions on Executive Directors' remuneration. This includes considering the levels of base salary increase for employees below executive level, and ensuring that the same principles apply in setting performance targets for executives' incentives as for other relevant employees of the Group. The Committee also reviews information on bonus payments and share awards made to the broader management of the Group when determining awards and outcomes at Executive Director level.

The Committee considers workforce remuneration matters in greater detail at the November meeting each year, and has taken steps to engage with employees on the matters covered by the Code. The Committee did not consult directly with employees on Directors' remuneration, however developed the policy for Executive Directors with an understanding and clear oversight of remuneration for the wider workforce. The Chair and other members of the Board enjoy engagement opportunities from time to time with employees across the Company, where employees are provided updates on the Company and its performance and are encouraged to ask questions about the Company, which may include questions on management and remuneration.

General employee salary increases were preserved throughout the pandemic except for a salary freeze for management roles in 2020. Management and the Committee have been mindful of the prevailing inflationary and cost of living challenges in many of the countries in which we operate when reviewing the level of salary increases to take effect from 1 April 2022.

REMUNERATION FRAMEWORK AND KEY PRINCIPLES

The Group's remuneration strategy and principles apply consistently to employees, managers and executives.

Our remuneration philosophy is simple: we offer competitive packages that mean we can recruit, develop and motivate excellent people wherever they are in the world. By excellent we mean people who are not only highly skilled at their jobs, but those who believe in our purpose and will therefore help us create sustainable, long-term, profitable growth.

- Our approach is designed to be equitable, transparent and globally consistent, recognising that we recruit talented individuals and operate in an international market
- Base pay and benefits are referenced to the comparative local market, taking account of company size and operations
- Assessments of performance and potential provide meaningful opportunities for career and salary progression, based on an individual's skills and contribution over time
- Individuals in key roles that can drive annual and longer-term performance may be selected to participate in our sales incentive plan, or the annual bonus plan, and/or the Performance Share Plan, to encourage the achievement of genuinely stretching short-term and long-term objectives
- All aspects of remuneration are designed to encourage a focus on long-term, sustained performance and risk management. Outcomes must be achieved in a way that is consistent with the Group's values and Code of Ethics, and that foster sustainable, profitable growth
- Alignment with shareholders' long-term interests is carefully preserved by linking senior executive pay to performance; effective governance around remuneration decisions; setting targets that challenge management to drive high performance; the adoption of shareholding guidelines at senior executive levels; and appropriate malus and clawback provisions.

OVERVIEW OF EXECUTIVE DIRECTOR REMUNERATION FRAMEWORK FOR THE YEAR ENDED 31 MARCH 2022 AND FOR THE YEAR AHEAD

The table below summarises the operation of our current remuneration arrangements. We received strong shareholder support for our Directors' Remuneration Policy at the 2020 AGM, following consultation with shareholders. Reductions in the maximum bonus opportunity and to the Executive Director pension benefits to align with the UK workforce from 1 April 2021, were adopted into the Remuneration Policy approved at the 2020 AGM. An amendment to the Directors' Renumeration Policy was approved in September 2021 to permit up to 20% of Performance Share Plan awards from 2021 to be linked to Environmental, Sustainability and Governance (ESG) metrics.

BASE SALARY AND EMPLOYMENT BENEFITS	●
– Fixed compensation	Market competitive salary and benefits to attract the right calibre of executives: – Benefits include health insurance, car benefit and defined contribution retirement benefits – Executive Director retirement benefit levels are aligned to the rate available to the UK workforce
ANNUAL BONUS	●○○
– 40% Group adjusted operating profit – 20% Food & Beverage Solutions[1] net sales – 20% Group adjusted operating cash flow – 20% Strategic objectives	Rewards achievement against annual performance objectives: – Target bonus is 75% of salary; maximum cash bonus is 100% of salary – Maximum opportunity is 150% of salary – Any award over 100% is paid in shares, deferred for two years, subject to clawback – 80% of the bonus is calculated by reference to financial performance conditions – 20% of the bonus is linked to strategic objectives to create additional value over time For the year ahead, the Food & Beverage Solutions net sales metric will be replaced with Group net sales.
PERFORMANCE SHARE PLAN	●●●○○
Awards made in 2019 and 2020: – 40% Group adjusted EPS – 20% Food & Beverage Solutions[1] volume – 40% Group adjusted ROCE	Supports the Group's strategy to create shareholder value by incentivising sustained profit growth and capital efficiency, growing the Food & Beverage Solutions division, and to motivate and retain senior talent: – Maximum award is 300% of salary; 15% of the award vests at 'threshold' – Awards subject to a three-year performance period plus a two-year post-vesting holding period – five-year total. Conditions for awards made from 2021 include the adoption of non-financial (ESG, sustainability and purpose-related) targets as well as 'total shareholder return' relative to an identified peer group, following shareholder consultation and approval (as described on page 121).
SHAREHOLDING REQUIREMENTS	▶▶▶▶▶
– Chief Executive – 4 times salary – Chief Financial Officer – 3 times salary	Since the 2020 Policy renewal, a post-employment shareholding requirement also applies: for a period of two years following cessation, an Executive Director will be required to maintain a shareholding in keeping with the guideline prevailing at the time of their departure, or their actual holding on departure (if lower).
MALUS AND CLAWBACK PROVISIONS	
	Apply for two years after a bonus award or vesting of PSP awards.

Key: Number of years: ● Performance period ○ Deferral/holding period ▶ Ongoing requirements

1 Food & Beverage Solutions metrics relate to the reportable segment.

EXECUTIVE DIRECTOR CHANGES

VIVID SEHGAL – RESIGNED AS CHIEF FINANCIAL OFFICER

Vivid Sehgal left Tate & Lyle stepping down from the Board on 3 November 2021 and ceased employment on 31 December 2021. The Committee recognises Vivid's contribution to the business during his tenure. However, under the terms of his appointment, variable pay awards were forfeited on cessation of employment.

DAWN ALLEN – APPOINTED AS CHIEF FINANCIAL OFFICER

As announced on 9 February 2022, Dawn Allen joined the Board on 16 May 2022 and became Chief Financial Officer. Dawn receives an annual salary of £475,000. Retirement benefits are 15% of salary, consistent with our commitment to offer Executive Director arrangements in line with those available to the wider UK workforce.

Dawn participates in the Executive Director incentive arrangements applicable under our Policy from her commencement date.

As described in the announcement, to compensate Dawn for incentive awards that she forfeited at Mars Incorporated, Tate & Lyle will make her two performance-based Awards over Tate & Lyle shares: (i) an Award with a headline value of £785,000 which will be capable of vesting on the first anniversary of employment with Tate & Lyle, subject to achievement of performance conditions relating to specified individual and business objectives; and (ii) an Award with a headline value of £950,000, subject to the same performance conditions as Performance Share Plan Awards made to Executive Directors in 2021, and capable of vesting following the announcement of full-year financial results for the year ending 31 March 2024. These compensatory awards will be subject to forfeiture/repayment in full if she ceases to be employed in the first 36 months of employment due to her resignation or dismissal for cause.

FIXED ELEMENTS OF DIRECTORS' PAY

EXECUTIVE DIRECTORS' SALARIES

The Remuneration Committee reviews Executive Director salaries at the start of each financial year.

Nick Hampton was appointed Chief Executive with effect from 1 April 2018, and received no increase until 2021 (while retirement benefits were reduced by 10% of salary). The Committee has approved an increase with effect from 1 April 2022 at a level that is in line with the broader workforce (being 4%) taking his annual salary to £712,400.

As previously announced, Dawn Allen was appointed to the Board on 16 May 2022 as CFO on a salary of £475,000.

EXECUTIVE DIRECTORS' PENSION ENTITLEMENTS (AUDITED)

As described in last year's report, and reflected in our 2020 Policy renewal, retirement benefits provided to Executive Director roles in the UK have been reduced to 15% of salary, with effect from 1 April 2021. This 15% level aligns with the rate generally available to the broader UK workforce.

CHAIR'S AND NON-EXECUTIVE DIRECTORS' FEES

Fees are reviewed annually, in accordance with our stated Policy, by the Committee (excluding the Board Chair) in respect of the Board Chair's fee, and by the Board Chair and the Executive Directors in respect of other non-executive directors' fees.

At the annual review in March 2022, it was noted that no increases had been awarded since 1 April 2018. However, taking into account the general market and economic context, it was agreed that fees would not be increased at this review. Fees, based on individual Director responsibilities, remain as shown in the table below:

FEES (PER ANNUM) AS AT 1 APRIL (£)	2022	2021	% CHANGE
Basic fees			
Board Chair	350 000	350 000	0%
Non-executive director	68 000	68 000	0%
Senior Independent Director	78 800	78 800	0%
Supplemental fees			
Chair of Audit Committee	18 050	18 050	0%
Chair of Remuneration Committee	13 550	13 550	0%

ANNUAL BONUS

The bonus structure described below has applied since 1 April 2019. 80% of the bonus is linked to financial performance conditions, with 20% linked to the achievement of specific 'business strategic' non-financial objectives, to capture the actions and performance necessary to create additional value over time, including environmental and sustainability goals.

Objectives are established by the Committee at the start of the year, reflecting the Group's corporate financial and strategic priorities for the year ahead. Achievements against those objectives are reviewed by the Committee at the end of the year to determine a bonus outcome.

In determining final bonus outcomes, the Committee has due regard to the shareholder and broader stakeholder experience and the overall financial performance of the business.

OPPORTUNITY (% OF SALARY)	FINANCIAL METRICS (80% OF TOTAL):						STRATEGIC OBJECTIVES (20% OF TOTAL)
THRESHOLD: 20% TARGET: 75% MAXIMUM: 150%	GROUP ADJUSTED OPERATING PROFIT (40% OF TOTAL)	+	GROUP ADJUSTED OPERATING CASH FLOW (20% OF TOTAL)	+	FOOD & BEVERAGE SOLUTIONS NET SALES (20% OF TOTAL)	+	ALIGNED TO STRATEGIC AND OPERATIONAL PRIORITIES

A minimum level of profit must be achieved before a bonus can be earned for other metrics.
Awards are subject to Remuneration Committee discretion: taking into account underlying business performance; and environmental, health and safety performance.

Note: Bonus metrics relate to adjusted metrics and targets are set and actual performance is assessed at budgeted exchange rates for comparability, consistent with our practice in prior years. Performance may therefore differ from the corresponding metrics included in the financial statements.

To eliminate potential volatility due to the pass-through of corn price in our sales, Food & Beverage Solutions sales and Group adjusted operating cash flow targets are set and actual performance assessed at constant (budgeted) corn price and exchange rates, to ensure a like-for-like assessment.

Adjusted operating cash flow is adjusted free cash flow before the impact of retirement cash contributions, net interest and tax paid, and excludes movements for corn-related derivative and margin call movements compared with those included in the budget.

DEFERRAL INTO SHARES

Bonus awards up to 100% of base salary are paid in cash. Any excess above 100% of base salary is paid in the form of deferred shares. The shares are released after two years subject to the Executive Director remaining in service with the Group and carry the right to receive a payment in lieu of dividends (but not the special dividend) between award and release.

MALUS AND CLAWBACK PROVISIONS

Both the cash and share elements are subject to malus and clawback provisions for a period of 24 months following the award. This means that they may be recouped in whole or in part, at the discretion of the Committee, in the exceptional event that results are found to have been misstated or if an Executive Director commits an act of gross misconduct. With effect from the 2020 Policy renewal, 'corporate failure' is included within these provisions.

BONUS ARRANGEMENTS FOR THE YEAR AHEAD

This bonus structure will be retained for the year ahead, however following the Transaction we completed to position Tate & Lyle as a food and beverage solutions focused business (see page 16), the Food & Beverage Solutions net sales metric (which previously related to divisional performance) will be replaced with net sales from the Group total business, supporting our strategic ambition for growth. As in previous years, the Board considers that bonus targets for the year ahead are commercially sensitive because they may reveal information about the business plan that may damage our competitive advantage, and accordingly does not disclose these on a prospective basis. However, we continue our practice of reporting targets in full, and the level of performance achieved, for each year just ended.

ASSESSMENT OF BONUS FOR THE YEAR ENDED 31 MARCH 2022

As described on the following pages, the Committee has made a careful assessment of performance in determining bonus outcomes for the year ended 31 March 2022. As described in the Chair's statement, as we entered the year, near-term priorities relating to Covid remained front of mind: to look after our people (and communities), to keep our operations running and our customers served (and meet their needs for an agile response and continued innovation), and to maintain the financial strength of the business.

Our bonus arrangements are linked to stretching targets set at the start of each year against key metrics linked to our strategic goals.

Accordingly, targets were set on the basis of 'total Group' performance, prior to the Transaction which was announced on 12 July 2021 to separate our key business divisions (described on pages 16 and 17) and which completed on 1 April 2022. Accordingly, for bonus purposes, to enable an appropriate assessment against targets as originally set on a consistent basis, it has been necessary to assess 'total Group' performance across all metrics, and to normalise for the impact of the Transaction on cash flow (as described below), which means that some of the figures here are different from those relating to 'continuing operations' shown elsewhere in the report and accounts.

In accordance with our shareholder-approved Remuneration Policy, the Committee carefully considered the impact of the Transaction in order to maintain the principle that, where appropriate, certain adjustments should be made, if required, to ensure a fair and equitable assessment of performance against the targets that were originally set.

For the year ended 31 March 2022, adjusted free cash flow from continuing operations was £72 million and adjusted free cash flow from total operations was £16 million. Consistent with our past practice and disclosure, certain mechanical adjustments were made for retirement benefit arrangements, net interest paid, net tax paid, foreign exchange, M&A activities, as well as our standard adjustments to normalise for grain procurement activities versus assumptions made at the time of setting the annual business plan. After making such adjustments, the resultant cash flow measure was £186 million versus a target of £296 million.

A key further driver of the cash performance for the year were factors relating to the separation of the businesses and the closing of the Transaction, which completed on 1 April 2022. The most significant of which related to the increased working capital of what became the Primient business. Immediately on closing the Transaction, additional cash proceeds of US$120 million were received by the Group because of the working capital mechanism negotiated by management.

In addition, ahead of closing the Transaction, the Group took certain necessary actions with respect to inventory balances within the retained business and customer invoicing activities. Such actions were taken to enable the successful close of the Transaction and to ensure continuity of operations and supply following IT systems separation and operational cutover up to closing. These activities negatively impacted working capital and cash flow in the final month of the year in the retained business by £41 million.

Accordingly, upon due consideration, the Committee judged that adjustments to the cash flow performance to reflect these unique circumstances were appropriate, resulting in an assessment of adjusted operating cash flow of £292 million. The accuracy of these adjustments was validated by the independent external auditor. The Committee is satisfied that this assessment is appropriate in the context of and consistent with overall business and strategic performance, as well as the broader stakeholder experience.

BUSINESS AND PERFORMANCE CONTEXT FOR BONUS OUTCOMES FOR THE YEAR ENDED 31 MARCH 2022

Alongside the technical assessment of performance referred to above, the Committee has considered the bonus outcomes (as set out below) and considers these appropriate in the context of: achieving a major transformation of the business to position Tate & Lyle as a focused speciality food and beverage solutions business; delivering significant strategic progress (for example through the growth of New Product revenue and strategic acquisitions that augment our portfolio); and driving strong financial performance for the year, despite continuing external challenges – and alongside the meaningful actions taken to further our purpose, particularly in relation to our environmental commitments, and to support our people through Covid-19 and the current inflationary challenges:

FINANCIAL HIGHLIGHTS:

Continuing operations (New Tate & Lyle):
- Revenue growth +18%; adjusted operating profit before tax +14%
- Positive momentum in Food & Beverage Solutions: +5% volume and +19% revenue growth; +7% adjusted operating profit £160m
- Sucralose profit[1] +15% at £61m reflecting strong demand in beverages; Revenue +13%; Volume +15%
- Acceleration in New Product revenue +35%

Discontinued operations (Primient):
- (9)% lower in Primary Products profit[1] to £146m with Sweeteners and Starches (42)%, and Commodities profits +52%

Total operations:
- (7)% Group satutory profit after tax; free cash flow £16m; (4)% adjusted diluted earnings per share
- Return on capital employed of 14.9%, 240 bps lower mainly from discontinued operations profit

PURPOSE AND STRATEGY PROGRESS:
- Exit from use of coal in all operations 4 years earlier than committed helped drive 12% reduction in Scope 1 and 2 absolute greenhouse gas emissions from 2019 baseline
- Tate & Lyle commits to become carbon net zero by 2050
- Building agile, ambitious and diverse culture: 42% of top 500 managers at 1 April 2022 are women
- New targets established to progress equity, inclusion and diversity over the next eight years
- Beneficial use of waste – increased to 83% in total operations; water use reduced by 3% in continuing operations

LOOKING AFTER OUR PEOPLE:
- Introduced four new behaviours to underpin our growing culture of innovation
- Thorough review of annual salary increases in the context of high inflation and cost of living increases; the salary review was reflective of the latest inflation information
- New equity, diversity and inclusion targets published
- In the year, 1.2 million nutritious meals provided to people in need in our local communities (2.9 million meals provided over two years)
- Dedicated employee communications and internal social media channels, with regular messages driving engagement with the members of the executive team

1 Adjusted operating profit, percentage change in constant currency.

ANNUAL BONUS FOR THE YEAR ENDED 31 MARCH 2022 (AUDITED)

The table below provides further information on each metric, the targets set at the start of the year and actual performance for the year.

BONUS METRIC	LINK TO STRATEGY	WEIGHTING	TARGET RANGE: THRESHOLD	TARGET RANGE: TARGET	TARGET RANGE: STRETCH	ACTUAL PERFORMANCE IN THE YEAR ENDED 31 MARCH 2022	BONUS OUTCOME: % OF MAX	BONUS OUTCOME: % OF SALARY
Group adjusted operating profit before tax, exceptional items, amortisation and net retirement benefit interest	Measures the underlying profit generated by the total business and whether management is converting growth into profit effectively	40%	£309m	£324m	£338m	£324m	50%	30%
Food & Beverage Solutions net sales	Captures 'top line' value-based performance of the Food & Beverage Solutions division	20%	US$1,431m	US$1,530m	US$1,560m	US$1,691m	100%	30%
Group adjusted operating cash flow	Provides a focus on managing working capital and converting profit into cash effectively	20%	£281m	£296m	£311m	£292m	40%	12%
Non-financial personal and strategic performance	Measures non-financial performance key to achieving corporate goals	20%	See page 120 for details			Chief Executive	90%	27%
						Chief Financial Officer[2]	N/A	N/A
Financial underpin	The Committee also considers the Group's safety and overall financial performance to ensure that the results are a true reflection of the underlying strength and performance of the Group.							

Based on these performance outcomes, annual bonus awards to Executive Directors[1] for the year ended 31 March 2022 have been determined as follows:

		% OF MAX	% OF SALARY
Nick Hampton	Chief Executive	67%	100%
Vivid Sehgal	Chief Financial Officer (ceased employment on 31 December 2021)	0%[2]	0%[2]

Any bonus up to 100% of base salary is paid in cash and any balance is paid in the form of deferred shares, as described above.

1 Bonus targets are set and actual performance is assessed at constant (budget) exchange rates, reflecting consistent practice with prior years.
2 Vivid Sehgal stepped down from the Board on 3 November 2021 and ceased employment on 31 December 2021 – any bonus award was forfeit on ceasing employment.

DIRECTORS' REMUNERATION REPORT CONTINUED

ANNUAL BONUS CONTINUED

STRATEGIC NON-FINANCIAL OBJECTIVES

20% of each Executive Director's bonus opportunity is linked to performance against individual business strategic measures. Payment of this element of the bonus is subject to achievement of a minimum profit hurdle (which has been achieved for the year).

Non-financial objectives are established through a process involving the Nominations and Remuneration Committees, reflecting corporate priorities for the year ahead, to drive progress against EHS and broader purpose goals, and to develop the Group's culture. For the year just ended, these reflected key priorities to support our people and customers in response to the pandemic, and to drive progress against our environmental and sustainability commitments.

Achievements against those objectives, including specific KPIs, are reviewed by the Committee at the end of the financial year, and a bonus outcome is determined accordingly. The Committee's assessment of the bonus outcome, and key achievements against specific objectives are shown below. Business strategic objectives such as M&A pipeline and customer relationships are often commercially sensitive.

The Committee's assessment against non-financial objectives is summarised below in relation to the Chief Executive (Nick Hampton).

CEO (NICK HAMPTON)			
Sharpen the focus on our customers and key categories	**OBJECTIVE(S):** – Create best-in-class solutions selling capability across the three platforms of sweetening, mouthfeel and fortification – Develop prioritised investment and execution plans in our key markets **KEY ACHIEVEMENT(S):** – Double-digit revenue growth across all regions in Food & Beverage Solutions – Maintained strong connection with key customers – Value of wins from new business pipeline increased by 23% – Opened new Customer Innovation and Collaboration Centres in Dubai and Chile **OUTCOME:** ✔✔✔✔	Accelerate portfolio development: innovation, partnerships, strategy development and M&A readiness	**OBJECTIVE(S):** – Bring new products and solutions to market faster – Successfully integrate acquisitions – Expand our portfolio and strengthen platforms – Develop M&A pipeline and drive opportunities to conclusion **KEY ACHIEVEMENT(S):** – New Products revenue increased by 35% (products launched from innovation pipeline in the last seven years) – 10 New Products and over 30 stevia sweetener solutions launched from innovation pipeline – Integration of stevia and tapioca acquisitions made in the 2021 financial year progressing well – Agreement to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd, a leading fibre business in China **OUTCOME:** ✔✔✔✔✔
Simplify the business and deliver productivity improvements	**OBJECTIVE(S):** – Execute separation of Group into two standalone companies – Increase investment in new Tate & Lyle to lay foundations for future growth – Create a culture of continuous improvement – Reducing costs and increasing productivity **KEY ACHIEVEMENT(S):** – Delivered major strategic milestone by successfully executing complex separation of business into Tate & Lyle and Primient – Projects to build growth capacity underway with total capital expenditure in 2023 financial year expected to be in the £90 million to £100 million range – Productivity programme exceeded target of US$150 million of benefits over a six-year period ending 31 March 2024 two years ahead of schedule. Total benefits since the programme started are US$158 million – Total operations delivered US$34 million of benefits during the year of which US$26 million was realised from projects in our operations and US$8 million from Selling, General & Administrative savings **OUTCOME:** ✔✔✔✔✔	Culture and Governance, including Environmental, Health, Safety and Governance (ESG) and social purpose	**OBJECTIVE(S):** – Further embed purpose within the organisation – Launch fresh culture for 'new' Tate & Lyle post business separation – Take actions to progress equity, diversity and inclusion across the business – Deliver progress on published purpose targets and commitments **KEY ACHIEVEMENT(S):** – Developed and championed new purpose of Transforming Lives through the Science of Food to reflect ambition and focus of new Tate & Lyle. – Building agile, ambitious and diverse culture with four new behaviours introduced to encourage greater innovation and experimentation – New targets established to progress equity, diversity and inclusion over next eight years – Scope 1 and 2 greenhouse gas emissions 12% lower (total operations) from 2019 baseline – Eliminated the use of coal in all our operations – Expanded sustainable agriculture programme for stevia in China **OUTCOME:** ✔✔✔✔

Bonus outcome (Nick Hampton)	**OVERALL OUTCOME: 18/20** 27% of salary

LONG-TERM INCENTIVE – PERFORMANCE SHARE PLAN

The Performance Share Plan (PSP) provides a share-based incentive to closely align Executive Directors' and senior executives' interests with the strategy and with the interests of shareholders over the long term.

MAXIMUM AWARD LEVEL

Awards to Executive Directors and other senior executives have been granted at the discretion of the Committee, with flexibility for the Committee to make awards of up to 300% of base salary where appropriate to ensure market competitiveness, while taking into account Group performance. Individual awards made in any year are considered by the Committee on a case-by-case basis. This overall limit has not been increased since 2010. The level of vesting if threshold conditions are met is 15% of the total award.

VESTING OUTCOME FOR AWARDS MADE IN 2019

The table below summarises the assessment of actual performance against the conditions set for the award made in 2019.

METRICS FOR AWARDS 2019	LINK TO STRATEGY	TARGET RANGE (THRESHOLD-STRETCH)	ACTUAL PERFORMANCE OUTCOME FOR 2019 AWARD	COMBINED VESTING OUTCOME FOR 2019 AWARD
Adjusted Group ROCE (40%)	Drives efficient investment for value-added returns from the total business	13%–17% in the final year of the three-year performance period	16.1% (in range)	42% of the 2019 award will vest – Group ROCE performance is in range required while F&BS operating profit growth performed in range, and adjusted earnings per share % was below the target range required
Group adjusted earnings per share (40%)	Key performance metric to drive sustainable long-term profitable growth	5%–10% p.a. three-year compound growth	1.9% p.a. (below threshold)	
F&BS volume growth (20%)	Lead indicator of strategy execution and F&BS value growth	2%–6% p.a. three-year compound growth	3.4% p.a. (in range)	

Note: Targets are set and performance is assessed at reported exchange rates. F&BS metrics relate to the reportable segment. Earnings per Share performance has been assessed prior to the share consolidation approved 26 April 2022 and effective 3 May 2022.

As described in previous reports, the Committee carefully considers the impact of M&A activity (in accordance with our shareholder-approved Remuneration Policy) and maintains the principle that, where appropriate, certain adjustments should be made, if required, to ensure a fair and equitable assessment of performance against targets that were originally set.

To enable a consistent assessment of performance for the award made in 2019, ROCE performance has been adjusted to reflect the full-year impact of the Board-approved acquisitions of SGF and CMS (announced in the year ended 31 March 2021), deducting both the aggregate profit generated by these acquired businesses as well as their impact on average invested operating capital. In addition, consistent with the approach set out above for Group adjusted operating cash flow, certain adjustments were made to average invested operating capital for the impact of working capital investment ahead of the Transaction. The net impact of these adjustments was to increase ROCE from 14.9% to 16.1%. The Committee believes that such adjustments are reasonable and that the resultant vesting outcome is appropriate in the context of overall business performance and in the context of the broader stakeholder experience.

PERFORMANCE CONDITIONS APPLICABLE TO AWARDS GRANTED FROM 2021

The Transaction we announced on 12 July (see page 16) strategically re-positions Tate & Lyle as a focused global food and beverage solutions business and, as such, created an appropriate opportunity to adopt long-term performance conditions to reflect our strategic ambition for the future. Metrics and targets for awards from 2021 were considered carefully by the Committee, taking into account a number of reference points, including internal and external benchmarks of performance and global market growth in the speciality food ingredient industry.

As part of this process, we consulted with a broad group of our largest shareholders on the proposed arrangements and took their feedback into account in finalising these arrangements for the future. Shareholders approved an amendment to our Directors' Remuneration Policy on 30 September 2021, (with more than 99% of votes cast), to enable the adoption of non-financial (ESG, sustainability and purpose-related) targets alongside the introduction of relative TSR performance and retaining key financial key performance metrics. The framework adopted for 2021 awards, which also applies for the year ahead, reflects the strategic focus of our business and our ambition for the future in financial and shareholder value terms, but also in terms of the contribution we can make to our people, communities, and the environment. These metrics, and the strategic rationale, are summarised below. The target ranges shown below for each metric were carefully considered by the Committee, taking into account the investment case we set out for shareholders along with the proposed Transaction, and our ambition for growth, as well as historic and competitor/customer financial performance. This approach is intended to place a clear focus on long-term strategic growth and market out-performance, to drive long-term value creation.

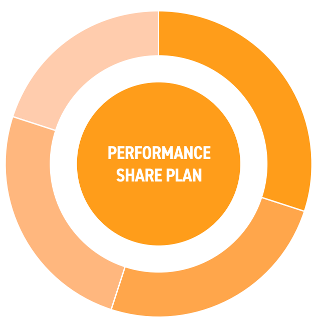
Performance share plan awards granted in 2019 and 2020

Rewards achievement of long-term strategic objectives approved following review in 2016:

- **40%** Adjusted Group ROCE on total operations
- **40%** Adjusted Group EPS CAGR from total operations
- **20%** F&BS volume CAGR

Performance share plan awards granted in 2021 onwards

Rewards achievement of long-term strategic objectives for new Tate & Lyle:



- **30%** Compound annual organic revenue growth
- **25%** Relative Total Shareholder Return
- **25%** Adjusted Group ROCE
- **20%** Purpose and sustainability metrics: reduction in greenhouse gas emissions, beneficial use of water, reduction in water use, and gender diversity

DIRECTORS' REMUNERATION REPORT CONTINUED

LONG-TERM INCENTIVE – PERFORMANCE SHARE PLAN CONTINUED

METRICS FOR AWARDS FROM 2021 (WEIGHTING)	RATIONALE FOR METRIC (LINK TO INVESTMENT CASE)	TARGET RANGE (THRESHOLD-STRETCH)
Compound annual organic revenue growth (30%)	Key performance metric to drive long-term profitable growth	3% – 8% p.a. three-year compound annual growth over the three-year Performance Period
Relative Total Shareholder Return (25%)	External measure of shareholder value/return	'Median' to 'upper quartile' relative to global industry peers (see below) over the three-year Performance Period
Adjusted Group ROCE (25%)	Drives disciplined and efficient investment for value-added returns from the total business	13% – 17% in the final year of the three-year performance period
Purpose and sustainability metrics (20%): Reduction in greenhouse gas emissions, beneficial use of water, reduction water use and gender diversity	Central to positioning as a purpose-led organisation e.g. aligned to our commitment to be carbon neutral by 2050	Targets linked to ESG and sustainability commitments aligned with existing 2030 commitments, to be re-stated to reflect our business post-Transaction (and disclosed via our Purpose Report)

Targets for financial metrics are set, and performance is assessed at, reported exchange rates.

The TSR comparator group is comprised of the following businesses, chosen as they represent global peers and industry participants that collectively provide an appropriate benchmark for performance: AAK (Sweden), Archer Daniels Midland (US), Balchem (US), Christian Hansen (Denmark), Corbion (Netherlands), Croda (UK), DSM (Netherlands), Givaudan (Switzerland), Glanbia (Ireland), IFF (US), Ingredion (US), Kerry (Ireland), Novozymes (Denmark), Sensient (US), Symrise (Germany). In selecting a comparator group, the Committee noted that a number of more direct competitors are not publicly listed.

PERFORMANCE UNDERPIN

Before any shares are released in relation to any award, the Committee must also be satisfied that the level of vesting determined by performance against these targets is justified by the broader underlying financial performance of the Group.

Recognising the importance of the dividend to our investors, the Committee retains a specific discretion to reduce PSP vesting if dividends paid by the Group over the performance period do not conform with our stated dividend policy (recognising this has been rebased in connection with the Transaction).

POST-VESTING HOLDING PERIOD

Executive Directors are required to hold shares for a two-year period after the end of the three-year performance period; the combined total is five years. This holding period sits alongside the existing personal shareholding requirements and clawback/malus provisions and demonstrates a strong long-term alignment with shareholder interests.

MALUS AND CLAWBACK PROVISIONS

Awards made under the PSP are subject to malus and clawback provisions for a period following the vesting date and extending to the fifth anniversary following the date of grant. During this period, the Committee may determine that an award will lapse wholly or in part (or may require that a participant shall repay up to 100% of the value of any award that has vested by virtue of performance), in the event of circumstances including the following: material misstatement of financial results; misconduct which justifies, or could justify, summary dismissal of the participant; or if information emerges which would have affected the value of the original award that was granted to a participant, or the level at which the performance conditions were judged to have been satisfied. For awards made following the 2020 Policy renewal, corporate failure will be included within these provisions.

IMPACT OF CAPITAL EVENTS

In keeping with our Policy, the impact on the incentive plans arising from a merger or acquisition or other material corporate activity is specifically considered by the Committee, and the Committee retains the authority to vary the performance targets to ensure that these are neither easier nor more demanding than the original targets. This principle remains important as we seek to grow the business through organic sales growth and improved organic returns, as well as value-added strategic M&A-related activity over time.

IMPACT OF SPECIAL DIVIDEND AND SHARE CONSOLIDATION ON SHARE AWARDS

Following completion of the Transaction, a return of capital by way of a special dividend (of £1.07 per ordinary share) was approved by shareholders on 26 April 2022. This was accompanied by an associated share consolidation, to maintain the comparability, so far as possible, of Tate & Lyle's share price before and after the special dividend (as explained in the shareholder circular). In this context, the Committee gave careful consideration to the appropriate treatment of share incentive participants (which include a broader management group beyond Executive Directors). As these participants did not receive the special dividend, and as the intention of the share consolidation was to maintain equivalent market value per share pre and post the special dividend, the Committee confirmed (having also taken advice on the prevailing market practice) that awards should remain in effect over the original number of shares, to maintain the headline value of awards (allowing the special dividend and the share consolidation to offset one another).

CHANGE OF CONTROL

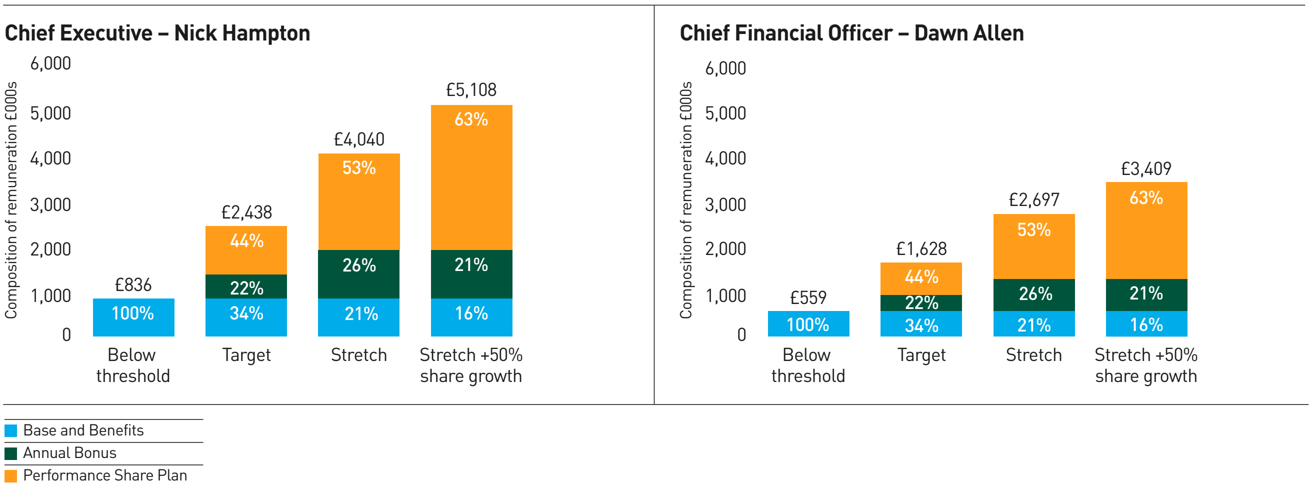
The Company's share plans contain provisions relating to a change of control. Outstanding awards would normally vest in full and become exercisable on a change of control, subject to the satisfaction of any performance conditions assessed at that time, and, at the Committee's discretion, in proportion to the time served during the performance period.

ARRANGEMENTS FOR THE YEAR AHEAD

The same performance metrics and targets as adopted following shareholder approval in 2021 are intended to apply for awards made in the year ahead and will be kept under review ahead of the grant in any year to ensure they remain appropriately stretching.

APPLICATION OF REMUNERATION POLICY FOR THE YEAR AHEAD

The charts below illustrate the value that may be delivered from each element of the package under different performance scenarios, for the financial year ahead (reflecting the structural reduction in bonus opportunity and a reduction in pensions benefit levels adopted in the 2020 Remuneration Policy). The charts also illustrate the incremental value that would be delivered under a 'stretch' performance scenario if the share price increased by 50% between award and release of the long-term incentive award (under which scenario all shareholders would benefit from similar gains).



STATEMENT OF DIRECTORS' SHARE AWARDS (AUDITED)

AWARDS MADE DURING THE YEAR ENDED 31 MARCH 2022 (AUDITED)

	AWARD	TYPE OF AWARD	DATE OF GRANT	NUMBER OF SHARES	FACE VALUE OF AWARD	PERFORMANCE CONDITIONS	PERFORMANCE PERIOD	% OF VESTING AT THRESHOLD
Nick Hampton	Performance Share Plan[1]	Conditional award	21 July 2021	284 259	2 054 993	Organic revenue growth (30%); Relative Total Shareholder Return (25%); Adjusted Group ROCE (25%); Purpose and sustainability metrics (20%)	Three financial years ending 31 March 2024 plus two-year holding period	15%
	Group Bonus Plan[2]	Conditional award	21 July 2021	32 195	232 747	None	Two-year deferral	n/a
Vivid Sehgal[3]	Performance Share Plan[1]	Conditional award	21 July 2021	197 114	1 424 996	Organic revenue growth (30%); Relative Total Shareholder Return (25%); Adjusted Group ROCE (25%); Purpose and sustainability metrics (20%)	Three financial years ending 31 March 2024 plus two-year holding period	15%
	Group Bonus Plan[2]	Conditional award	21 July 2021	1 095	7 916	None	Two-year deferral	n/a

1 Under the terms of the Performance Share Plan approved by shareholders, the number of shares comprising an award in any year is calculated based on the average share price over the last three months of the preceding financial year, being 722.93. pence per share for the 2021 award. In 2021, the Committee approved awards of 300% of salary for the Chief Executive and 300% of salary for the Chief Financial Officer, which is within our approved Remuneration Policy. Performance conditions applicable to PSP awards made in 2021 are described on pages 121 and 122.

2 Deferred bonus awards were granted under the annual bonus plan (as described on page 118). The full value of these awards has been previously disclosed for each Director in the single figure table in last year's Annual Report and is similarly included in the 2021 figure in the single figure table on page 126 of this Report. The share allocation was made during the year ended 31 March 2022, and shown in the table above, based on the average share price over the last three months of the preceding financial year, being 722.93p per share for the 2021 award. Deferred bonus awards were subject to performance conditions in the year ended 31 March 2021, and remain subject to continued employment in accordance with the Scheme rules.

3 The awards made to Vivid Sehgal have been forfeited as a result of his resignation and cessation of employment on 31 December 2021.

STATEMENT OF DIRECTORS' SHAREHOLDINGS (AUDITED) CONTINUED

SHARE AWARDS MADE IN FINANCIAL YEARS TO 31 MARCH 2021 (AUDITED)

The table below sets out the current position of share-based awards made to Executive Directors.

	AS AT 31 MARCH 2021 (NUMBER)	AWARDS VESTED DURING YEAR (NUMBER)	AWARDS LAPSED DURING YEAR (NUMBER)	AWARDS EXERCISED DURING YEAR (NUMBER)	AS AT 31 MARCH 2022 (NUMBER)	MARKET PRICE ON DATE AWARDS GRANTED (PENCE)	MARKET PRICE ON DATE AWARDS EXERCISED (PENCE)[1]	VESTING DATE
Nick Hampton								
Performance Share Plan[2]:								
2018	330 380	189 307	141 073	189 307	–	603.85	791.4	After 31/03/21
2019[3]	287 278	–	–	–	287 278	694.45	–	After 31/03/22
2020	273 295	–	–	–	273 295	729.98	–	After 31/03/23

1 Awards are structured as nil cost options; awards were exercised with a nil exercise price.
2 The performance conditions for the PSP awards made in 2019 and 2020 are described on page 121. The three-year performance period for these awards began on the first day of the financial year in which the award was granted. The performance conditions and vesting outcome for the 2018 award is described in the 2021 Annual Report.
3 The PSP award made in 2019 to Mr Hampton will vest at 42%, following the Committee's assessment of performance conditions (as described on page 121).

Executive Directors may participate in the HMRC-approved Sharesave Plan, under which option awards are granted on the same terms to all participating employees. These awards are not subject to performance conditions, and are normally exercisable during the six-month period following the end of the relevant three- or five-year savings contract. The exercise price reflects a 20% discount to market value as permitted under HMRC rules and is applicable to all participants.

	AS AT 1 APRIL 2021 (NUMBER)	OPTIONS VESTED DURING YEAR (NUMBER)	OPTIONS EXERCISED DURING YEAR (NUMBER)	OPTIONS LAPSED DURING YEAR (NUMBER)	AS AT 31 MARCH 2022 (NUMBER)	EXERCISE PRICE (PENCE)	EXERCISE PERIOD
Nick Hampton							
Savings-related options 2017	3 243	3 243	–	3 243[1]	–	555.00	01/03/21 to 31/08/21
Savings-related options 2021	3 321	–	–	–	3 321	542.00	01/03/25 to 31/08/25

1 Options lapsed due to a restriction in trading.

STATEMENT OF DIRECTORS' SHAREHOLDINGS (AUDITED) CONTINUED

PERSONAL SHARE OWNERSHIP REQUIREMENTS (POLICY ON EXECUTIVE SHARE OWNERSHIP)

The Committee believes that material personal investment in Company shares serves to strengthen the long-term alignment of interests between senior executives and shareholders.

Our executive shareholding requirements are considered to be more demanding and extend to a greater number of senior executives in the Group when compared with similar sized UK-listed companies.

- The Chief Executive has a target share ownership requirement of four times base salary, to be achieved within five years of appointment. Nick Hampton was appointed Chief Executive from 1 April 2018; following the share consolidation approved by shareholders on 26 April, Mr Hampton holds shares with a value of just under six times base salary, exceeding this requirement.
- Other Executive Committee members are subject to the share ownership policy, with target holdings at three times base salary.
- This policy extends to a broader group of executives who have senior leadership roles within the Group. The shareholding target for this group is equal to their base salary.

Under the shareholding policy, the value of deferred shareholdings is assessed net of income tax, at the prevailing share price. The Committee monitors progress against the share ownership requirements annually.

Awards made to Executive Directors under the PSP are subject to a mandatory two-year post-vesting holding period.

POST-EMPLOYMENT SHAREHOLDING POLICY

A post-employment shareholding requirement was introduced as part of the 2020 Policy renewal: Executive Directors will normally be required to maintain a shareholding in keeping with the guideline prevailing at the time of their departure, or their actual holding on departure (if lower), for a period of two years following cessation of employment.

DIRECTORS' INTERESTS (AUDITED)

The interests held by each person who was a Director during the financial year in the ordinary shares in the Company are shown below. All these interests are beneficially held, and no Director had interests in any other class of shares. The table also summarises the interests in shares held through the Company's various share plans.

	SHARES HELD AT 31 MARCH 2022[1]	AWARDS – CONDITIONAL ON PERFORMANCE[2]	SHARES – NOT CONDITIONAL ON PERFORMANCE[3]	OPTIONS – NOT CONDITIONAL ON PERFORMANCE	TOTAL AS AT 31 MARCH 2022	TOTAL AS AT 3 MAY 2022[4]	TOTAL AS AT 31 MARCH 2021
Chair							
Dr Gerry Murphy	30 000				**30 000**	**25 713**	20 000
Executive Directors							
Nick Hampton	645 300	844 832	47 682	3 321	**1 541 135**	**1 448 948**	1 454 651
Vivid Sehgal[5]	–	197 114	1 095	–	**–**		–
Non-executive Directors							
John Cheung	–				**–**	**–**	–
Paul Forman	10 000				**10 000**	**8 571**	10 000
Lars Frederiksen	15 000				**15 000**	**12 857**	15 000
Kimberly Nelson[6]	4 400				**4 400**	**3 711**	–
Sybella Stanley	4 983				**4 983**	**4 271**	4 983
Warren Tucker	11 603				**11 603**	**9 944**	4 321
Patrícia Corsi[7]	–				**–**	**–**	–

1 Includes shares owned by connected persons.
2 Awards under the PSP: PSP awards made in 2019 and 2020 were made as options with a nil exercise price; PSP awards made in 2021 were made as conditional shares as set out in previous tables.
3 Deferred share awards made under the Group Bonus Plan.
4 Shares held outright were subject to consolidation as agreed at the General Meeting on 26 April 2022, resulting in ordinary shareholders receiving six new ordinary shares with a nominal value of 29⅙ pence each for every seven existing ordinary shares with a nominal value of 25 pence each that they previously held. Interests in shares held through the Company's various share plans have not been subject to consolidation. The figures in this column represent consolidated shares held, and any interest in share plans.
5 Vivid Sehgal was appointed as a Director with effect from 1 March 2021 and resigned from the Company ceasing employment on 31 December 2021 and his awards have subsequently been forfeited.
6 Kimberly Nelson's shares are held as ADRs.
7 Patrícia Corsi was appointed as a Director with effect from 1 May 2021.

There were no other changes in Directors' interests in the period from 1 April 2022 to 8 June 2022 other than the reduction in the number of shares held outright, as a consequence of the share consolidation, as recorded in the column titled 'Interest in Shares as at 3 May 2022'.

DIRECTORS' REMUNERATION REPORT CONTINUED

SINGLE FIGURE TABLE (AUDITED)

£000S	SALARY/FEES		BENEFITS[1]		PENSION		TOTAL FIXED REMUNERATION		ANNUAL BONUS[3]		SHARE AWARDS		TOTAL VARIABLE REMUNERATION		TOTAL REMUNERATION	
YEAR ENDED 31 MARCH 2022	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Board Chair																
Dr Gerry Murphy	**350**	350		–		–	**350**	350		–		–		–	**350**	350
Executive Directors																
Nick Hampton	**685**	665	**17**	17	**103**	133	**805**	815	**686**	898	**918**[4]	1 533	**1 604**	2 431	**2 409**	3 246
Non-executive Directors[6]																
John Cheung	**68**	17		–		–	**68**	17		–		–		–	**68**	17
Paul Forman	**79**	79		–		–	**79**	79		–		–		–	**79**	79
Lars Frederiksen	**68**	68		–		–	**68**	68		–		–		–	**68**	68
Kimberly Nelson	**68**	68		–		–	**68**	68		–		–		–	**68**	68
Anne Minto[7]	**27**	82		–		–	**27**	82		–		–		–	**27**	82
Sybella Stanley	**77**	68		–		–	**77**	68		–		–		–	**77**	68
Warren Tucker	**86**	86		–		–	**86**	86		–		–		–	**86**	86
Patrícia Corsi[8]	**62**	–		–		–	**62**			–		–		–	**62**	
Former Executive Directors																
Imran Nawaz[2]	**39**	470	**1**	13	**6**	94	**46**	577	**–**	–	**–**	–	**–**	–	**46**	577
Vivid Sehgal[5]	**356**	40	**10**	1	**53**	6	**419**	47	**–**	48	**–**	–	**–**	48	**419**	95
Totals	**1 965**	1 993	**28**	31	**162**	233	**2 155**	2 257	**686**	946	**918**	1 533	**1 604**	2 479	**3 759**	4 736

1 Benefits for Executive Directors include health insurance and car allowance.
2 Imran Nawaz stepped down as a director on 31 March 2021 and left employment on 30 April 2021. Normal pay is included in the table above for the period 1 April 2021 to 30 April 2021.
3 Annual Bonus includes the value of deferred shares. The cash bonus award to Nick Hampton is £685,000.
4 This is the PSP award made in 2019. PSP award outcomes are discussed on page 121 and the value is included in this table above based on a share price of £7.61, being the closing price on 23 May 2022 when the Remuneration Committee determined the extent to which the performance conditions were met.
5 Vivid Sehgal was appointed to the Board on 1 April 2021 and stepped down from the Board on the 3 November 2021.
6 In accordance with the Group's expenses policies, non-executive directors receive reimbursement for their reasonable expenses for attending Board meetings. In instances where those costs are treated by HMRC as taxable benefits, the Group also meets the associated tax cost to the non-executive director through a PAYE settlement agreement with HMRC. Amounts are minimal and do not show in the table after rounding.
7 Anne Minto stepped down from the Board as anticipated, after the AGM on 29 July 2021.
8 Patrícia Corsi was appointed to the Board on 1 May 2021.

PAYMENTS TO PAST DIRECTORS AND PAYMENTS FOR LOSS OF OFFICE (AUDITED)

There have been no payments to past directors other than as disclosed in this Report. No loss of office payments have been made during the year.

EXECUTIVE DIRECTORS' EXTERNAL APPOINTMENTS

Nick Hampton was appointed as a non-executive director of Great Portland Estates plc on 17 October 2016 and under the terms of the Remuneration Policy is entitled to retain those fees.

On behalf of the Board

SYBELLA STANLEY
Chair of the Remuneration Committee

8 June 2022

DIRECTORS' REPORT

ABOUT THE DIRECTORS' REPORT

The Directors' Report comprises the Board of Directors from pages 78 to 81, Governance section from pages 84 to 107, the Directors' Report on pages 127 to 129 and the Useful Information section from pages 203 to 208. Other information that is relevant to the Directors' Report, and which is incorporated by reference into the Directors' Report, is disclosed as follows:

- Likely future developments and performance of the Company (throughout the Strategic Report)
- Engagement with suppliers, customers and others (throughout the Strategic Report and pages 90 to 94)
- Engagement with employees (pages 44 to 49 and 90 to 93)
- Respect for human rights (pages 44 to 49, 68 and 75)
- Going concern (page 42)
- Greenhouse gas emissions (pages 56 to 59)
- Financial instruments (Note 29)
- Post balance sheet events (Note 37).

RESULTS AND DIVIDEND

A review of the consolidated Group's results can be found from pages 12 to 75. An interim dividend of 9.0 pence per ordinary share was paid on 5 January 2022. The Directors recommend a final dividend of 12.8 pence per ordinary share to be paid on 5 August 2022 to shareholders on the register on 1 July 2022, subject to approval at the 2022 Annual General Meeting (AGM). The total dividend for the year is 21.8 pence per ordinary share (2021 – 30.8 pence).

The Trustees of the Tate & Lyle PLC Employee Benefit Trust (the EBT) have waived their right to receive dividends over their total holding of 4,035,372 ordinary shares as at 31 March 2022. The EBT's balance was consolidated on 3 May 2022 to a total holding of 3,458,890 ordinary shares.

RESEARCH AND DEVELOPMENT

The Group spend on research and development during the year was £41 million (2021 – £42 million).

ARTICLES OF ASSOCIATION

The Articles of Association set out the internal regulation of the Company and cover such matters as the rights of shareholders, the appointment and removal of Directors, and the conduct of the Board and general meetings. Copies are available on request and are displayed on the Company's website, www.tateandlyle.com.

In accordance with the Articles of Association, Directors can be appointed or removed by the Board or by shareholders in general meeting. Amendments to the Articles of Association have to be approved by at least 75% of those voting in person or by proxy at a general meeting of the Company. Subject to UK company law and the Articles of Association, the Directors may exercise all the powers of the Company, and may delegate authorities to committees, and may delegate day-to-day management and decision-making to individual Executive Directors. Details of the Board Committees can be found on pages 100, 102 and 108.

SHARE CAPITAL

As at 31 March 2022, the Company had nominal issued ordinary and preference share capital of £119 million, comprising £117 million in ordinary shares and £2 million in preference shares. To satisfy obligations under employee share plans, the Company issued 75,672 ordinary shares during the year. The Company issued 3,711 shares during the period from 1 April 2022 to 8 June 2022. Further information about share capital is in Note 23. Information about options granted under the Company's employee share plans is in Note 32.

The Company was given authority at the 2021 AGM to make market purchases of up to 46,846,926 of its own ordinary shares, and a renewed authority at the General Meeting held on 26 April 2022 to make market purchases of up to 40,160,062 of its own shares following the share consolidation. The Company made no purchases of its own ordinary shares during the year ended 31 March 2022, and the EBT purchased 1,250,000 ordinary shares during the year. This authority will expire at the 2022 AGM and approval will be sought from shareholders for a similar authority to be given for a further year.

RESTRICTIONS ON HOLDING SHARES

There are no restrictions on the transfer of ordinary and preference shares in the capital of the Company. No limitations are placed on the holding of shares and no share class carries special rights of control of the Company. There are no restrictions on voting rights other than those outlined in 'Shareholders' rights' on preference shares. The Company is not aware of any agreements between shareholders that may restrict the transfer or exercise of voting rights.

SHAREHOLDERS' RIGHTS

Holders of ordinary shares have the rights accorded to them under UK company law, including the rights to receive the Company's annual report and accounts, attend and speak at general meetings, appoint proxies and exercise voting rights.

Holders of preference shares have limited voting rights and may not vote on: the disposal of surplus profits after the dividend on the preference shares has been provided for; the election of Directors or their remuneration; any agreement between the Directors and the Company; or the alteration of the Articles of Association dealing with any such matters. Further details regarding the rights and obligations attached to share classes are contained in the Articles of Association which are available on the Company's website, www.tateandlyle.com.

DIRECTORS' INDEMNITIES AND INSURANCE COVER

The Company has agreed to indemnify the Directors, to the extent permitted by the Companies Act 2006, against claims from third parties in respect of certain liabilities arising out of, or in connection with, the execution of their powers, duties and responsibilities as Directors of the Company and any of its subsidiaries. The Directors are also indemnified against the cost of defending a criminal prosecution or a claim by the Company, its subsidiaries or a regulator, provided that where the defence is unsuccessful, the Director must repay those defence costs. These indemnities are qualifying indemnity provisions for the purposes of Sections 232 to 234 of the Companies Act 2006.

The Company also maintains directors' and officers' liability insurance cover, and reviews the level of cover each year.

DIRECTORS' REPORT CONTINUED

CHANGE OF CONTROL

At 31 March 2022, the Group had a committed bank facility of US$800 million with a number of relationship banks which contains change of control clauses. The Group also had US$800 million of Private Placement Notes which contain change of control provisions. In aggregate, this financing is considered significant to the Group and in the event of a takeover (change of control) of the Company, these contracts may be cancelled, become immediately payable or be subject to acceleration.

All the Company's share plans contain provisions relating to a change of control. Further information is set out in the Directors' Remuneration Policy.

DTR RULE 5 DISCLOSURE

The Company had been notified under Rule 5 of the Disclosure Guidance and Transparency Rules of the following holdings of voting rights in its shares during the financial year ended 31 March 2022:

	NUMBER OF SHARES	% HELD
Norges Bank	14,096,530	3.01%
Ameriprise Financial, Inc.	51,738,032	11.04%
BlackRock, Inc.	24,340,324	5.18%
Bank of America Corporation	35,593,060	7.6%

Since 31 March 2022, the Company was notified of the following changes in holdings:

	DATE	NUMBER OF SHARES	% HELD
Ameriprise Financial, Inc.	27 April 2022	50,736,287	10.83%
Bank of America Corporation	4 May 2022	34,499,474[1]	8.59%

1 This number represents the number of shares held following the share consolidation undertaken on 3 May 2022.

The Company has not been notified of any other changes in holdings between 1 April and 8 June 2022.

POLITICAL DONATIONS

In line with the Group's policy, no political donations were made in the UK or in any country other than the US. The Group's US business made contributions during the year totalling US$5,100 (£3,750) (2021 – US$3,950 (£3,038)) to state political party committees or political action committees, and to the campaign committees of state or local candidates affiliated to the major parties. In all, four separate donations were made, the largest being US$2,500 and the smallest being US$500.

US$4,500 (£3,300) (2021 – US$3,500 (£2,692)) was also contributed by the Tate & Lyle Political Action Committee (PAC). Three separate donations were made, the largest being of US$2,500 and the smallest being US$1,000. The PAC is funded entirely by US employees. Employee contributions are entirely voluntary and no pressure is placed on US employees to participate. No funds are provided to the PAC by Tate & Lyle but under US law, an employee-funded PAC must bear the name of the employing company.

Following completion of the sale of a controlling stake in the Primary Products business in the Americas on 1 April 2022, the Tate & Lyle PAC was transferred to the new joint venture Primient business. Going forward, Tate & Lyle's US business does not intend to make political donations or operate a PAC.

SUBSIDIARIES AND BRANCHES

A list of the Group's subsidiaries is set out in Note 39. The Group has branches in China, Hong Kong and New Zealand.

DISCLOSURE TABLE PURSUANT TO LISTING RULE LR 9.8.4C

In accordance with LR 9.8.4C, the table below sets out the location of the information required to be disclosed, where applicable.

APPLICABLE SUB-PARAGRAPH WITHIN LR 9.8.4C	PAGES
(1) Interest capitalised by the Group	n/a
(2) Unaudited financial information	43 and 206
(4) Long-term incentive scheme only involving a Director	none
(5) Directors' waivers of emoluments	n/a
(6) Directors' waivers of future emoluments	none
(7) Non pro-rata allotments for cash (issuer)	127
(8) Non pro-rata allotments for cash (major subsidiaries)	none
(9) Listed company is a subsidiary of another company	n/a
(10) Contracts of significance involving a Director	none
(11) Contracts of significance involving a controlling shareholder	n/a
(12) Waivers of dividends	127
(13) Waivers of future dividends	127
(14) Agreement with a controlling shareholder	n/a

DIRECTORS' STATEMENT OF RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards, and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- provide additional disclosures when compliance with the specific requirements in UK-adopted international accounting standards and in respect of the Company financial statements, FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and financial performance
- in respect of the Group financial statements, state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- in respect of the Company financial statements, state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Group and/or the Company will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Group and the Company financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

In accordance with Disclosure Guidance and Transparency Rule 4.1, the Directors confirm, to the best of their knowledge:

- that the Group financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and undertakings included in the consolidation taken as a whole;
- that the Annual Report, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position, performance, business model and strategy.

DISCLOSURE OF INFORMATION TO AUDITOR

So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and he or she has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

The Directors' Report on pages 78 to 107, pages 127 to 129 and pages 206 to 208 and the Directors' Remuneration Report from pages 108 to 126 of this Annual Report were approved by the Directors on 8 June 2022.

CLAIRE-MARIE O'GRADY
Company Secretary

8 June 2022

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

IN THIS SECTION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATE & LYLE PLC

Opinion

In our opinion:

- Tate & Lyle PLC's Group financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Tate & Lyle PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022 which comprise:

GROUP	PARENT COMPANY
Consolidated statement of financial position as at 31 March 2022	Balance sheet as at 31 March 2022
Consolidated income statement for the year then ended	Statement of changes in equity for the year then ended
Consolidated statement of comprehensive income for the year then ended	Related Notes 1 to 14 to the financial statements including a summary of significant accounting policies
Consolidated statement of changes in equity for the year then ended	
Consolidated statement of cash flows for the year then ended	
Related Notes 1 to 39 to the financial statements, including a summary of significant accounting policies	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting the audit.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included the following:

- We assessed the risk around going concern at the interim review and again at the planning and year-end phases of the audit;
- In conjunction with our walkthrough of the Group's financial close process, we confirmed our understanding of management's going concern assessment process and also engaged with management early to assess the key factors considered in its assessment;
- We obtained management's going concern assessment, including the cash flow forecast model and covenant calculation for the going concern period to 31 March 2024. The Group has modelled a number of downside scenarios in their liquidity forecasts in order to incorporate unexpected changes to the forecasted liquidity of the Group;
- We tested the clerical accuracy of the model used to prepare the Group's going concern assessment;
- We considered the appropriateness of the methods used to calculate the cash forecasts and determined through inspection and testing of the methodology and calculations, that the methods utilised were appropriate;
- We assessed management's ability to forecast with reference to historical accuracy of forecasts prepared for going concern and impairment tests in prior periods;
- We tested the inputs to the model, including cash and cash equivalents of £110 million (in the continuing business) at 31 March 2022, operating cash generation and financing commitments and agreed them to the latest Board-approved forecasts that factored in the downside scenarios. We confirmed the details of the available committed and undrawn US$800 million revolving credit facility, US$100 million of which expires in March 2025 and the remainder in March 2026, with reference to agreements and to third party confirmations;
- We assessed the reasonableness of the key assumptions, in the context of our understanding of the Group and its principal risks and from other supporting evidence gained from our audit work including review of minutes of board meetings and our procedures in respect of goodwill impairment reviews and on other external market data, including analyst forecasts and competitor trading updates;
- We checked that all debt repayments were included in the forecasts and that management had factored in other key events arising post year-end, including the receipt of £1.1 billion in provisional proceeds from the sale of the controlling stake in Primient, the special dividend paid of £497 million and the acquisition of Quantum (total consideration of US$237 million). We inspected bank statements to support the cash received from the disposal;
- We understood the potential downside scenarios that management had applied and assessed their likelihood and whether other more severe scenarios could apply and the associated impact on liquidity headroom;
- We considered the appropriateness of key assumptions in management's reverse stress testing and assessed the likelihood of the various scenarios that could erode liquidity headroom;
- We performed testing to evaluate whether the covenant requirements of the Group borrowings would be met under all base and downside scenarios;
- We reviewed minutes of board meetings, analysts' reports and trading updates released to the market from competitors and customers with a view to identifying any matters which may impact the going concern assessment and contradict the findings made from the procedures we performed above;
- We reviewed the Group's going concern disclosures included in the Directors' Report on page 127 and Note 1 to the consolidated financial statements on pages 145 and 146 in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent Company's ability to continue as a going concern for the period to 31 March 2024.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's or Parent Company's ability to continue as a going concern.

OVERVIEW OF OUR AUDIT APPROACH

Audit scope	– We performed an audit of the complete financial information of five components and audit procedures on specific balances for a further two components – The components where we performed full or specific scope audit procedures accounted for 84% of the adjusted profit before tax measure used to calculate materiality, 88% of revenue and 78% of total assets
Key audit matters	– Commodity co-product valuation – Revenue recognition, including the risk of management override – Tax impacts of the sale of the controlling stake in Primient
Materiality	– Overall Group materiality of £20 million which represents 5% of profit before tax adjusted for exceptional items and the Group's share of tax of joint ventures ('adjusted profit before tax')

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and effectiveness of Group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each entity.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, of the reporting components of the Group, we selected seven components covering entities within the US, UK, Brazil and Slovakia, which represent the principal business units within the Group.

Of the seven components selected, we performed an audit of the complete financial information of five components ('full scope components') which were selected based on their size or risk characteristics. For the remaining two components ('specific scope components'), we performed audit procedures on specific accounts within that component that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile.

In addition to the full scope components and specific scope components, we also instructed three components to perform specified procedures over certain aspects of the financial statements. This included procedures relating to cash and cash equivalents, inventory and the completeness and valuation of insurance provisions, to gain sufficient coverage over these balance sheet accounts at the year-end.

The table below illustrates the coverage obtained from the work performed by our audit teams.

	NUMBER		% GROUP ADJUSTED PROFIT BEFORE TAX		% GROUP REVENUE		% TOTAL ASSETS		SEE NOTES
YEAR ENDED 31 MARCH	2022	2021	2022	2021	2022	2021	2022	2021	
Full scope	5	5	80%	86%	74%	74%	76%	75%	A, B
Specific scope	2	2	4%	2%	14%	12%	2%	2%	A, C
Coverage	**7**	**7**	**84%**	**88%**	**88%**	**86%**	**78%**	**77%**	
Specified procedures	3	3	(2%)	2%	1%	1%	3%	9%	C
Remaining components	88	83	18%	10%	11%	13%	19%	14%	D
Total reporting components	98	93	100%	100%	100%	100%	100%	100%	

Notes
A. The Group audit risk in relation to revenue recognition was subject to audit procedures at one full scope and two specific scope components.
B. The Group audit risk in relation to Commodity co-product valuation was subject to audit procedures by the US component team.
C. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the Group.
D. Of the remaining components that together represent 18% of the Group's adjusted profit before tax, none are individually greater than 5% of the Group's adjusted profit before tax measure used to calculate materiality. For these components, we performed other procedures, including analytical review, testing of consolidation journals, intercompany eliminations and foreign currency translations recalculations to respond to any potential risks of material misstatement to the Group financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATE & LYLE PLC CONTINUED

Changes from the prior year

The full and specific scope components have not changed from the prior year as these components remain the most significant to the Group, by size and risk, and the coverage of the Group was consistent with the prior year audit.

On 12 July 2021, the Group announced that it has entered into an agreement to sell a controlling stake in the Primary Products business in the Americas, now called 'Primient', to KPS Capital Partners, LP (KPS) (the 'Transaction'). In preparation for the Transaction, certain legal entities were created to facilitate the sale. This did not significantly impact the scoping of the Group.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors from other EY global network firms operating under our instruction. Of the five full scope components, audit procedures were performed on two of these directly by the primary audit team with the remaining three being completed by a component auditor. For the two specific scope components, where the work was performed by component auditors, we determined the appropriate level of involvement to enable us to determine that sufficient audit evidence had been obtained as a basis for our opinion on the Group as a whole.

The Group audit team continued to follow a programme of planned visits that has been designed to ensure that the Senior Statutory Auditor physically visited the US, which is the most significant component to the Group, and which is also most impacted by the Transaction. Delegates of the Senior Statutory Auditor also physically visited the shared service centre in Poland given this contributes to the audits of a number of components. These visits involved meetings with local management, reviewing relevant working papers on risk areas and discussions with the component teams on the audit approach and any issues arising from their work.

The Group audit team regularly interacted virtually with all component teams where appropriate during various stages of the audit. Our virtual interactions involved using video technology and our global audit software to meet with our component teams to discuss and direct their audit approach, review relevant working papers and understand the significant audit findings, particularly over the risk areas identified. We also held meetings with local management and virtually attended all full scope and specific scope component audit closing meetings. We also met virtually with the non-EY firm audit team for the Group's joint venture in Mexico.

The above measures, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Group has determined that the most significant future impacts from climate change on their operations will be from disruption of production facilities, distribution networks as well as corn and stevia supply from acute weather events and incremental changes in climatic conditions. These are explained on pages 63-67 in the required Task Force for Climate related Financial Disclosures and on pages 68-75 in the principal risks and uncertainties, which form part of the 'Other information,' rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Group's disclosures in the financial statements and conclusion that no issues were identified that would impact the carrying values of assets with indefinite and long lives or have any other impact on the financial statements for Tate & Lyle PLC. We also challenged the Directors' considerations of climate change in their assessment of going concern and viability and associated disclosures.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT COMMITTEE
Commodity co-product valuation (Group) **The fair value adjustment of co-product inventory and executory purchase and sale contracts is £49 million (2021 – £33 million)** *Refer to the Audit Committee Report (page 104); Accounting policies (pages 146 and 147); and Notes 2, 29 and 30 of the Consolidated Financial Statements* The Group is exposed to price risk on the three co-products (corn gluten meal, corn gluten feed and corn oil) that are produced by the corn wet milling process. The price risk associated with the three co-products cannot readily be hedged through purchase or sale of derivatives as there are no actively traded markets for these specific co-products. Whilst the Group actively manages its overall co-product positions in the US, the Group can hold either a net long or short position for each co-product based on the volume of co-products made, bought and forward sold at any point in time. These positions are measured at fair value at each reporting date, with gains and losses recognised in the income statement. The valuation of co-products is identified as a key audit matter due to the significant judgement involved in the valuation of co-product positions.	We understood and evaluated management's process for managing the price risk inherent within its co-product positions and compared it with management's underlying risk management and accounting policies. To address the co-product valuation risk we performed the following principal procedures: – Lowered thresholds when determining sample sizes for testing prices used in the valuation of co-product inventory and forward sale and purchase contracts – Compared market prices used to contracted prices of companies in the sector that are collated by and quoted in Jacobsen's market publication and the Wall Street Journal, which each represent widely recognised third party sources – Validated the correlation and ratio of corn meal to soybean meal (quoted on Chicago Mercantile Exchange). We compared corn gluten meal prices to soybean meal prices to assist in evaluating the reasonableness of selected forward corn gluten meal prices – Tested the clerical accuracy of the calculations of gains or losses on contracts and reconciled values to the general ledger – Compared selected forward market prices to the competitor quotes obtained by management – Confirmed the terms of a sample of sales and purchase contracts with counterparties – Selected a sample of contracts executed prior to and subsequent to period end and compared the consistency of prices on the executed contracts to the market prices used in valuation. For any significant variances to the year-end market prices we held discussions with the traders to understand the variances – Performed trader inquiries to understand market dynamics and factors impacting pricing as of the year-end – Assessed the adequacy of the Group's commodities hedging documentation to assess compliance with IFRS 9 *Financial Instruments* requirements – Evaluated the adequacy and transparency of commodities disclosures The procedures detailed above were performed principally by the US component audit team and reviewed by the Group audit team.	No matters were identified that would indicate that the risk management and accounting policies were either inappropriate or not being followed. We concluded that the valuation of co-product inventory and forward purchase and sale contracts were materially correct.
Revenue recognition, specifically in relation to the risk of management override (Group) **£3,132 million (2021 – £2,807 million)** *Refer to the Accounting policies (page 151); and Note 5 of the Consolidated Financial Statements* The majority of the Group's sales arrangements are generally straightforward, requiring little judgement to be exercised. However, management's reward and incentive schemes, which are based on achieving sales and profit targets, may create pressure to manipulate results. There is a risk that management may override controls to intentionally misstate revenue through recording fictitious revenue transactions in the underlying subledgers or as consolidation journals.	– Performed walkthroughs of significant classes of revenue transactions to understand related significant processes and to identify and assess the design effectiveness of key controls – Understood how each of the revenue recognition policies are applied. We understood the relevant controls including IT controls over the revenue applications – Tested the underlying IT systems and the controls related to manage access, manage change and IT operations to investigate whether there was any evidence of override of the underlying IT systems which could facilitate management override – As part of our revenue testing, we used data analysis tools on revenue populations in the year to test the correlation of revenue to cash receipts to verify the occurrence of revenue. We identified any material transactions which fell outside the expected transactions flow and tested these to confirm that they were valid business transactions and were appropriately accounted for – Performed cut-off testing over a sample of revenue transactions around the year-end date, to check that they were recognised in the appropriate period – Performed other audit procedures specifically designed to address the risk of management override of controls. This included journal entry testing, applying particular focus to significant manual or unusual journal entries to ensure each entry is supported by an appropriate, underlying business rationale, is properly authorised and accounted for correctly in the correct period The procedures detailed above were performed principally by component audit teams for all in-scope locations with trading revenues and reviewed by the Group audit team.	Based on the procedures performed, we did not identify any evidence of material misstatement in the revenue recognised in the year.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATE & LYLE PLC CONTINUED

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT COMMITTEE
Tax impacts of the sale of the controlling stake in Primient *Refer to the Audit Committee Report (page 104); Accounting policies (page 157); and Notes 2 and 11 of the Consolidated Financial Statements* Even though the sale of the Primient business to KPS completed on 1 April 2022, subsequent to the year end, there were a number of steps and transactions undertaken in the current year in preparation for the sale that impacted on the current year financial statements. The principal risks related to: **Reorganisation / restructuring step plan** In preparation for the sale on 1 April 2022, the company transferred the assets and liabilities that were included in the sale into separate legal entities. They also transferred ownership of the overseas entities included in the sale to Primient. There was a risk that significant taxable amounts could arise as a result of the transferring of assets and liabilities and shares if not all tax consequences had been identified or the judgement in their application was not correct. **Partnership US tax treatment** The taxation of a US partnership is complex and could trigger significant gains in the US and have a material impact on the book and tax basis of the partnership when assets were contributed to the partnership by various Tate & Lyle entities in the current year. **Transaction costs – allocation to the US and deductibility in the US** The company recharged transaction costs from the UK to the US and recognised a material deferred tax asset as a result of considering them to be fully deductible in future periods in the US. There is judgement involved in whether any transfer pricing exposure is created and whether the costs will be fully deductible in the US.	To address the risks, we performed the following procedures: **Reorganisation / restructuring step plan** – We reviewed the legal step plan prepared by management – Assessed each of the transaction steps to ensure the US, UK and international tax implications had been identified and correctly applied and accounted for – We reviewed the valuations related to the transfers of assets and liabilities and shares were reasonable – We reviewed the legal documents to confirm the transactions as per the step plan had occurred **Partnership US tax treatment** – We engaged EY partnership specialists in the US to perform a detailed review of the US partnership arrangements to consider the tax risks arising and to assess whether any material tax charge could be triggered in the current year in relation to the formation and contribution of assets in relation to the Primient business. **Transaction costs – allocation to the US and deductibility in the US** – We engaged EY transfer pricing specialists to assess the reasonableness of the transfer of costs to the US and our US tax team assessed the risk of the US tax authorities disallowing the deduction of the costs from the sale proceeds or other partnership income.	We are satisfied that the Company has appropriately identified and considered the tax impacts of the reorganisation / restructuring and transactions related to the disposal of the Primary Products business. We are also satisfied that the judgements they have applied in accounting for the tax related impacts of the sale are reasonable and the resulting balances are materially correct.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £20 million (2021 – £15 million), which is 5% (2021 – 4.5%) of profit before tax adjusted for exceptional items and the Group's share of tax of joint ventures. We believe that profit before tax adjusted for exceptional items and the Group's share of tax of joint ventures provides us with the most relevant profit basis as the exceptional items were non-recurring and not related to the ongoing trading of the Group.

STARTING BASIS	– £296 million (profit before tax)
ADJUSTMENTS	– £96 million exceptional items – £10 million Group's share of tax of joint ventures
MATERIALITY BASIS	– £402 million (adjusted profit before tax)
MATERIALITY	– Materiality calculated as £20 million (5% of materiality basis)

We determined materiality for the Parent Company to be £13.1 million (2021 – £12.6 million), which is 0.5% (2021 – 0.5%) of total assets.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2021 – 75%) of our planning materiality, namely £15 million (2021 – £11.3 million). We have set performance materiality at this percentage due to our assessment of the control environment and the low number of historical audit findings.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £11.3 million to £1.1 million (2021 – £11.3 million to £1.1 million).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.0 million (2021 – £0.8 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

OTHER INFORMATION

The other information comprises the information included in the Annual Report and accounts as set out on pages 1 to 129, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATE & LYLE PLC CONTINUED

CORPORATE GOVERNANCE STATEMENT

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 42;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 70;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 70;
- Directors' statement on fair, balanced and understandable set out on page 107;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 68 to 75;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 106; and
- The section describing the work of the Audit Committee set out on pages 102 to 106.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' statement of responsibilities set out on page 129, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are:

- Those that relate to the form and content of the financial statements: UK adopted International Accounting Standards (for the Group), FRS 101 (for the Parent Company), the Companies Act 2006 and the UK Corporate Governance Code;
- Those that relate to the relevant tax compliance regulations in the jurisdictions in which the Group operates; and
  - In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements being the Listing Rules of the UK Listing Authority, and those laws and regulations relating to health and safety and employee matters.
  - We understood how Tate & Lyle PLC is complying with those frameworks by making enquiries of management, internal audit, those responsible for legal and compliance procedures and the company secretary. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit Committee and attendance at all meetings of the Audit Committee, as well as consideration of the results of our audit procedures across the Group.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of Group management, internal audit, legal counsel, and divisional management at all full and specific scope components. Our procedures also included journal entry testing, with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business; and focused testing over areas we considered more susceptible to management override, as referred to in the key audit matters section above.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand where it considered there was susceptibility to fraud; and by assessing whistleblowing incidences for those with a potential financial reporting impact. We also considered performance targets and their propensity to influence efforts made by management to manage earnings or influence the perceptions of analysts. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included incorporating data analytics in testing of manual journals (for example with respect to our work on revenue recognition noted on page 135 above) and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

OTHER MATTERS WE ARE REQUIRED TO ADDRESS

- Following the recommendation from the Audit Committee we were appointed by the Company at its Annual General Meeting on 26 July 2018 to audit the financial statements for the year ending 31 March 2019 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and re-appointments is 4 years, covering the years ending 31 March 2019 to 31 March 2022.
- The audit opinion is consistent with the additional report to the Audit Committee.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lloyd Brown
(Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

8 June 2022

CONSOLIDATED INCOME STATEMENT

CONTINUING OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Revenue	5	**1 375**	1 211
Operating profit	6	**67**	116
Finance income	10	**1**	1
Finance expense	10	**(26)**	(27)
Profit before tax		**42**	90
Income tax expense	11	**(16)**	(1)
Profit for the year – continuing operations		**26**	89
Profit for the year – discontinued operations	12	**210**	164
Profit for the year – total operations		**236**	253
Attributable to:			
– owners of the Company		**236**	253
– non-controlling interests		**–**	–
Profit for the year – total operations		**236**	253
Earnings per share		PENCE	PENCE
Continuing operations:	13		
– basic		**5.5p**	19.3p
– diluted		**5.5p**	19.1p
Total operations:	13		
– basic		**50.7p**	54.4p
– diluted		**50.2p**	53.8p
Analysis of adjusted profit for the year – continuing operations[1]		£M	£M
Profit before tax – continuing operations		**42**	90
Adjusted for:			
Net charge for exceptional items	8	**93**	34
Amortisation of acquired intangible assets	19	**10**	10
Adjusted profit before tax – continuing operations	4	**145**	134
Adjusted income tax expense – continuing operations	4, 11	**(28)**	(16)
Adjusted profit for the year – continuing operations	4	**117**	118

* Prior year restated to reflect discontinued operations (see Notes 1 and 12).
1 Adjusted earnings per share information is presented in Note 13.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTES	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Profit for the year – total operations		**236**	253
Other comprehensive income/(expense)			
Items that have been/may be reclassified to profit or loss:			
Gain/(loss) on currency translation of foreign operations	24	**86**	(141)
Fair value (loss)/gain on net investment hedges	24	**(52)**	39
Net gain on cash flow hedges	24	**82**	1
Net change in cost of hedging	24	**(5)**	–
Share of other comprehensive income/(expense) of joint ventures	22, 24	**10**	(6)
Tax effect of the above items	11	**(20)**	–
		101	(107)
Items that will not be reclassified to profit or loss:			
Re-measurement of retirement benefit plans:			
– actual return (lower)/higher on plan assets	31	**(70)**	129
– net actuarial gain/(loss) on retirement benefit obligations	31	**67**	(80)
Changes in the fair value of equity investments at fair value through OCI	18, 24	**(4)**	3
Tax effect of the above items	11	**–**	(13)
		(7)	39
Total other comprehensive income/(expense)		**94**	(68)
Total comprehensive income		**330**	185
Analysed by:			
– Continuing operations		**9**	129
– Discontinued operations		**321**	56
Total comprehensive income – total operations		**330**	185
Attributable to:			
– Owners of the Company		**330**	185
– Non-controlling interests		**–**	–
Total comprehensive income – total operations		**330**	185

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		AT 31 MARCH	
	NOTES	2022 £M	RESTATED* 2021 £M
ASSETS			
Non-current assets			
Goodwill and other intangible assets	19	**283**	345
Property, plant and equipment (including right-of-use assets of £40 million (2021 – £121 million))	20	**497**	1 105
Investments in joint ventures	22	**–**	104
Investments in equities	18	**46**	59
Retirement benefit surplus	31	**23**	18
Deferred tax assets	11	**9**	32
Trade and other receivables	17	**1**	1
Derivative financial instruments	29	**3**	1
		862	1 665
Current assets			
Inventories	15	**317**	532
Trade and other receivables	17	**270**	333
Current tax assets	11	**11**	11
Derivative financial instruments	29	**13**	23
Other current financial assets	29	**2**	32
Cash and cash equivalents	16	**110**	371
		723	1 302
Assets classified as held for sale	12	**1 666**	–
		2 389	1 302
TOTAL ASSETS		**3 251**	2 967
EQUITY			
Capital and reserves			
Share capital	23	**117**	117
Share premium	23	**407**	407
Capital redemption reserve		**8**	8
Other reserves	24	**222**	144
Retained earnings		**865**	777
Equity attributable to owners of the Company		**1 619**	1 453
Non-controlling interests		**1**	1
TOTAL EQUITY		**1 620**	1 454
LIABILITIES			
Non-current liabilities			
Borrowings (including lease liabilities of £49 million (2021 – £116 million))	26	**658**	746
Retirement benefit deficit	31	**130**	158
Deferred tax liabilities	11	**51**	41
Provisions	33	**12**	11
		851	956
Current liabilities			
Borrowings (including lease liabilities of £10 million (2021 – £27 million))	26	**21**	42
Trade and other payables	25	**294**	431
Provisions	33	**11**	24
Current tax liabilities	11	**23**	25
Derivative financial instruments	29	**31**	9
Other current financial liabilities	29	**–**	26
		380	557
Liabilities directly associated with assets held for sale	12	**400**	–
		780	557
TOTAL LIABILITIES		**1 631**	1 513
TOTAL EQUITY AND LIABILITIES		**3 251**	2 967

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

The notes on pages 145 to 194 form part of these financial statements. The consolidated financial statements on pages 140 to 194 were approved by the Board of Directors on 8 June 2022 and signed on its behalf by:

Nick Hampton
Director

Andy Henley
VP, Group Financial Controller

CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTES	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Cash flows from operating activities – total operations			
Profit before tax from total operations		**296**	283
Adjustments for:			
– depreciation of property, plant and equipment (including right-of-use assets and excluding exceptional items)	20	**74**	142
– amortisation of intangible assets	19	**26**	33
– share-based payments	32	**12**	8
– net impact of exceptional income statement items	8	**36**	10
– net finance expense	10, 12	**28**	30
– share of profit after tax of joint ventures	22	**(8)**	(26)
– net retirement benefit obligations		**(7)**	(8)
– other non-cash movements	27	**(38)**	9
Changes in working capital	27	**(250)**	(33)
Cash generated from total operations		**169**	448
Net income tax paid		**(45)**	(57)
Interest paid		**(21)**	(22)
Net cash generated from operating activities		**103**	369
Cash flows from investing activities			
Purchase of property, plant and equipment		**(132)**	(134)
Disposal of property, plant and equipment		**–**	5
Acquisition of businesses, net of cash acquired	35	**1**	(62)
Investments in intangible assets		**(16)**	(18)
Purchase of equity investments	18	**(4)**	(4)
Disposal of equity investments	18	**4**	3
Interest received		**1**	1
Dividends received from joint ventures		**33**	4
Net cash used in investing activities		**(113)**	(205)
Cash flows from financing activities			
Purchase of own shares including net settlement	23	**(13)**	(5)
Cash inflow from additional borrowings		**2**	154
Cash outflow from repayment of borrowings		**(60)**	(5)
Repayment of leases	21	**(32)**	(36)
Dividends paid to the owners of the Company	14	**(144)**	(137)
Net cash used in financing activities		**(247)**	(29)
Cash and cash equivalents			
Balance at beginning of year		**371**	271
Net (decrease)/increase in cash and cash equivalents	28	**(257)**	135
Currency translation differences	28	**13**	(35)
Balance at end of year	16	**127**	371

A reconciliation of the movement in cash and cash equivalents to the movement in net debt is presented in Note 28.

Included in the total cash and cash equivalents of £127 million at 31 March 2022 is £17 million classified as held for sale.

The cash flows from discontinued operations included above are presented in Note 12.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL AND SHARE PREMIUM £M	CAPITAL REDEMPTION RESERVE £M	OTHER RESERVES £M	RETAINED EARNINGS £M	ATTRIBUTABLE TO THE OWNERS OF THE COMPANY £M	NON-CONTROLLING INTERESTS £M	TOTAL EQUITY £M
At 1 April 2020	523	8	239	629	1 399	–	1 399
Software-as-a-Service restatement	–	–	–	(6)	(6)	–	(6)
At 1 April 2020 – restated*	523	8	239	623	1 393	–	1 393
Profit for the year – total operations	–	–	–	253	253	–	253
Other comprehensive (expense)/income	–	–	(104)	36	(68)	–	(68)
Total comprehensive (expense)/income	–	–	(104)	289	185	–	185
Hedging losses transferred to inventory	–	–	12	–	12	–	12
Tax effect of the above item	–	–	(3)	–	(3)	–	(3)
Transactions with owners:							
Share-based payments, net of tax	–	–	–	10	10	–	10
Issue of share capital (Note 23)	1	–	–	–	1	–	1
Purchase of own shares including net settlement (Note 23)	–	–	–	(5)	(5)	–	(5)
Non-controlling interests in subsidiaries acquired	–	–	–	–	–	1	1
Dividends paid (Note 14)	–	–	–	(137)	(137)	–	(137)
Other movements	–	–	–	(3)	(3)	–	(3)
At 31 March 2021 – restated*	524	8	144	777	1 453	1	1 454
Profit for the year – total operations	**–**	**–**	**–**	**236**	**236**	**–**	**236**
Other comprehensive income/(expense)	**–**	**–**	**97**	**(3)**	**94**	**–**	**94**
Total comprehensive income	**–**	**–**	**97**	**233**	**330**	**–**	**330**
Hedging gains transferred to inventory	**–**	**–**	**(26)**	**–**	**(26)**	**–**	**(26)**
Tax effect of the above item	**–**	**–**	**7**	**–**	**7**	**–**	**7**
Transactions with owners:							
Share-based payments, net of tax	**–**	**–**	**–**	**12**	**12**	**–**	**12**
Purchase of own shares including net settlement (Note 23)	**–**	**–**	**–**	**(13)**	**(13)**	**–**	**(13)**
Non-controlling interests in subsidiaries acquired	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Dividends paid (Note 14)	**–**	**–**	**–**	**(144)**	**(144)**	**–**	**(144)**
At 31 March 2022	**524**	**8**	**222**	**865**	**1 619**	**1**	**1 620**

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

Dividends on ordinary shares (pence per share)	NOTE	YEAR ENDED 31 MARCH 2022 PENCE	YEAR ENDED 31 MARCH 2021 PENCE
In respect of the financial year:			
– interim	14	**9.0**	8.8
– final	14	**12.8**	22.0
		21.8	30.8
Paid in the financial year:			
– interim – in respect of the financial year	14	**9.0**	8.8
– final – in respect of the previous financial year	14	**22.0**	20.8
		31.0	29.6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

Description of business

Tate & Lyle PLC (the Company) is a public limited company incorporated in the United Kingdom and registered in England. The Company's ordinary shares are listed on the London Stock Exchange.

The Company and its subsidiaries (together 'the Group') provide ingredients and solutions to the food, beverage and other industries. The Group operates from numerous production facilities around the world.

The Group's operations comprise three operating segments: Food & Beverage Solutions, Sucralose and Primary Products. The Group's reportable segments are the same as its operating segments. Segment information is presented in Note 5.

Accounting period

The Group's annual financial statements are drawn up to 31 March. These financial statements cover the year ended 31 March 2022 with comparative financials for the year ended 31 March 2021.

Basis of accounting

The consolidated financial statements on pages 140 to 194 have been prepared in accordance with UK adopted International Accounting Standards.

Notwithstanding the application of IFRS 5 – 'Non-current Assets Held for Sale and Discontinued Operations' to the Primient business, the Group's principal accounting policies are unchanged compared with the year ended 31 March 2021 with one exception being the treatment of Software-as-a-Service arrangements as described below. The Group's principal accounting policies have been consistently applied throughout the year. Descriptions and specific accounting policy information on how the Group has applied the requirements of UK adopted International Accounting Standards are included throughout the notes to these financial statements. All amounts are rounded to the nearest million, unless otherwise indicated.

Prior year restatements

Restatement of comparative financial information – discontinued operations and application of Held for Sale

On 12 July 2021 the Group announced that it had entered into an agreement to sell a controlling stake in a new company and its subsidiaries ('Primient' or the 'Primient business'), comprising its Primary Products business in North America and Latin America and its interests in the Almidones Mexicanos S.A. de C.V. ('Almex') and DuPont Tate & Lyle Bio-Products Company, LLC ('Bio-PDO') joint ventures, to KPS Capital Partners, LP ('KPS') (the 'Transaction'). The Transaction completed on 1 April 2022 and Tate & Lyle now holds a 49.9% interest in Primient.

In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', from 1 July 2021 the Group has classified the business that became Primient on 1 April 2022 as a disposal group held for sale and a discontinued operation. 1 July 2021 reflects the date that negotiations on substantive matters with KPS were completed. An operation is classified as discontinued if it is a component of the Group that: (i) has been disposed of, or meets the criteria to be classified as held for sale; and (ii) represents a separate major line of business or geographic area of operations or will be disposed of as part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations. The results of discontinued operations are presented separately from those of continuing operations. Accordingly, the results for the year ended 31 March 2021 have been restated impacting the consolidated income statement.

Refer to Note 12 for further details on discontinued operations.

Restatement of comparative financial information – upfront configuration or customisation costs incurred in implementing Software-as-a-Service arrangements

In April 2021 the IFRS Interpretations Committee published an agenda decision regarding the treatment of Configuration or Customisation Costs in a Cloud Computing Arrangement under IAS 38 – Intangible Assets. During the year ended 31 March 2022, the Group has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements in response to this IFRS Interpretations Committee decision. In addition, the Group has assessed the impact of this change in accounting policy on any cloud computing arrangements entered into during the prior periods and restated the comparative figures. This has impacted the balance sheet and retained earnings only as the consolidated income statement impact on earlier periods was not material. A balance sheet as at the beginning of the preceding period (i.e. at 1 April 2020) has not been presented on the grounds of materiality, however the impact of the change is shown in Note 38.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period.

Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation as well as the SaaS access over the contract term, then the configuration and customisation costs are expensed over the contract term only if the services provided are not distinct and are otherwise expensed upfront as the software is configured or customised. Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

Neither prior period restatement represented the correction of an error.

Going concern

The Directors are satisfied that the Group has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment. In making this assessment, the Directors have considered the Group's balance sheet position and forecast earnings and cash flows for the period from the date of approval of these financial statements to 31 March 2024. The sale of a controlling stake in Primient is included in this assessment. The business plan used to support the going concern assessment (the 'base case') is derived from Board-approved forecasts together with certain downside sensitivities.

Further details of the Directors' assessment are set out below:

At 31 March 2022, the Group has significant available liquidity, including £127 million of cash and US$800 million (£608 million) of committed and undrawn revolving credit facility, which does not mature before March 2025. The earliest maturity date for any of the Group's loans is October 2023, when US$120 million will mature. During the prior year, the Group demonstrated its ability to raise new finance despite the uncertainties of the Covid-19 pandemic, raising US$200 million of new private placement debt in August 2020, with 10-year and 12-year tenors at 2.91% and 3.01%, respectively. The Group has also considered the impact of net proceeds of the sale of a controlling stake in Primient of £0.9 billion after one-off transaction and separation costs and estimated tax liabilities, the return of capital to shareholders via a special dividend of approximately £500 million on 16 May 2022 and the associated share consolidation (refer to Note 37) and the commitment to acquire Quantum (refer to Note 35).

The Group has only one debt covenant requirement which is to maintain a net debt to EBITDA ratio of not more than 3.5 times. On the covenant-testing basis this was 1.1 times at 31 March 2022. As set out below, for a covenant breach to occur it would require a significant reduction in Group profit. Such reduction is considered to be unlikely.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

1. BASIS OF PREPARATION CONTINUED

In concluding that the going concern basis is appropriate, the Directors have modelled the impact of a 'worst case scenario' to the 'base case' by including the same three plausible but severe downside risks also used for the Group's viability statement, being: a major operational failure causing an extended shutdown of our largest manufacturing facility retained in the US following the Primient transaction; the loss of two of our largest Food & Beverage Solutions customers; and significant energy, raw material and commodity inflation due to the consequences of conflict in Ukraine. In aggregate, such 'worst case scenario' does not result in any material uncertainty to the Group's going concern assessment and the resultant position still has significant headroom above the Group's debt covenant requirement. The Directors have also calculated a 'reverse stress test' which represents the changes that would be required to the 'base case' in order to breach the Group's debt covenant. Such 'reverse stress test' shows that the forecast Group profit would have to reduce significantly in order to cause a breach.

Accordingly, the Directors have concluded that there are no material uncertainties with respect to going concern and have adopted the going concern basis in preparing the consolidated financial information of the Group as at 31 March 2022.

Climate change considerations

In preparing the consolidated financial statements, the Directors have also considered the impact of climate change. These considerations did not have any immediate material impact on the financial reporting judgements and estimates in the current year. Climate change related considerations made in respect of the financial statements relate principally to (i) the impact of climate change on the going concern assessment and viability assessment and (ii) the impact of climate change on the cash flow forecasts used in the impairment assessment of non-current assets including goodwill for the Foods & Beverage Solutions cash-generating unit.

Foreign currency

The consolidated financial statements are presented in Pound sterling, which is also the Company's functional currency. Where changes in constant currency are presented, they are calculated by retranslating current year results at prior year exchange rates. Calculations of changes in constant currency have been included in 'Additional information' within this document.

Accounting standards adopted during the year

In the current year the Group has adopted, with effect from 1 April 2021, the following new accounting standards:

– Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 Interest Rate Benchmark Reform – Phase 2

The adoption of these amendments from 1 April 2021 had no material effect on the Group's financial statements.

No other new standards, new interpretations or amendments to standards or interpretations (other than the treatment of certain costs in a cloud computing arrangement referred to above) have been published which are expected to have a significant impact on the Group's financial statements.

Alternative performance measures

The Group also presents alternative performance measures, including adjusted operating profit, adjusted profit before tax, adjusted earnings per share and adjusted free cash flow, which are used for internal performance analysis and incentive compensation arrangements for employees. They are presented because they provide investors with additional information about the performance of the business which the Directors consider to be valuable. Reconciliations of the alternative performance measures to the most directly comparable UK adopted International Accounting Standards measures are presented in Note 4.

Alternative performance measures reported by the Group are not defined terms under UK adopted International Accounting Standards and may therefore not be comparable with similarly-titled measures reported by other companies.

Pro-forma impact of the disposal of the Primient business

Included in the 'Group Financial Review' on page 43 are certain illustrative disclosures of the impact of the Transaction as if it completed on 1 April 2020. This pro-forma financial information contains estimates and it should not be used to replace the statutory financial information but is an illustration of how the Group will present its financial results in future periods.

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgements and used estimates and assumptions in establishing the reported amounts of assets, liabilities, income and expense under the Group's accounting policies. Judgements are based on the best evidence available to management. Estimates are based on factors including historical experience and expectations of future events, corroborated with external information where possible. Judgements and estimates and their underlying assumptions are reviewed and updated on an ongoing basis, with any revisions being recognised prospectively.

However, given the inherent uncertainty of such estimates, the actual results might differ significantly from the anticipated ones. Information about the accounting estimates and judgements made in applying these accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are set out below.

Fair value of purchases, sales and inventory of corn-based products (Notes 15, 29 and 30)

The Group manages its US net corn position, comprising the purchase, sale and inventory of corn and corn-based goods, including co-products, on a net basis.

The Group has designated the components of its US net corn position in effective fair value hedge accounting relationships whereby the hedged item is a group of items with offsetting risk positions. This results in each element of the net corn position being marked to market. The Group uses financial instruments (mainly corn futures contracts) as hedging instruments to manage this net position. The application of fair value hedge accounting is not itself a significant accounting policy judgement. Recording all components of the US net corn position at fair value also aligns with the underlying economics and risk management of the business.

All changes in fair value of hedged items and hedging instruments are recorded in operating costs. There is significant estimation uncertainty in determining the fair values of certain components of the hedged items and hedging instruments, as set out in the table below.

In contrast to the US, the Group does not manage its European corn and co-product positions (short: executory sales contracts; long: executory purchase contracts and inventories) on a net basis, it does not purchase or sell derivative financial instruments to manage risk and its positions are not marked to market. Consequently, the Group measures and carries its European corn and co-product inventories at the lower of cost and net realisable value and executory sales and purchase contracts are not recorded on the balance sheet.

		YEAR ENDED 31 MARCH	
	FOOTNOTES	2022 £M	2021 £M
Hedged items:			
Corn purchase contracts	(a)	**44**	22
Corn sale contracts	(b)	**(78)**	(54)
Co-product sale contracts	(c)	**54**	38
Corn and elevator inventory	(d)	**69**	49
Co-products inventory	(d)	**(5)**	(5)
Total hedged items		**84**	50
Financial instrument products (hedging instrument)	(e)	**(5)**	3
Net corn position		**79**	53

The fair value of certain components of the fair value hedges contain significant accounting estimates, as set out below.

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES CONTINUED

The fair value for each element of the US net corn position enumerated in the table above is determined as follows:

(a) **Contracts for the purchase of corn:** represent executory contracts for the purchase of corn. The hedged risks are corn price and basis. The fair value adjustments to price are made with reference to corn futures traded on the Chicago Mercantile Exchange and to a lesser extent a management estimate of basis (with reference to market prices). Accordingly, these are principally classified as Level 2 hedged item adjustments (refer to Note 29) and shown within other current financial assets and liabilities on the balance sheet.
(b) **Contracts for the sale of corn-based finished goods:** represent executory contracts for the sale of corn-based finished goods. The hedged risks are corn price, basis and a credit for co-products. The fair value adjustments to price are made with reference to corn futures traded on the Chicago Mercantile Exchange, a management estimate of basis and management estimate of co-product credits (with reference to market prices). Accordingly, these are principally classified as Level 3 hedged item adjustments (refer to Note 29) and shown within other current financial assets and liabilities on the balance sheet.
(c) **Co-product sale contracts:** represent executory contracts for the sale of co-products. The hedged risk is the change in co-product pricing, which is based on management's estimate and with reference to market prices. Accordingly, these are principally classified as Level 3 hedged item adjustments (refer to Note 29) and shown within other current financial assets and liabilities on the balance sheet.
(d) **Corn inventory and co-products inventory:** represent physical holdings of corn (and certain other inventories held at elevators) as well as co-product inventories. The hedged risks are commodity price and basis. The fair value adjustments are made with reference to a number of inputs, including management's own assessment of future pricing and futures traded on the Chicago Mercantile Exchange, where applicable.
(e) **Financial instruments (mainly corn futures contracts):** fair value is determined by reference to quoted prices for these instruments on the Chicago Mercantile Exchange. These are classified as Level 1 financial instruments (refer to Note 29).

Of the components of the net corn positions set out above, those components which have the greatest estimation uncertainty are the fair values of basis and co-products. As a result, certain disclosures about the nature of these items and the estimation uncertainty inherent in them is required by IAS 1. Such disclosures are set out in Note 29. The nature of these items is included below:

Basis represents the difference in price between the corn pricing on the Chicago Mercantile Exchange and localised pricing that can be achieved for physical delivery. It is typically driven by local supply, demand and logistics factors. At 31 March 2022, the fair value adjustments made to basis was a net asset of £20 million (2021 – £1 million net liability). This is included as a component within certain line items set out above.

Co-products included in fair value hedges comprise corn gluten feed, corn gluten meal and corn oil, which are manufactured as part of the corn wet-milling process. The Group can hold either a net long or short position for each co-product based on the volume of co-products made, bought or forward sold at any point in time. The net position of fair value adjustments made to co-product positions is £54 million assets (2021 – £38 million assets) for sales contracts (including co-product credits in corn sales contracts) and £5 million liability (2021 – £5 million liability) for inventories.

In addition to the above, the Group holds futures with a fair value of £60 million profit (2021 – £5 million profit) to hedge the cash flow risk associated with the purchases and sales of other commodities or purchases of chemicals used in the manufacturing process which are designated as cash flow hedges. The most significant of these relate to natural gas futures which are principally held by the Primient disposal group. The Group did not cease cash flow hedging such items upon classification of Primient as held for sale but will do so upon completion of the transaction. The Group also holds futures contracts held on behalf of customers with a fair value of £21 million profit (2021 – £7 million profit) which do not impact the Group's income statement as all risks and rewards are borne by the customers.

On completion of the Primient disposal transaction on 1 April 2022, the Group will continue to apply cash flow hedge accounting to manage its economic price exposure on the purchase of chemicals used in the production process. All corn procurement transferred to Primient on completion of the disposal and the Group will procure corn from Primient in future (both for the manufacturing of corn-based finished goods in the Group's US manufacturing sites and for corn embedded in the finished goods manufactured by Primient and sold to the Group under long-term agreements). The Group will cease to apply fair value hedge accounting to manage the net corn risk and will instead manage the corn price risk by using economic hedging principles such as entering into offsetting positions with its supplier (Primient) and customers. The Group therefore expects that in the next financial year fair value of purchases, sales and inventory of corn-based products will no longer be a source of estimation uncertainty.

Key sources of estimation uncertainty

Management uses estimates in deriving these fair values, which involves calculating the basis and the price at which the Group will purchase or sell its net corn position in the future.

The inputs in these calculations are classified as observable where referenced to a quoted market or unobservable when determined by in-house experts, with reference to sources such as the expected pricing for co-products.

The Group discloses its sensitivity to the corn price in Note 30 and valuation techniques and sensitivity analysis on the price of co-products and basis (Level 3 financial instruments) in Note 29.

Taxation (Note 11)

Key sources of estimation uncertainty

The Group's current and deferred tax balances are subject to estimation uncertainty, which could also impact the effective tax rate in the next financial year.

The specific sources of estimation uncertainty are as follows:

(a) Resolution of uncertain tax provisions: at 31 March 2022, the Group has recorded current tax liabilities of £46 million (2021 – £47 million) for uncertain tax positions (refer to Note 11). Such provisions arise because the Group operates in an international tax environment and is subjected to periodic tax examination and uncertainties in a number of jurisdictions. Such examination can include, inter alia, transfer pricing arrangements relating to the Group's operating activities, historical reorganisations and the deductibility of interest on certain intra-group borrowing arrangements. The issues involved are complicated and may take a number of years to resolve. Tax liabilities, if required, have been estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty. Of the £46 million total of uncertain tax positions held at 31 March 2022, between zero and £5 million of the balance could be resolved in the year ending 31 March 2023. Such resolution could be favourable or unfavourable. Of the £47 million balance at 31 March 2021, £16 million met the criteria for being released in the year ended 31 March 2022. This compares to the range of possible outcomes coming into the year for potential releases of provisions of between zero to £12 million. The increased release was the result of an early completion of a tax audit.
(b) Recognition of deferred tax assets: at 31 March 2022, the Group has recorded deferred tax assets of £9 million (2021 – £32 million) and deductible temporary differences for which the unrecognised deferred tax asset is £209 million (2021 – £162 million) (refer to Note 11), the most significant of which relates to unrecognised tax losses in the UK. Management exercises judgement in its determination of recognition of deferred tax assets.

In addition to these items, the tax rate in future periods is likely to be impacted by changes to tax legislation and material changes to the geographic mix of profits. The next year's tax rate will also be impacted by the implications of the Primient business transaction on the cash tax payable on disposal, non-cash exceptional and other tax charges. Although the Transaction completed on 1 April 2022, there were a number of steps undertaken in the current year in preparation for the disposal that impacted on the current year financial statements. Significant judgement was applied in considering the application of the tax rules relating to the restructuring to facilitate the Transaction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES CONTINUED

The prior year rate benefited from the release of certain tax provisions totalling £25 million following expiry of statute of limitations as well as recognition of certain tax credits in the United States.

Retirement benefit plans (Note 31)

At 31 March 2022, the present value of the benefit obligations of the plans was £1,474 million (2021 – £1,573 million). The present value of the benefit obligations is based on key assumptions including actuarial estimates of the future benefits that will be payable to the members of the plans. Changes to key assumptions could have a material impact on the reported amounts and, as a result, represent a significant accounting estimate.

Key sources of estimation uncertainty

The present value of the benefit obligations is most sensitive to the discount rate applied to the benefit obligations, assumed life expectancies, and expected future inflation rates. Sensitivity analysis is included in Note 31.

Whilst the Group establishes the assumptions on a consistent basis reflecting advice from qualified actuaries, based on published indices and other actuarial data, management must apply judgement in selecting the most appropriate value from within an acceptable range.

Changes in the assumptions used in determining the present value of the benefit obligations will have an impact on the Group's income statement through their effect on the service cost and the interest on the net deficit or surplus in the plans. However, most of the impact of such changes, together with fluctuations in the actual return on the plan assets, will be reflected in other comprehensive income.

Exceptional items (Note 8)

Key source of judgement

Exceptional items comprise items of income, expense and cash flow, including tax items that: are material in amount; and are outside the normal course of business or relate to events which do not frequently recur, and therefore merit separate disclosure in order to provide a better understanding of the Group's underlying financial performance. Examples of events that give rise to the disclosure of material items of income, expense and cash flow as exceptional items include, but are not limited to: significant impairment events; significant business transformation activities; disposals of operations or significant individual assets; litigation claims by or against the Group; and restructuring of components of the Group's operations.

For tax items to be treated as exceptional, amounts must be material and their treatment as exceptional enable a better understanding of the Group's underlying financial performance.

Exceptional items in the Group's financial statements are classified on a consistent basis across accounting periods. The classification of income and expense as exceptional items is a significant judgement.

Future accounting of the Group's investment in Primient

Key source of judgement

The Directors have determined that there is a significant accounting judgement with respect to the Group's future accounting for its 49.9% interest in the Primient business following the completion of the disposal. The Group will equity account for this interest as a joint venture.

Such accounting is appropriate because the Group will no longer have unilateral control over Primient. Instead, important operational decisions will be decided by a majority vote by the Primient Board (KPS have the right to appoint four directors and the Group has the right to appoint two) with more significant strategic matters requiring unanimous agreement of each of the two shareholders. In addition, from completion, the Group and Primient entered into certain long-term agreements, principally relating to the supply of product between one another; such agreements do not afford either party rights that are indicative of unilateral control.

As a result, decisions about relevant activities are principally reserved for the two shareholders and cannot be decided upon unilaterally by either shareholder. Therefore, the Group's interest in Primient will meet the definition of a joint venture.

3. KEY ACCOUNTING POLICIES

The consolidated financial statements have been prepared under the historical cost convention, modified in respect of the revaluation to fair value of certain investments in equities, derivative financial instruments and non-derivative financial instruments in fair value hedge relationships, certain inventories, assets held by defined benefit pension plans and assets held for sale.

Descriptions and specific accounting policy information on how the Group has applied the requirements of UK adopted International Accounting Standards are included throughout the notes to these financial statements.

Key accounting policies, where information can be found in the applicable note, include:

- Revenue recognition (Note 5)
- Income taxes (Note 11)
- Discontinued operations (Note 12)
- Goodwill and other intangible assets (Note 19)
- Leases (Note 21)
- Foreign currency translation of subsidiaries (Note 24)
- Financial instruments (Notes 17, 18, 25, 26 and 29)
- Retirement benefit obligations (Note 31)
- Share-based payments (Note 32)

Accounting standards issued but not yet adopted

A number of amendments and interpretations have been issued which are not expected to have any significant impact on the accounting policies and reporting.

4. RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

Income statement measures

For the reasons set out in Note 1, the Group also presents alternative performance measures including adjusted operating profit, adjusted profit before tax, adjusted earnings per share and adjusted free cash flow, which are used for internal performance analysis and incentive compensation arrangements for employees. They are presented because they provide investors with additional information about the performance of the business which the Directors consider to be valuable. For the years presented, alternative performance measures exclude, where relevant:

- Exceptional items (excluded as they are material in amount; and are outside the normal course of business or relate to events which do not frequently recur, and therefore merit separate disclosure in order to provide a better understanding of the Group's underlying financial performance);
- Amortisation of acquired intangible assets (costs associated with amounts recognised through acquisition accounting that impact earnings compared to organic investments);
- Tax on the above items and tax items that themselves meet these definitions. For tax items to be treated as exceptional, amounts must be material and their treatment as exceptional enable a better understanding of the Group's underlying financial performance; and
- IFRS 5 held for sale adjustment consisting of 1) cessation of depreciation and amortisation of assets of the Primient business; and 2) cessation of equity accounting of the share of profits and dividends received from the Group's existing joint venture interests. These adjustments relate to the year ended 31 March 2022 only. Within adjusted discontinued operations these adjustments are excluded in order to provide a better understanding of the Group's underlying financial performance on a like-for-like basis with the prior year.

Alternative performance measures reported by the Group are not defined terms under UK adopted International Accounting Standards and may therefore not be comparable with similarly-titled measures reported by other companies. The following table shows the reconciliation of the key income statement alternative performance measures to the most directly comparable measures reported in accordance with UK adopted International Accounting Standards:

	YEAR ENDED 31 MARCH 2022			RESTATED* YEAR ENDED 31 MARCH 2021		
CONTINUING OPERATIONS £M UNLESS OTHERWISE STATED	REPORTED	ADJUSTING ITEMS	ADJUSTED REPORTED	REPORTED	ADJUSTING ITEMS	ADJUSTED REPORTED
Revenue	**1 375**	**–**	**1 375**	1 211	–	1 211
Operating profit	**67**	**103**	**170**	116	44	160
Net finance expense	**(25)**	**–**	**(25)**	(26)	–	(26)
Profit before tax	**42**	**103**	**145**	90	44	134
Income tax expense	**(16)**	**(12)**	**(28)**	(1)	(15)	(16)
Profit for the year	**26**	**91**	**117**	89	29	118
Basic earnings per share (pence)	**5.5p**	**19.7p**	**25.2p**	19.3p	6.1p	25.4p
Diluted earnings per share (pence)	**5.5p**	**19.4p**	**24.9p**	19.1p	6.1p	25.2p
Effective tax rate expense %	**38.4%**		**19.3%**	1.2%		12.1%

* Prior year restated to reflect discontinued operations (see Notes 1 and 12).

The following table shows the reconciliation of the adjusting items impacting adjusted profit for the year:

CONTINUING OPERATIONS	NOTES	2022 £M	RESTATED* YEAR ENDED 31 MARCH 2021 £M
Exceptional costs included in operating profit	8	**93**	34
Amortisation of acquired intangible assets	19	**10**	10
Total excluded from adjusted profit before tax		**103**	44
Tax credit on adjusting items	11	**(24)**	(8)
Exceptional tax charge/(credit)	8, 11	**12**	(7)
Total excluded from adjusted profit for the year		**91**	29

* Prior year restated to reflect discontinued operations (see Notes 1 and 12).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

4. RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES CONTINUED

Cash flow measure

The Group also presents an alternative cash flow measure, 'adjusted free cash flow', which is defined as cash generated from total operations, after net interest and tax paid, after capital expenditure and excluding the impact of exceptional items.

The following table shows the reconciliation of adjusted free cash flow relating to total operations:

TOTAL OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Adjusted operating profit from total operations	**312**	339
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**90**	165
Share-based payments charge	**12**	8
Other non-cash movements	**4**	9
Changes in working capital	**(250)**	(33)
Net retirement benefit obligations	**(7)**	(8)
Capital expenditure	**(148)**	(152)
Net interest and tax paid	**(65)**	(78)
Held for sale[2]	**68**	–
Adjusted free cash flow from total operations	**16**	250

1 Total depreciation of £74 million (2021 – £148 million) and amortisation of £26 million (2021 – £33 million) less £nil (2021 – £6 million) of accelerated depreciation recognised in exceptional items and £10 million (2021 – £10 million) of amortisation of acquired intangible assets.
2 Total held for sale adjustment of £110 million, comprises £68 million of adjusted depreciation and amortisation included in adjusted operating profit of £312 million. The remaining £42 million is dividend income from Almex and Bio-PDO recognised after these investments were recorded as held for sale, which is not included in either adjusted operating profit or adjusted free cash flow.

The following table shows the reconciliation of adjusted free cash flow relating to continuing operations:

CONTINUING OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Adjusted operating profit from continuing operations	**170**	**160**
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**70**	**87**
Share-based payments charge	**10**	**5**
Other non-cash movements	**4**	**–**
Changes in working capital	**(68)**	**(8)**
Net retirement benefit obligations	**(7)**	**(8)**
Capital expenditure	**(75)**	**(60)**
Net interest and tax paid	**(32)**	**(23)**
Adjusted free cash flow from continuing operations	**72**	**153**

1 Total depreciation of £56 million (2021 – £71 million) and amortisation of £24 million (2021 – £26 million) less £10 million (2021 – £10 million) of amortisation of acquired intangible assets.

Financial strength measures

The Group uses two financial metrics as key performance measures to assess its financial strength. These are the net debt to EBITDA ratio, and the return on capital employed ratio.

For the purposes of KPI reporting, the Group uses a simplified calculation of these KPIs to make them more directly related to information in the Group's financial statements. The net debt to EBITDA ratios using the calculation methodology prescribed for financial covenants on the Group's borrowing facilities are shown in Note 30.

All ratios are calculated based on unrounded figures in £ million.

The net debt to EBITDA ratio is as follows:

	NOTE	AT 31 MARCH 2022 £M	2021 £M
Calculation of net debt to EBITDA ratio – total operations			
Net debt	28	**626**	417
Adjusted operating profit – total operations		**312**	339
Add back adjusted depreciation and adjusted amortisation		**158**	165
EBITDA – total operations		**470**	504
Net debt to EBITDA ratio (times)		**1.3**	0.8

4. RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES CONTINUED

The reconciliation of adjusted depreciation and adjusted amortisation included in the calculation of EBITDA is shown in the table below:

	NOTE	AT 31 MARCH 2022 £M	2021 £M
RECONCILIATION OF ADJUSTED DEPRECIATION AND ADJUSTED AMORTISATION			
Depreciation – total operations	20	**74**	148
Amortisation – total operations	19	**26**	33
Depreciation and amortisation – total operations		**100**	181
Add held for sale adjustment (cessation of depreciation and amortisation)		**68**	–
Less accelerated depreciation recognised in exceptional items		**–**	(6)
Less amortisation of acquired intangible assets	19	**(10)**	(10)
Adjusted depreciation and adjusted amortisation		**158**	165

The return on capital employed (ROCE) ratio is as follows:

	AT 31 MARCH 2022 £M	RESTATED* 2021 £M	RESTATED* 2020 £M
Calculation ROCE – total operations			
Adjusted operating profit	**312**	339	
Deduct amortisation on acquired intangible assets	**(10)**	(10)	
Profit before interest, tax and exceptional items from total operations for ROCE	**302**	329	
Goodwill and other intangible assets*[1]	**335**	345	331
Property, plant and equipment[1]	**1 141**	1 105	1 190
Working capital, provisions and non-debt related derivatives[2,3]	**701**	421	409
Invested operating capital – total operations	**2 177**	1 871	1 930
Average invested operating capital[4]	**2 024**	1 901	
ROCE % – total operations	**14.9%**	17.3%	

* Prior years restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

1 Excludes the impact of IFRS 5 held for sale adjustments on intangible assets and property, plant and equipment of £4 million and £64 million respectively.

2 All derivatives held at 31 March 2022 and 2021 were non-debt related derivatives. For the purpose of this calculation other current financial assets and liabilities are also included.

3 Excludes the dividend receivable from Joint ventures of £26 million.

4 Average invested operating capital represents the average of 1) the beginning and 2) end of the year for goodwill and other intangible assets, property, plant and equipment, working capital, provisions and non-debt related derivatives.

5. SEGMENT INFORMATION

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer at a point in time.

Discounts mainly comprise volume-driven rebates. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

There is no material element of financing in sales which are made with credit terms in general between 30 to 60 days, which is consistent with market practice. The Group makes use of certain supply-chain financing arrangements with a number of its customers in North America – and such arrangements include a financing element, which is deducted from revenue. During the year ended 31 March 2022, £3 million (2021 – £3 million), of which £2 million is related to discontinued operations was deducted from revenue for supply-chain financing costs.

Despite the classification of Primient as a disposal group held for sale and discontinued operation, there was no change to the Group's existing operating segments for the purposes of IFRS 8 'Operating Segments', because the segment information presented to the Board (the designated Chief Operating Decision Maker (CODM)) during the year ended 31 March 2022 for the purpose of allocating resources and assessing business performance remained unchanged. As a result, further information is provided to reconcile the IFRS 8 segmental results to the presentation in the Group Financial Review (page 39). Such reconciliation is set out below.

The Group has three operating segments: Food & Beverage Solutions, Sucralose and Primary Products. These operating segments are also the Group's three reportable segments. The Group does not aggregate operating segments to form reportable segments. Food & Beverage Solutions operates in the key categories of beverages, dairy, soups, sauces and dressings. Sucralose, a high-intensity sweetener, is used in various food categories and beverages. Primary Products has strong market positions in high-volume sweeteners and industrial starches.

Central, which comprises central costs including head office, treasury and insurance activities, does not meet the definition of an operating segment under IFRS 8 'Operating Segments' but is included below in order to be consistent with the presentation of segment information presented to the Board. The segments are served by a single manufacturing network and receive services from a number of global support functions. The segmental allocation of costs is performed using standard product costs to allocate all direct costs (including manufacturing facility-based depreciation) and allocation keys for all indirect costs (including share-based payments and amortisation) and are consistently applied over time.

The Board uses adjusted operating profit as the measure of the profitability of the Group's businesses. Adjusted operating profit is, therefore, the measure of segment profit presented in the Group's segment disclosures. In the years presented, the items excluded from operating profit in arriving at adjusted operating profit were the amortisation of acquired intangible assets, exceptional items and IFRS 5 Held for Sale adjustments (2022 only). The segmental classification of exceptional items is detailed in Note 8.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. SEGMENT INFORMATION CONTINUED

Segment results for the year ended 31 March 2022

IFRS 8 Segment results

TOTAL OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
	YEAR ENDED 31 MARCH 2022				
Revenue*	1 111	163	1 858	–	3 132
Adjusted operating profit[1]	190	61	112	(51)	312
Adjusted operating margin	17.2%	37.1%	6.0%	n/a	10.0%
Included within statutory operating profit[2]:					
– depreciation	41	9	22	2	74
– amortisation	22	–	2	2	26
– share-based payments	4	1	3	4	12

* Includes £1,757 million of revenue recognised in discontinued operations.
1 Reconciled to statutory profit for the year for continuing operations in Note 4 and for discontinued operations in Note 12.
2 Disclosure provided as either included in the measure of segment profit and loss or otherwise regularly provided to CODM.

Reconciliation of IFRS 8 segmental disclosures to the consolidated income statement and to the Group Financial Review:

(i) Revenue

CONTINUING OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
	YEAR ENDED 31 MARCH 2022				
Segmental revenue – as above	1 111	163	1 858	–	3 132
Reclassification to discontinued operations	–	–	(1 757)	–	(1 757)
Transfer of European PP business to F&BS	101	–	(101)	–	–
As presented in the Group Financial Review (page 39)	1 212	163	–	–	1 375

(ii) Adjusted operating profit

CONTINUING OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
	YEAR ENDED 31 MARCH 2022				
Segmental adjusted operating profits – as above	190	61	112	(51)	312
Transfer of European PP business to F&BS[1]	(21)	–	21	–	–
Reclassification to discontinued operations[1]	(9)	–	(133)	–	(142)
As presented in the Group Financial Review (page 39)[2]	160	61	–	(51)	170
Adjusted operating margin	13.2%	37.1%	n/a	n/a	12.4%

1 Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the Primient business and the inclusion of certain operating costs which will remain with the Group post disposal. Primary Products adjustment relates to its results (excluding the European Primary Products business results) being classified as a discontinued operation.
2 Total adjusted operating profit for continuing operations is reconciled to the statutory profit in Note 4.

Segment results for the year ended 31 March 2021

IFRS 8 Segment results

TOTAL OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
	YEAR ENDED 31 MARCH 2021				
Revenue*	970	151	1 686	–	2 807
Adjusted operating profit[1]	177	55	158	(51)	339
Adjusted operating margin	18.3%	36.8%	9.4%	n/a	12.1%
Included within statutory operating profit[2]:					
– depreciation	43	9	90	6	148
– amortisation	23	–	7	3	33
– share-based payments	2	1	3	2	8

* Includes £1,596 million of revenue recognised in discontinued operations.
1 Reconciled to statutory profit for the year for continuing operations in Note 4 and for discontinued operations in Note 12.
2 Disclosure provided as either included in the measure of segment profit and loss or otherwise regularly provided to CODM.

5. SEGMENT INFORMATION CONTINUED

Reconciliation of IFRS 8 segmental disclosures to the consolidated income statement and to the Group Financial Review:

(i) Revenue

CONTINUING OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
					RESTATED* YEAR ENDED 31 MARCH 2021
Segmental revenue – as above	970	151	1 686	–	2 807
Reclassification to discontinued operations	–	–	(1 596)	–	(1 596)
Transfer of European PP business to F&BS	90	–	(90)	–	–
As presented in the Group Financial Review (page 39)	1 060	151	–	–	1 211

* Restated to reflect discontinued operations (see Notes 1 and 12).

(ii) Adjusted operating profit

CONTINUING OPERATIONS	FOOD & BEVERAGE SOLUTIONS £M	SUCRALOSE £M	PRIMARY PRODUCTS £M	CENTRAL £M	TOTAL £M
					RESTATED* YEAR ENDED 31 MARCH 2021
Segmental adjusted operating profits – as above	177	55	158	(51)	339
Transfer of European PP business to F&BS[1]	(14)	–	14	–	–
Reclassification to discontinued operations[1]	(7)	–	(172)	–	(179)
As presented in the Group Financial Review (page 39)[2]	156	55	–	(51)	160
Adjusted operating margin	14.7%	36.8%	n/a	n/a	13.3%

* Restated to reflect discontinued operations (see Notes 1 and 12).

1 Food & Beverage Solutions adjustment relates to the inclusion of the European Primary Products business which is not subject to the disposal of the Primient business and the inclusion of certain operating costs which will remain with the Group post disposal. Primary Products adjustment relates to its results (excluding the European Primary Products business results) being classified as a discontinued operation.

2 Reconciled to statutory profit for the year for continuing operations in Note 4 and for discontinued operations in Note 12.

Geographic disclosures

Revenue

TOTAL OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Food & Beverage Solutions		
North America	**542**	485
Asia, Middle East, Africa and Latin America	**325**	269
Europe	**244**	216
Food & Beverage Solutions – total	**1 111**	970
Sucralose – total	**163**	151
Primary Products		
Americas	**1 757**	1 596
Rest of the world	**101**	90
Primary Products – total	**1 858**	1 686
Total	**3 132**	2 807

Sales to customers (total operations) in the United Kingdom totalled £40 million (2021 – £32 million). Sales to customers (total operations) in the United States totalled £2,222 million (2021 – £2,004 million).

From continuing operations no customer contributed more than 10% of the Group's external sales (2021 – no customer contributed more than 10%).

Revenue – reconciliation to the consolidated income statement

	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Revenue – geographic disclosure – total operations	**3 132**	2 807
Reclassification to discontinued operations	**(1 757)**	(1 596)
Revenue – continuing operations	**1 375**	1 211

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. SEGMENT INFORMATION CONTINUED

Location of non-current assets

The location of non-current assets, other than financial instruments (including long-term receivables), deferred tax assets, and retirement benefits are as follows:

	AT 31 MARCH 2022 £M	AT 31 MARCH RESTATED* 2021 £M
United Kingdom	**29**	22
United States	**1 168**	1 067
Other European countries	**262**	275
Rest of the world	**190**	190
Non-current assets – total operations[1]	**1 649**	1 554

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.
1 Current year total Includes £869 million (2021 – £nil) classified as held for sale. See Note 12.

6. OPERATING PROFIT

Analysis of operating expenses by nature:

CONTINUING OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 £M	YEAR ENDED 31 MARCH RESTATED* 2021 £M
Revenue		**1 375**	1 211
Operating expenses			
Cost of inventories (included in cost of sales)		**696**	558
Staff costs (of which £122 million (2021 – £115 million) was included in cost of sales)[1]	9	**260**	253
Depreciation of property, plant and equipment:			
– owned assets (of which £41 million (2021 – £54 million) was included in cost of sales)		**47**	61
– leased assets (of which £2 million (2021 – £3 million) was included in cost of sales)	21	**9**	10
Exceptional costs	8	**93**	34
Amortisation of intangible assets:			
– acquired intangible assets	19	**10**	10
– other intangible assets		**14**	16
Impairment of trade receivables[2]	17	**–**	(3)
Impairment of intangible assets[3]		**1**	4
Impairment of property, plant and equipment[4]	20	**3**	3
Total net foreign exchange losses		**2**	–
Other operating expenses		**173**	149
Operating expenses		**1 308**	1 095
Operating profit		**67**	116

* Restated to reflect discontinued operations (see Notes 1 and 12).
1 Excludes £13 million (2021 – £6 million) of staff costs recognised in continuing exceptional items.
2 Excludes £3 million (2021 – £nil) of impairment of trade receivables recognised in continuing exceptional items.
3 Excludes £1 million (2021 – £nil) of impairment of intangible assets recognised in continuing exceptional items.
4 Excludes £15 million (2021 – £nil) of impairment of property, plant and equipment recognised in continuing exceptional items.

The Group spend on research and development expenditure during the year was £41 million (2021 – £42 million), in constant currency £43 million.

7. AUDITOR'S REMUNERATION

Fees payable to the Company's external auditor, Ernst & Young LLP, and its associates, were as follows:

	YEAR ENDED 31 MARCH 2022 £M	YEAR ENDED 31 MARCH 2021 £M
Fees payable for the audit of the Company and consolidated financial statements	**1.4**	1.1
Fees payable for other services:		
– the audit of the Company's subsidiaries	**2.2**	1.6
– audit-related assurance services	**0.1**	0.1
– services relating to corporate finance transactions	**0.6**	–
Total	**4.3**	2.8

8. EXCEPTIONAL ITEMS

Refer to Note 2 for the exceptional items accounting policy.

Exceptional (costs)/income recognised in the consolidated income statement are as follows:

CONTINUING OPERATIONS	FOOTNOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Income statement			
Costs associated with the separation and disposal of Primient	(a)	**(79)**	(19)
Impairment related to the disposal of Primient	(b)	**(13)**	–
US pension plan past service credit	(c)	**9**	–
Stabiliser product contamination	(d)	**(9)**	–
Restructuring costs	(e)	**(1)**	(12)
Historical legal matters	(f)	**–**	(3)
Exceptional items included in profit before tax		**(93)**	(34)
UK tax (charge)	(g)	**(6)**	–
US tax (charge)/credit	(g)	**(6)**	7
Exceptional items included in income tax		**(12)**	7
Exceptional items – continuing operations		**(105)**	(27)

DISCONTINUED OPERATIONS	FOOTNOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Restructuring costs		**(3)**	(8)
Exceptional items – discontinued operations		**(3)**	(8)
Exceptional items – total operations		**(108)**	(35)

* Prior year restated to reflect discontinued operations (see Notes 1 and 12).

Set out below are the principal components of the Group's exceptional items:

Continuing operations

(a) In the year ended 31 March 2022, the Group announced it had entered into an agreement to sell a controlling interest in Primient. The associated transaction and separation costs during this year totalled £79 million which consisted principally of external advisor fees, which were recognised within Central.

(b) Following this agreement to sell a controlling interest in Primient, the Group assessed all assets for impairment. This resulted in no impairment of the assets held for sale. However, for the assets remaining with the Group, an impairment charge of £13 million was recognised. This charge consisted principally of the write-off of certain items of plant and equipment in the Group's loss-making European Primary Products business. In addition, certain IT and other assets which are expected to have no future benefit to the Group following completion of the Transaction have been fully impaired.

(c) Following a plan amendment made to its US pension plans, the Group has recognised a net exceptional income of £9 million within Food & Beverage Solutions. The plan amendment resulted in a past service credit of £13 million which has been partially offset by a cash charge of £4 million associated with an incremental contribution made, of which £1 million was paid in the year. The Group expects to make two further payments in the 2023 and 2024 financial years, which are included in the total expected cash charge of £4 million.

(d) During the year, the Group's stabilisers business was impacted by contaminated products manufactured by certain third-party suppliers in China. The contamination impacted not only the Group, but also the wider industry. As a result, the Group recorded £6 million of costs for write-off of impacted inventories and receivables and a further £3 million of impairment charges for certain fixed assets. The £9 million charge was recognised within Food & Beverage Solutions.

(e) The Group recorded £1 million of restructuring costs relating to productivity and simplification projects, principally in relation to Global Operations cost-saving initiatives. The £1 million charge was recognised within Food & Beverage Solutions.

(f) During the year, the consolidated income statement impact of historical legal matters in the US was a net nil, as exceptional income and costs offset one another.

(g) As a result of the agreement to sell a controlling interest in Primient, the amount of brought forward UK tax losses that the Group expects to be able to utilise in the future has reduced resulting in an exceptional tax charge of £6 million. In addition, the amount of US state tax credits that the Group expects to be able to utilise in the future has reduced as the Group will no longer have a presence in certain states also giving rise to an exceptional tax charge of £6 million.

Of the net £93 million exceptional charge recorded in operating profit in continuing operations during the year, £46 million was reflected in exceptional cash flow. In addition, £12 million of exceptional costs recorded in prior year resulted in cash outflows in the year ended 31 March 2022, such that cash outflow from exceptional items in continuing operations was £58 million. There was a further net cash outflow of £2 million recognised in discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. EXCEPTIONAL ITEMS CONTINUED

The most significant exceptional costs in the comparative year were costs incurred in relation to the Primient disposal as well as restructuring costs related to the Group's previously-announced programme to simplify the business and drive productivity. Other exceptional costs and income in the comparative year related to historical legal matters offset by a one-off tax credit due to release of an uncertain tax position in the US.

Tax credits or charges on exceptional items are only recognised to the extent that gains or losses incurred are expected to result in tax recoverable or payable in the future. The total tax impact of these exceptional items was a tax credit of £21 million.

Discontinued operations

The exceptional costs in the current year were restructuring costs relating to productivity and simplification projects totalling £3 million which were mainly related to Global Operations cost saving initiatives.

Cash flows from total operations

Further details in respect of cash flows from exceptional items are set out below:

Net operating cash outflows on exceptional items	FOOTNOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Costs associated with the separation and disposal of Primient	(a)	**(48)**	(15)
US pension plan past service credit	(c)	**(1)**	–
Restructuring costs	(e)	**(5)**	(9)
Historical legal matters	(f)	**(4)**	1
Asset remediation		**–**	(1)
Net cash outflows – continuing operations		**(58)**	(24)
Net cash outflows – discontinued operations		**(2)**	(8)
Net cash outflows – total operations		**(60)**	(32)

* Restated to reflect discontinued operations (see Notes 1 and 12).

Exceptional cash flows

The total cash adjustment relating to exceptional items presented in the cash flow statement of £36 million (inflow) (2021 – £10 million (inflow)) reflects the exceptional items included in profit before tax of £96 million in total operations (2021 – £42 million) which were £36 million higher (2021 – £10 million higher) than net cash outflows of £60 million (2021 – £32 million) set out in the table above.

9. STAFF COSTS

Staff costs were as follows:

CONTINUING OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Wages and salaries	**234**	227
Social security costs	**21**	20
Retirement benefit costs:		
– defined benefit schemes	**1**	1
– defined contribution schemes	**7**	6
Share-based payments	**10**	5
Staff costs – continuing operations	**273**	259

* Restated to reflect discontinued operations (see Notes 1 and 12).

The average number of people employed by the Company and its subsidiaries, including part-time employees, is set out below:

By operating segment	YEAR ENDED 31 MARCH 2022	2021
Food & Beverage Solutions[1]	**2 191**	1 985
Sucralose[1]	**106**	102
Primary Products	**1 665**	1 638
Central	**560**	529
Total	**4 522**	4 254

1 The Food & Beverage Solutions division (which includes Sucralose) operates with a single commercial team. It is not practicable to split this team between the two segments comprising this division, and therefore the entire headcount of the commercial team has been included within the Food & Beverage Solutions segment.

At 31 March 2022, the Group employed 4,591 people (2021 – 4, 441 people), of which 1,424 transitioned to Primient on completion of the Transaction on 1 April 2022. The Group's three operating segments are supported by Global Operations, a single manufacturing network, which is responsible for running the Group's manufacturing facilities. The Group allocates the headcount of the Global Operations team to segments based on the split of primary capacity at each location. Central includes shared-service employees who perform activities for the whole Group, including the Food & Beverage Solutions, Sucralose and Primary Products segments.

9. STAFF COSTS CONTINUED

Key management compensation

	2022 £M	RESTATED* 2021 £M
	YEAR ENDED 31 MARCH	
Salaries and short-term employee benefits	**8**	8
Retirement benefits	**1**	1
Share-based payments	**5**	3
Total	**14**	12

* Restated to reflect discontinued operations (see Notes 1 and 12).

Key management is represented by the Executive Committee and the Company's Directors. Remuneration details of the Company's Directors are given in the Directors' Remuneration Report on pages 108 to 126. Members of the Executive Committee are identified on pages 82 and 83. The aggregate gains made by key management on the exercise of share options were £6 million (2021 – £4 million), of which £1 million related to discontinued operations (2021 – £1 million). No related party transactions with close family members of the Group's key management occurred in the current or prior year.

10. FINANCE INCOME AND EXPENSE

CONTINUING OPERATIONS	NOTE	2022 £M	RESTATED* 2021 £M
		YEAR ENDED 31 MARCH	
Interest payable on bank and other borrowings		**(21)**	(20)
Lease interest	21	**(2)**	(2)
Net retirement benefit interest	31	**(3)**	(5)
Finance expense		**(26)**	(27)
Finance income – income on cash balances		**1**	1
Net finance expense		**(25)**	(26)

* Restated to reflect discontinued operations (see Notes 1 and 12).

11. INCOME TAXES

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in equity and other comprehensive income.

Current tax is the amount of tax expected to be payable or receivable on the taxable profit or loss for the current period. This amount is amended for adjustments in respect of prior periods. Current tax is calculated using tax rates that have been written into law ('enacted') or irrevocably announced/committed by the respective government ('substantively enacted') at the period-end date.

Income tax in the consolidated income statement will differ from the income tax paid in the consolidated cash flow statement primarily because of deferred tax arising on temporary differences and payment dates for income tax occurring after the balance sheet date.

Deferred tax is provided based on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is calculated using the enacted or substantively enacted rates that are expected to apply when the asset is realised, or the liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current and deferred tax receivable (assets) and payable (liabilities) are offset only when there is a legal right to settle them net and the Group intends to do so. This is generally true when the taxes are levied by the same tax authority.

Refer to Note 2 for key sources of estimation uncertainty relating to income taxes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. INCOME TAXES CONTINUED

Analysis of charge for the year

CONTINUING OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Current tax		
United Kingdom	–	3
Overseas	(40)	(26)
Tax credit on exceptional items	5	5
US exceptional tax credit	–	7
Expense in respect of previous financial years	(1)	–
	(36)	(11)
Deferred tax		
Credit for the year	12	8
Credit in respect of previous financial years	4	2
Tax credit on exceptional items	16	–
UK exceptional tax charge	(6)	–
US exceptional tax charge	(6)	–
Income tax expense – continuing operations	(16)	(1)
Statutory effective tax rate (%)	38.4%	1.2%

* Restated to reflect discontinued operations (see Notes 1 and 12).

Reconciliation to adjusted income tax expense

CONTINUING OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Income tax expense		(16)	(1)
Add back the impact of:			
Tax credit on exceptional items		(21)	(5)
Tax credit on amortisation of acquired intangibles		(3)	(3)
UK exceptional tax charge		6	–
US exceptional tax charge/(credit)		6	(7)
Adjusted income tax expense – continuing operations	4	(28)	(16)
Adjusted effective tax rate (%)		19.3%	12.1%

* Restated to reflect discontinued operations (see Notes 1 and 12).

At 31 March 2022, the carrying value of current tax assets totalled £11 million (2021 – £11 million) and the carrying value of the current tax liabilities totalled £23 million (2021 – £25 million).

The Group's current and deferred tax balances are subject to estimation uncertainty, which could also impact the effective tax rate in the next financial year. The specific sources of estimation uncertainty are as follows:

(a) Resolution of uncertain tax provisions: at 31 March 2022, the Group has recorded current tax liabilities of £46 million (2021 – £47 million) for uncertain tax positions (refer to Note 2). Such provisions arise because the Group operates in an international tax environment and is subjected to periodic tax examination and uncertainties in a number of jurisdictions. Such examination can include, inter alia, transfer pricing arrangements relating to the Group's operating activities, historical reorganisations and the deductibility of interest on certain intra-group borrowing arrangements. The issues involved are complicated and may take a number of years to resolve. Tax liabilities, if required, have been estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty. Of the £46 million total of uncertain tax positions held at 31 March 2022, between zero and £5 million of the balance could be resolved in the year ending 31 March 2023. Such resolution could be favourable or unfavourable. Of the £47 million balance at 31 March 2021, £16 million met the criteria for being released in the year ended 31 March 2022. This compares to the range of possible outcomes coming into the year for potential releases of provisions of between zero and £12 million. The increased release was the result of an early completion of a tax audit.

(b) Recognition of deferred tax assets: at 31 March 2022, the Group has recorded deferred tax assets of £9 million (2021 – £32 million assets), and deductible temporary differences for which the unrecognised deferred tax asset is £209 million (2021 – £162 million), the most significant of which relates to unrecognised tax losses in the UK. Management exercises judgement in its determination of recognition of deferred tax assets.

In addition to these items, the tax rate in future periods is likely to be impacted by changes to tax legislation and material changes to the geographic mix of profits.

The prior year rate benefited from the release of certain tax provisions totalling £25 million following expiry of statute of limitations as well as recognition of certain tax credits in the United States.

11. INCOME TAXES CONTINUED

Reconciliation of the effective tax rate

As the Group's head office and Parent Company are domiciled in the UK, the Group uses the UK corporation tax rate to reference its effective tax rate, notwithstanding that only a small proportion of the Group's business is in the UK. The tax on the Group's profit before tax differs from the standard rate of corporation tax in the UK as follows:

CONTINUING OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	YEAR ENDED 31 MARCH RESTATED* 2021 £M
Profit before tax	**42**	90
Corporation tax charge thereon at 19% (2021 – 19%)	**(8)**	(17)
Adjusted for the effects of:		
– non-deductible income and other permanent items	**–**	5
– adjustments in respect of previous financial year	**3**	2
– losses not currently treated as being recoverable in future periods[1]	**(4)**	(1)
– UK exceptional tax (charge)	**(6)**	–
– US exceptional tax (charge)/credit[2]	**(6)**	7
– tax rates below the UK rate applied on overseas earnings[3]	**5**	3
Total tax charge	**(16)**	(1)

* Restated to reflect discontinued operations (see Notes 1 and 12).

1 The Group incurs expenses in jurisdictions where it does not currently expect to be able to recover these amounts against future taxable profits. This has the effect of increasing the Group's overall effective tax rate.

2 In the year ended 31 March 2022, as a result of the agreement to sell a controlling interest in Primient, the amount of the brought forward UK tax losses that the Group expects to be able to utilise in the future has reduced resulting in an exceptional tax charge of £6 million. In addition, the amount of US state tax credits the Group expects to be able to utilise in the future has reduced as the Group will no longer have a presence in certain states. This resulted in an exceptional tax charge of £6 million. In the year ended 31 March 2021, the Group's tax rate was favourably impacted by the release of £25 million of uncertain tax provision, £7 million of which was treated as an exceptional US tax credit. The remaining £18 million provision release, together with changes in, or increases to, existing provisions and the identification of new uncertain tax items for which provisions were required is reflected in the line 'tax rates below/(above) the UK rate applied on overseas earnings'.

3 The Group is subject to tax rates in the jurisdictions in which it operates which can be above or below the UK corporation tax rate (the Group's reference rate). In the year ended 31 March 2022, the Group's tax rate was favourably impacted by one-off local tax credits in relation to the US and by the net release of uncertain tax provisions.

Analysis of exceptional tax items

An analysis of tax charged or credited on adjusting items and exceptional tax items within continuing operations is set out below:

CONTINUING OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 PRE-TAX £M	YEAR ENDED 31 MARCH 2022 TAX CREDIT/(CHARGE) £M	RESTATED* YEAR ENDED 31 MARCH 2021 PRE-TAX £M	RESTATED* YEAR ENDED 31 MARCH 2021 TAX CREDIT/(CHARGE) £M
Exceptional items					
Costs associated with the separation and disposal of Primient	8	**(79)**	**20**	(19)	2
Impairment related to the disposal of Primient	8	**(13)**	**3**	–	–
US pension plan past service credit	8	**9**	**(2)**	–	–
Stabiliser product contamination	8	**(9)**	**–**	–	–
Restructuring costs	8	**(1)**	**–**	(12)	2
Historical legal matters	8	**–**	**–**	(3)	1
Exceptional items included in profit before tax		**(93)**	**21**	(34)	5
Amortisation of acquired intangible assets	19	**(10)**	**3**	(10)	3
Adjusting items – continuing operations	4	**(103)**	**24**	(44)	8
Exceptional tax items					
UK tax (charge)	8	**–**	**(6)**	–	–
US tax (charge)/credit	8	**–**	**(6)**	–	7
Total exceptional items included in income tax	4	**–**	**(12)**	–	7
Total adjusting items – continuing operations	4	**(103)**	**12**	(44)	15
Discontinued operations					
Restructuring costs	8, 12	**(3)**	**1**	(8)	3
Exceptional items – discontinued operations		**(3)**	**1**	(8)	3
Held for sale adjustment[1]	12	**110**	**(17)**	–	–
Held for sale adjustment[2] – profit after tax of joint ventures	12	**(27)**	**–**	–	–
		83	**(17)**	–	–
Total adjusting items – total operations		**(23)**	**(4)**	(52)	18

* Restated to reflect discontinued operations (see Notes 1 and 12).

1 Total held for sale adjustment of £110 million comprises £68 million of adjusted depreciation and amortisation included in adjusted operating profit of £312 million. The remaining £42 million is dividend income from Almex and Bio- PDO recognised after these investments were recorded as held for sale, which is not included in either adjusted operating profit or adjusted free cash flow.

2 Held for sale adjustment relates to cessation of equity accounting (reduction in share of profit after tax of joint ventures of £27 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. INCOME TAXES CONTINUED

Deferred tax

The movements in deferred tax assets and liabilities during the year were as follows:

	CAPITAL ALLOWANCES IN EXCESS OF DEPRECIATION £M	RETIREMENT BENEFIT OBLIGATIONS £M	SHARE-BASED PAYMENTS £M	TAX LOSSES £M	OTHER[1] £M	TOTAL £M
At 1 April 2020	(123)	43	4	20	44	(12)
Software-as-a-service – restatement*	3	–	–	–	–	3
At 1 April 2020 – restated	(120)	43	4	20	44	(9)
Credited/(charged) to the income statement						
– underlying	24	(1)	1	(6)	(2)	16
– tax effect of exceptional items	2	–	–	–	–	2
Charged to other comprehensive income	–	(13)	–	–	–	(13)
Credited/(charged) directly to equity	–	–	1	–	(3)	(2)
Acquisitions/disposals	–	–	–	–	(4)	(4)
Currency translation differences	8	(3)	–	–	(4)	1
At 31 March 2021	(86)	26	6	14	31	(9)
Credited/(charged) to the income statement						
– underlying[2]	**19**	**(3)**	**(1)**	**2**	**(29)**	**(12)**
– tax effect of exceptional items	**–**	**–**	**–**	**–**	**(16)**	**(16)**
– exceptional tax items	**–**	**–**	**–**	**6**	**6**	**12**
Charged to other comprehensive income	**–**	**–**	**–**	**–**	**(20)**	**(20)**
(Charged)/credited directly to equity	**–**	**–**	**(1)**	**–**	**7**	**6**
Currency translation differences	**(6)**	**1**	**–**	**–**	**2**	**(3)**
At 31 March 2022	**(73)**	**24**	**4**	**22**	**(19)**	**(42)**

1 Other deferred tax items include temporary differences arising from accounting provisions where the timing of the tax deduction is different from the timing of accounting recognition, and business combinations.
2 Included in the movement is a £36 million credit in relation to discontinued operations.
* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

Deferred tax assets and liabilities are offset where there is a legally enforceable right of offset and there is an intention to net settle the balances. After taking these offsets into account, the net position of £42 million liability (2021 – £9 million liability) is presented as a £9 million deferred tax asset (2021 – £32 million asset) and a £51 million deferred tax liability (2021 – £41 million liability) in the Group's statement of financial position.

Unrecognised deferred tax asset/liabilities

No deferred tax assets have been recognised in respect of tax losses of £828 million (2021 – £787 million) as there is uncertainty as to whether taxable profits against which these assets may be recovered, will be available. In the year ended 31 March 2022, no tax losses expired (2021 – £nil). Tax losses amounting to £24 million (2021 – £7 million) will expire within five years. The remaining tax losses have no expiry date.

A deferred tax asset has not been recognised in respect of share-based payments of £1 million (2021 – £nil) as there is uncertainty as to whether taxable profits against which these assets may be recovered will be available.

A deferred tax liability of £3 million (2021 – £2 million) has not been recognised in respect of taxable temporary differences associated with investments in subsidiaries as there is control over the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Changes in tax rates/tax law

The UK's main corporation tax rate will increase from 19% to 25% from 1 April 2023. These changes have been reflected in the measurement of deferred tax balances at the period end.

There was no impact from the imposition of new taxes.

Tax on items recognised in other comprehensive income

The total tax on other comprehensive income was an expense of £20 million (2021 – £13 million expense). This included charges to deferred tax on financial instruments of £20 million (2021 – £nil) and retirement benefit obligations of £nil (2021 – £13 million charges).

Tax on items recognised directly in equity

The total tax credit in equity was £7 million (2021 – £1 million charge). This included deferred tax credit relating to financial instruments of £7 million (2021 – £3 million charge), a deferred tax charge on share-based payments of £1 million (2021 – £1 million credit) and a £1 million current tax credit on share-based payments (2021 – £1 million credit).

12. DISCONTINUED OPERATIONS

An operation is classified as discontinued if it is a component of the Group that: (i) has been disposed of, or meets the criteria to be classified as held for sale; and (ii) represents a separate major line of business or geographic area of operations or will be disposed of as part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations. The results of discontinued operations are presented as a single amount of profit or loss after tax in the consolidated income statement, separate from the results of continuing operations.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. A loss for any initial or subsequent write-down of the asset or disposal group to a revised fair value less costs to sell is recognised at each reporting date. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Assets and corresponding liabilities classified as held for sale are presented separately as current items in the statement of financial position. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Equity accounting for joint ventures ceases once they are classified as held for sale.

As described in Note 1, on 12 July 2021 the Group announced that it had entered into an agreement to sell to KPS a controlling stake in Primient (refer to Note 37 for further details). This transaction completed on 1 April 2022.

The Primient business consists of the following operations:

- Corn wet mills in the US in Decatur, Illinois; Lafayette, Indiana; and Loudon, Tennessee.
- Acidulants plants in Dayton, Ohio; Duluth, Minnesota; and Santa Rosa, Brazil.
- The Group's existing shareholdings in two joint ventures – Almex in Guadalajara, Mexico and Bio-PDO in Loudon, Tennessee.
- Grain elevator network and bulk transfer stations in North America.

Primary Products' European operations are not included in this transaction and are therefore not part of the discontinued operations.

The statutory results of the discontinued operations which have been included in the consolidated income statement were as follows:

DISCONTINUED OPERATIONS £ MILLION UNLESS OTHERWISE STATED	YEAR ENDED 31 MARCH 2022 £M	 2021 £M
Revenue	**1 757**	1 596
Operating expenses	**(1 508)**	(1 425)
Operating profit	**249**	171
Finance expense	**(3)**	(4)
Share of profit after tax of joint venture	**8**	26
Profit before tax	**254**	193
Income tax expense	**(44)**	(29)
Profit for the year from discontinued operations[1]	**210**	164
Basic earnings per share from discontinued operations (pence)	**45.2p**	35.1p
Diluted earnings per share from discontinued operations (pence)	**44.7p**	34.7p

1 Attributable to owners of the Company.

On classification as held for sale, the net assets of the Primient disposal group were measured at the lower of their carrying amount and their fair value less costs to sell. This did not result in any impairment.

The results of the discontinued operations which have been included in the consolidated statement of cash flows were as follows:

DISCONTINUED OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	 2021 £M
Operating	**15**	181
Investing	**(40)**	(88)
Financing	**(21)**	(24)
Net cash (outflow)/inflow	**(46)**	69

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

12. DISCONTINUED OPERATIONS CONTINUED

The following table shows the reconciliation of the key alternative performance measures to the most directly comparable measures reported in accordance with IFRS:

DISCONTINUED OPERATIONS £ MILLION UNLESS OTHERWISE STATED	YEAR ENDED 31 MARCH 2022 REPORTED	ADJUSTING ITEMS	ADJUSTED REPORTED	YEAR ENDED 31 MARCH 2021 REPORTED	ADJUSTING ITEMS	ADJUSTED REPORTED
Revenue	**1 757**	**–**	**1 757**	1 596	–	1 596
Operating profit	**249**	**(107)**	**142**	171	8	179
Finance expense	**(3)**	**–**	**(3)**	(4)	–	(4)
Share of profit after tax of joint ventures	**8**	**27**	**35**	26	–	26
Profit before tax	**254**	**(80)**	**174**	193	8	201
Income tax expense	**(44)**	**16**	**(28)**	(29)	(3)	(32)
Profit for the year	**210**	**(64)**	**146**	164	5	169
Basic earnings per share (pence)	**45.2p**	**(13.7p)**	**31.5p**	35.1p	1.4p	36.5p
Diluted earnings per share (pence)	**44.7p**	**(13.6p)**	**31.1p**	34.7p	1.3p	36.0p
Effective tax rate %	**17.5%**		**16.1%**	15.4%		15.8%

The following table shows the reconciliation of the adjusting items impacting adjusted profit for the years:

DISCONTINUED OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Exceptional costs in operating profit	**3**	8
Held for sale adjustment[1]	**(110)**	–
Total excluded from adjusted operating profit	**(107)**	8
Held for sale adjustment[2] – share of profit after tax of joint ventures	**27**	–
Total excluded from adjusted profit before tax	**(80)**	8
Tax effect of adjusting items	**16**	(3)
Total excluded from adjusted profit for the year	**(64)**	5

1 Held for sale adjustments include: cessation of depreciation and amortisation (reduction in operating costs of £68 million) and reclassification of dividends from joint ventures (income of £42 million).
2 Held for sale adjustment relates to cessation of equity accounting (reduction in share of profit after tax of joint ventures of £27 million).

The following table shows the reconciliation of adjusted free cash flow relating to discontinued operations:

DISCONTINUED OPERATIONS	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Adjusted operating profit from discontinued operations	**142**	179
Adjusted for:		
Adjusted depreciation and adjusted amortisation[1]	**20**	78
Share-based payments charge	**2**	3
Changes in working capital and other non-cash movements	**(182)**	(16)
Capital expenditure	**(73)**	(92)
Net interest and tax paid	**(33)**	(55)
Held for sale adjustment[2]	**68**	–
Adjusted free cash flow from discontinued operations	**(56)**	97

1 Total depreciation of £18 million (2021 – £77 million) and amortisation of £2 million (2021 – £7 million) less £nil (2021 – £6 million) of accelerated depreciation recognised in exceptional items.
2 Total held for sale adjustment of £110 million, comprises £68 million of adjusted depreciation and amortisation included in adjusted operating profit of £142 million. The remaining £42 million relates to dividend income from Almex and Bio-PDO, which is not included in either adjusted operating profit or adjusted free cash flow.

12. DISCONTINUED OPERATIONS CONTINUED

The major classes of assets and liabilities of Primient classified as held for sale at 31 March 2022 are as follows:

DISCONTINUED OPERATIONS	AT 31 MARCH 2022 £M
Assets	
Goodwill and other intangible assets	**56**
Property, plant and equipment	**708**
Investments in joint ventures	**105**
Investments in equities	**12**
Inventories	**398**
Trade and other receivables	**246**
Current tax assets	**1**
Derivative financial instruments	**65**
Other current financial assets	**58**
Cash and cash equivalents	**17**
Assets classified as held for sale	**1 666**
Liabilities	
Retirement benefit deficit	**28**
Trade and other payables	**253**
Lease liabilities	**74**
Derivative financial instruments	**5**
Other current financial liabilities	**40**
Liabilities directly associated with assets held for sale	**400**
NET ASSETS	**1 266**

Cumulative income and expense recognised in other comprehensive income are shown below:

DISCONTINUED OPERATIONS	YEAR ENDED 31 MARCH 2022 £M
Currency translation reserve	**81**
Actuarial gain (net of deferred tax)	**7**
Net gain on cash flow hedges (net of deferred tax)	**49**
Reserves of disposal group classified as held for sale	**137**

13. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year excluding shares held by the Company and the Employee Benefit Trust to satisfy awards made under the Group's share-based incentive plans.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue assuming conversion of potentially dilutive ordinary shares, reflecting vesting assumptions on employee share plans, as well as the deemed profit attributable to owners of the Company for any proceeds on such conversions.

The average market price of the Company's ordinary shares during the year was 721p (2021 – 679p). The dilutive effect of share-based incentives was 5.3 million shares (2021 – 5.2 million shares).

	YEAR ENDED 31 MARCH 2022			RESTATED* YEAR ENDED 31 MARCH 2021		
	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL OPERATIONS	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL OPERATIONS
Profit attributable to owners of the Company (£ million)	**26**	**210**	**236**	89	164	253
Weighted average number of ordinary shares (million) – basic	**465.1**	**465.1**	**465.1**	464.2	464.2	464.2
Basic earnings per share (pence)	**5.5p**	**45.2p**	**50.7p**	19.3p	35.1p	54.4p
Weighted average number of ordinary shares (million) – diluted	**470.4**	**470.4**	**470.4**	469.4	469.4	469.4
Diluted earnings per share (pence)	**5.5p**	**44.7p**	**50.2p**	19.1p	34.7p	53.8p

* Restated to reflect discontinued operations (see Notes 1 and 12).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. EARNINGS PER SHARE CONTINUED

CALCULATION OF WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	YEAR ENDED 31 MARCH 2022 MILLION	2021 MILLION
Weighted average number of ordinary shares – basic	**465.1**	464.2
Effects of dilution from:		
– Sharesave plan	**–**	–
– Performance share plan/Restricted share awards/Group Bonus plan – deferred element	**5.3**	5.2
Weighted average number of ordinary shares – diluted	**470.4**	469.4

Adjusted earnings per share

A reconciliation between profit attributable to owners of the Company from continuing operations and the equivalent adjusted measure, together with the resulting adjusted earnings per share measure, is shown below:

CONTINUING OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Profit attributable to owners of the Company		**26**	89
Adjusting items:			
– exceptional costs in operating profit	8	**93**	34
– amortisation of acquired intangible assets	19	**10**	10
– tax credit on adjusting items	11	**(24)**	(8)
– exceptional tax charge/(credit)	8, 11	**12**	(7)
Adjusted profit attributable to owners of the Company	4	**117**	118
Adjusted basic earnings per share (pence) – continuing operations		**25.2p**	25.4p
Adjusted diluted earnings per share (pence) – continuing operations		**24.9p**	25.2p

* Restated to reflect discontinued operations (see Notes 1 and 12).

TOTAL OPERATIONS	NOTES	YEAR ENDED 31 MARCH 2022 £M	RESTATED* 2021 £M
Adjusted profit attributable to owners of the Company – continuing operations	4	**117**	118
Adjusted profit attributable to owners of the Company – discontinued operations	12	**146**	169
Adjusted profit attributable to owners of the Company – total operations		**263**	287
Adjusted basic earnings per share (pence) – total operations		**56.7p**	61.9p
Adjusted diluted earnings per share (pence) – total operations		**56.0p**	61.2p

* Restated to reflect discontinued operations (see Notes 1 and 12).

14. DIVIDENDS ON ORDINARY SHARES

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid, and final dividends are recognised when they are declared following approval by shareholders at the Company's AGM. Dividends are recognised as an appropriation of shareholders' funds.

Dividends on ordinary shares in respect of the financial year:

	YEAR ENDED 31 MARCH 2022 PENCE	2021 PENCE
Per ordinary share:		
– interim dividend paid	**9.0**	8.8
– final dividend proposed	**12.8**	22.0
Total dividend	**21.8**	30.8

The Directors propose a final dividend for the financial year of 12.8p per ordinary share that, subject to approval by shareholders, will be paid on 5 August 2022 to shareholders who are on the Register of Members on 1 July 2022.

Dividends on ordinary shares paid in the financial year:

	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Final dividend paid relating to the prior financial year	**102**	97
Interim dividend paid relating to the financial year	**42**	40
Total dividend paid	**144**	137

Based on the number of ordinary shares outstanding at 31 March 2022, adjusted to reflect the impact of the share consolidation on 16 May 2022, and the proposed dividend per share, the final dividend for the financial year is expected to amount to £51 million.

For details of the special dividend paid after the year end refer to Note 37.

15. INVENTORIES

Inventories are carried at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition and is calculated using the 'first in/first out' or 'weighted average' methods, appropriate to the materials and production processes involved. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. Provisions are made for any slow-moving, obsolete or defective inventories.

The carrying value of US net corn position inventories designated as hedged items (managed on a group basis for risk management) in an effective fair value hedge accounting relationship is adjusted by the change in fair value attributable to the hedged risk. (Refer to Note 2).

	AT 31 MARCH	
	2022 £M	2021 £M
Raw materials and consumables	**93**	280
Work in progress	**20**	21
Finished goods	**204**	231
Total[1]	**317**	532

1 Includes a £64 million positive fair value adjustment (2021 – £44 million positive) as a result of certain inventories in the US being designated as hedged items within a fair value hedging relationship. The majority of such inventories is classified as held for sale.

Inventories classified as held for sale of £398 million are included in Note 12.

Finished goods inventories of £3 million (2021 – £2 million) are carried at net realisable value, this being lower than cost.

In the year ended 31 March 2022, the Group recognised a write-down of inventories totalling £7 million (£3 million included in discontinued operations) (2021 – £2 million) included in the cost of inventories.

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash held with banks and other short-term highly liquid investments with original maturities of three months or less and which are subject to an insignificant risk of change in value. The credit rating of short-term highly liquid investments is AAA or equivalent (2021 – AAA or equivalent, other than £7 million).

	AT 31 MARCH	
	2022 £M	2021 £M
Short-term highly liquid investments	**30**	305
Cash at bank	**97**	66
	127	371
Reclassification to assets held for sale	**(17)**	–
Cash and cash equivalents	**110**	371

Cash and cash equivalents classified as held for sale are included in Note 12.

The carrying amount of cash and cash equivalents was denominated in the following currencies:

	AT 31 MARCH	
	2022 £M	2021 £M
US dollar	**72**	311
Euro	**9**	9
Sterling	**–**	19
Other	**46**	32
Total	**127**	371

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

17. TRADE AND OTHER RECEIVABLES

A trade receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due). Trade receivables that do not contain a significant financing component are measured at the transaction price.

The Group applies the simplified approach for measuring expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group has established a provision matrix that is based on the historical rates of default then adjusted for forward-looking factors specific to the debtor and economic environment. The Group considers a receivable to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts. A receivable is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Group participates in supply-chain financing arrangements. Refer to Note 5 and Note 30.

	AT 31 MARCH 2022 £M	AT 31 MARCH 2021 £M
Trade receivables[1]	**235**	304
Less loss allowance provision	**(12)**	(9)
Trade receivables – net	**223**	295
Prepayments and accrued income	**16**	14
Other receivables	**31**	24
Total	**270**	333

1 Trade and other receivables classified as held for sale of £246 million are included in Note 12.

The amounts above do not include non-current other receivables of £1 million (2021 – £1 million).

The carrying amount of trade and other receivables was denominated in the following currencies:

	AT 31 MARCH 2022 £M	AT 31 MARCH 2021 £M
US dollar	**126**	219
Euro	**84**	58
Sterling	**16**	10
Other	**45**	47
Total	**271**	334

The gross amount of receivables, reflecting the maximum exposure to credit risk, is £283 million (2021 – £343 million).

The loss allowance provision for trade receivables as at 31 March 2022 reconciles to the opening loss allowance for that provision as follows. There is £3 million additional impairment of trade receivables in the year, which is recognised in continuing exceptional items (2021 – £nil). The effect of expected credit loss on other receivables is not material.

£M UNLESS OTHERWISE STATED	CURRENT	30 – 60 DAYS PAST DUE	60 – 90 DAYS PAST DUE	GREATER THAN 90 DAYS PAST DUE	TOTAL
AT 31 MARCH 2022					
Expected loss rate %	**1%**	**6%**	**40%**	**100%**	
Gross carrying amount	**207**	**18**	**2**	**8**	**235**
Loss allowance provision	**2**	**1**	**1**	**8**	**12**
AT 31 MARCH 2021					
Expected loss rate %	1%	0%	0%	100%	
Gross carrying amount	284	12	1	7	304
Loss allowance provision	2	–	–	7	9

	YEAR ENDED 31 MARCH 2022 £M	YEAR ENDED 31 MARCH 2021 £M
At 1 April	**9**	12
Utilisation of provision	**–**	(1)
Change in loss allowance recognised in the income statement[1]	**3**	(2)
At 31 March	**12**	9

1 The 2022 charge of £3 million was recognised in exceptional items in the consolidated income statement.

18. INVESTMENTS IN EQUITIES

Investments in equities comprise financial assets recognised at fair value through profit or loss (FVPL) and financial assets recognised at fair value through the statement of OCI (FVOCI). Investments in equities do not meet the IFRS 9 criteria for classification at amortised cost because their cash flows do not represent solely payments of principal and interest. For certain investments the available election to recognise equity securities as FVOCI has been taken because these investments are held as long-term strategic investments that are not expected to be sold in the short to medium term. All other investments are recognised at FVPL.

	FINANCIAL ASSETS AT FVPL £M	FINANCIAL ASSETS AT FVOCI £M	TOTAL INVESTMENTS IN EQUITIES £M
At 1 April 2021	**29**	**30**	**59**
Total (losses)/gains			
– in operating profit	**–**	**–**	**–**
– in other comprehensive income	**–**	**(4)**	**(4)**
Non-qualified deferred compensation arrangements	**1**	**–**	**1**
Purchases	**4**	**–**	**4**
Disposals	**(4)**	**–**	**(4)**
Currency translation differences	**2**	**–**	**2**
	32	**26**	**58**
Reclassification to assets held for sale	**(12)**	**–**	**(12)**
At 31 March 2022	**20**	**26**	**46**
At 1 April 2020	36	27	63
Total gains/(losses)			
– in operating profit	–	–	–
– in other comprehensive income	–	3	3
Non-qualified deferred compensation arrangements	8	–	8
Purchases	4	–	4
Disposals	(3)	–	(3)
Transfer of investment on acquisition of controlling interest[1]	(11)	–	(11)
Currency translation differences	(5)	–	(5)
At 31 March 2021	29	30	59

1 On 30 November 2020, the Group acquired the remaining 85% of the shares of Sweet Green Fields it did not already own. The amounts recognised at FVPL were re-measured at the date of acquisition to fair value resulting in no change in value. The fair value of the previously held investment has been included in accounting for business combinations. Refer to Note 35.

The non-qualified deferred compensation arrangements refers to a 'Rabbi Trust' which is a 'non-qualified defined contribution' pension scheme split between corporate-owned life insurance (COLI) assets (values are determined by the performance of variable investment sub-accounts, similar to mutual funds, but which are only available within a variable life insurance policy) and other assets invested directly in mutual funds. This scheme is principally for the highest-paid members of the US salaried pension scheme for compensation above limits set by the US Internal Revenue Service. These assets of £20 million (2021 – £29 million) do not qualify as IAS 19 pension assets on the basis that the assets are available to the creditors in the event of the Company's bankruptcy or insolvency. Movements in these assets were largely offset by corresponding movements on retirement benefit liabilities. Refer to Note 31.

The carrying value of equity investments was denominated in the following currencies:

	AT 31 MARCH 2022 £M	2021 £M
US dollar	**39**	51
Sterling	**3**	3
Euro	**4**	5
Total	**46**	59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

19. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill arising in a business combination is recognised as an intangible asset and is allocated to the Cash-Generating Unit (CGU) or group of CGUs that is expected to benefit from the synergies of the business combination. Goodwill is carried at cost less any recognised impairment losses (impairment tested annually).

Acquired intangible assets, principally customer relationships and know-how, were recognised as part of previous business combinations and are amortised on a straight-line basis over the periods of their expected benefit to the Group, which range from three to 15 years.

Other intangible assets comprise product development and computer software (including global IS/IT systems) and are amortised on a straight-line basis over the periods of their expected benefit to the Group. Product development is amortised over five to ten years. Capitalised costs in respect of core global IS/IT systems included within computer software are being amortised over a period of five to seven years.

Product development costs incurred on the development, design and testing of new or improved products are capitalised only when the technical and commercial feasibility of the product has been established and prior to the product going into full production. Any such assets which have not been brought into use are tested annually for impairment. Research and other related expenditures are charged to the consolidated income statement in the period in which they are incurred.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation as well as the SaaS access over the contract term, then the configuration and customisation costs are expensed over the contract term only if the services provided are not distinct and are otherwise expensed upfront as the software is configured or customised. Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis.

Changes to intangible assets' useful economic lives are only made if there is objective evidence that the Group expects to receive economic benefits from these intangible assets systems over a shorter or longer period.

	GOODWILL £M	OTHER ACQUIRED INTANGIBLES £M	TOTAL ACQUIRED INTANGIBLES £M	OTHER INTANGIBLE ASSETS £M	TOTAL £M
Cost					
At 1 April 2021 – restated*	236	213	449	298	747
Additions at cost	–	–	–	16	16
Disposals and write offs	–	–	–	(6)	(6)
Adjustment for subsidiaries acquired in prior year	(2)	–	(2)	–	(2)
Currency translation differences	8	3	11	6	17
Reclassification to assets held for sale	(29)	–	(29)	(112)	(141)
At 31 March 2022	213	216	429	202	631
Accumulated amortisation and impairment					
At 1 April 2021 – restated*	8	180	188	214	402
Impairment charge	–	–	–	2	2
Amortisation charge	–	10	10	16	26
Disposals and write-offs	–	–	–	(6)	(6)
Currency translation differences	2	2	4	5	9
Reclassification to assets held for sale	–	–	–	(85)	(85)
At 31 March 2022	10	192	202	146	348
Net book value at 31 March 2022	203	24	227	56	283

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

19. GOODWILL AND OTHER INTANGIBLE ASSETS CONTINUED

	GOODWILL £M	OTHER ACQUIRED INTANGIBLES £M	TOTAL ACQUIRED INTANGIBLES £M	OTHER INTANGIBLE ASSETS £M	TOTAL £M
Cost					
At 1 April 2020	212	204	416	320	736
Software-as-a-service – restatement*	–	–	–	(11)	(11)
At 1 April 2020 – restated	212	204	416	309	725
Additions at cost	–	–	–	19	19
Subsidiaries acquired (provisional)	40	18	58	–	58
Disposals and write-offs	–	–	–	(4)	(4)
Currency translation differences	(16)	(9)	(25)	(26)	(51)
At 31 March 2021 – restated	236	213	449	298	747
Accumulated amortisation and impairment					
At 1 April 2020	10	179	189	207	396
Software-as-a-service – restatement*	–	–	–	(2)	(2)
At 1 April 2020 – restated	10	179	189	205	394
Impairment charge	–	–	–	5	5
Amortisation charge	–	10	10	23	33
Disposals and write-offs	–	–	–	(4)	(4)
Currency translation differences	(2)	(9)	(11)	(15)	(26)
At 31 March 2021 – restated	8	180	188	214	402
Net book value at 31 March 2021 – restated	228	33	261	84	345

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

At 31 March 2022, the carrying value of other intangible assets is represented by product development of £17 million (2021 – £31 million), computer software of £17 million (2021 – £53 million – restated) and assets under construction of £22 million (2021 – £nil).

Goodwill

The carrying amount of goodwill is allocated to groups of CGUs as follows:

	AT 31 MARCH 2022 £M	2021 £M
Allocated by operating segment		
Food & Beverage Solutions	**203**	200
Primary Products – included in assets held for sale (see Note 12)	**29**	28
Goodwill – total operations	**232**	228

Impairment tests carried out during the year

As is required, goodwill is tested annually. The goodwill allocated to the Primary Products cash-generating unit was included in the Primient disposal group held for sale. On classification as held for sale, and again at 31 March 2022, the recoverable amount for all net assets in the Primient disposal group was calculated based on the fair value of the Primient disposal group less costs to sell. The recoverable amount for the goodwill allocated to Food & Beverage Solutions cash-generating units was calculated based on value-in-use.

The key assumptions for the fair value of the Primient disposal group less costs to sell are the agreed purchase price with KPS after adjustments for management's estimate of Primient's cash, debt, debt-like items and working capital at completion, and transaction costs (Level 2 within the fair value hierarchy). No impairment charge was recognised in the year ended 31 March 2022.

The key assumptions in the value-in-use model for Food & Beverage Solutions cash-generating units are derived from the Group's Board-approved five-year plan with the most sensitive assumptions being: 1) operating profit growth rate, 2) discount rate, and 3) long-term growth rate.

The operating profit growth rate used to estimate the future economic performance is based on estimates from past performance, and the Group's five-year strategic plan, which incorporates the next year's annual forecast. A 1% decrease in the growth rate across the five-year cash flows would decrease headroom by 12% (2021 – 9%) in the Food & Beverage Solutions model.

Based on the risk profile of the assets tested, cash flows were discounted using a pre-tax rate of 9.2% in the Food & Beverage Solutions model (2021 – 9.4%). The long-term nominal growth rate after year five does not exceed 2% (2021 – 2%), reflecting a conservative long-term assumption for the Food & Beverage Solutions market. At the time of performing the test, very significant headroom existed for the cash-generating unit to which goodwill is allocated and there was no reasonable scenario in which impairment would be required.

Impairment charge

No impairment charges in relation to goodwill have been recognised in the current financial year (2021 – £nil).

Possibility of impairment in the near future

As explained above, at the time of carrying out the annual impairment test, there were no reasonably possible changes in assumptions that would give rise to an impairment loss now or during the coming year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

20. PROPERTY, PLANT AND EQUIPMENT

Land and buildings mainly comprise manufacturing sites, application laboratories and administrative facilities. Plant and machinery mainly comprise equipment used in the manufacturing and operating process. Assets in the course of construction comprise property, plant and equipment which is in the process of being completed and not ready for use. Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Property, plant and equipment is reviewed for impairment when any changes in circumstances indicate that their carrying amounts may not be recoverable.

Useful economic lives, applied on a straight-line basis, are as follows:

– Freehold land	No depreciation
– Freehold buildings	20 to 50 years
– Leasehold improvements	Up to the length of the lease
– Plant and machinery	3 to 28 years

	LAND AND BUILDINGS £M	PLANT AND MACHINERY £M	ASSETS IN THE COURSE OF CONSTRUCTION £M	TOTAL £M
Cost				
At 1 April 2021	**654**	**2 564**	**111**	**3 329**
Additions at cost	**12**	**2**	**129**	**143**
Transfers on completion	**12**	**118**	**(130)**	**–**
Disposals and write-offs	**(6)**	**(36)**	**–**	**(42)**
Currency translation differences and other movements	**40**	**133**	**25**	**198**
Reclassification to assets held for sale	**(427)**	**(1 802)**	**(71)**	**(2 300)**
At 31 March 2022	**285**	**979**	**64**	**1 328**
Accumulated depreciation and impairment				
At 1 April 2021	**336**	**1 888**	**–**	**2 224**
Depreciation charge	**24**	**50**	**–**	**74**
Impairment charge	**10**	**8**	**–**	**18**
Disposals and write-offs	**(6)**	**(36)**	**–**	**(42)**
Currency translation differences and other movements	**22**	**127**	**–**	**149**
Reclassification to assets held for sale	**(248)**	**(1 344)**	**–**	**(1 592)**
At 31 March 2022	**138**	**693**	**–**	**831**
Net book value at 31 March 2022	**147**	**286**	**64**	**497**
Cost				
At 1 April 2020	694	2 736	92	3 522
Additions at cost	1	15	139	155
Subsidiaries acquired	9	11	1	21
Transfers on completion	19	101	(120)	–
Disposals and write-offs	(7)	(37)	(1)	(45)
Currency translation differences	(62)	(262)	–	(324)
At 31 March 2021	654	2 564	111	3 329
Accumulated depreciation and impairment				
At 1 April 2020	348	1 984	–	2 332
Depreciation charge	23	125	–	148
Impairment charge	3	–	–	3
Disposals and write-offs	(6)	(35)	–	(41)
Currency translation differences	(32)	(186)	–	(218)
At 31 March 2021	336	1 888	–	2 224
Net book value at 31 March 2021	318	676	111	1 105

Amounts relating to right-of-use assets under IFRS 16, which are included in the amounts above, are presented in more detail in Note 21. In the consolidated statement of cash flows, cash outflows relating to purchase of property, plant and equipment are lower than the amount of additions in this table primarily due to the inclusion of right-of-use assets in the figures above. The payment profile of right-of-use assets will be in line with the associated lease contracts.

The impairment charge of £18 million (2021 – £3 million) includes £15 million (2021 – £nil) recognised within exceptional items. This includes £12 million of impairment related to the disposal of Primient (including the write-off of certain items of plant and equipment in the Group's loss making European Primary Products business) and £3 million of impairment relating to items of plant and equipment impacted by the Stabiliser product contamination. Refer to Note 8.

21. LEASES

All leases where the Group is the lessee and the Group has the right to control the use of the identified asset are recognised in the statement of financial position (with the exception of short-term and low-value leases). The Group's leases principally comprise railcars, properties and other miscellaneous leases such as motor vehicles or machinery. At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of future lease payments. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date.

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost including the amount of lease liabilities recognised and initial direct costs incurred less any incentives granted by the lessor. Right-of-use assets are subject to impairment. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the right-of-use assets, unless there is a transfer of ownership or purchase option which is reasonably certain to be exercised at the end of the lease term, in which case depreciation is over the useful life of the underlying asset.

Leases of buildings usually have lease terms between 1 and 16 years, while plant and machinery generally have lease terms between 1 and 20 years. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value (typically below US$5,000). The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases and recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The movements in the carrying value of the Group's right-of-use assets are summarised as follows:

	LAND AND BUILDINGS £M	PLANT AND MACHINERY £M	TOTAL £M
Right-of-use assets			
At 1 April 2020	48	102	150
Additions to right-of-use assets	–	14	14
Depreciation charge	(7)	(22)	(29)
Impairment	(2)	–	(2)
Currency translation differences	(3)	(9)	(12)
At 31 March 2021	36	85	121
Additions to right-of-use assets	**12**	**2**	**14**
Depreciation charge	**(7)**	**(6)**	**(13)**
Impairment	**(7)**	**–**	**(7)**
Currency translation differences	**2**	**3**	**5**
Reclassification to assets held for sale	**–**	**(80)**	**(80)**
At 31 March 2022	**36**	**4**	**40**

The consolidated income statement includes the following amounts relating to leases:

	YEAR ENDED 31 MARCH	
CONTINUING OPERATIONS	2022 £M	RESTATED* 2021 £M
Depreciation expense of right-of-use assets	**9**	10
Interest expense on lease liabilities	**2**	2
Expense relating to short-term leases	**–**	–
Expense relating to leases of low-value assets	**–**	1
Expense relating to variable lease payments not included in the measurement of lease liability	**–**	–
Income from sub-leasing right-of-use assets	**–**	–
	11	13

* Restated to reflect discontinued operations (see Notes 1 and 12).

The total cash outflow for leases in the year ended 31 March 2022 was £32 million (2021 – £36 million), excluding cash outflow of £nil (2021 – £1 million) relating to leases of low-value items. The movement in the lease liability balances is shown in Note 28 and the undiscounted maturity is shown in Note 30.

The Group has several lease contracts that include extension and termination options. The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of £1 million (2021 – £1 million). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 34.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management assesses whether these extension and termination options are reasonably certain to be exercised.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The Group has an arrangement in respect of an energy procurement contract and related infrastructure which has not been recognised as an IFRS 16 lease because the Group has determined that it does not have the right to direct the use of the related asset for the following reasons: 1) the Group did not design the asset (pipeline), 2) the amount of power to be transported is predetermined in the contract, 3) the gas supplier operates and maintains the pipeline, and 4) the Group has no rights to change how the pipeline is used. This contract is held by the Primient discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

22. INVESTMENTS IN JOINT VENTURES

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for under the equity method. They are initially recognised at cost, which includes transaction costs. Subsequently, the Group's share of the profit or loss, other comprehensive income and net assets are shown on one line of the relevant primary financial statements, until the date on which joint control ceases. Distributions received from the investee reduce the carrying amount of the investment. Under IFRS 5, when equity accounting ceases, the results of the joint ventures are no longer reported in the Group's consolidated income statement and any dividends received are treated as an adjusting item in the discontinued operations of the Group's consolidated income statement.

The Group's material joint ventures are Almidones Mexicanos S.A. de C.V. (Almex) and DuPont Tate & Lyle Bio Products Company, LLC (Bio-PDO) (refer to Note 39). These joint ventures complement the Group's wholly owned activities. Almex produces and distributes corn-based products and Bio-PDO produces bio-based 1,3 – propanediol (Bio-PDO). Both Almex and Bio-PDO are included in the Primient business being sold to KPS.

The joint ventures have share capital consisting of ordinary shares, which are held directly by the Group (and its joint venture partners) and are private companies. No quoted market price is available for their shares. There are no contingent liabilities relating to the Group's interest in the joint ventures.

Under IFRS 5, when a joint venture is classified as an asset held for sale, equity accounting ceases. From 1 July 2021, the date at which the sale of the Primient business became highly probable and hence the recognition of the Primient disposal group as held for sale, no share of results received for Almex or Bio-PDO has been recognised. Dividends from joint ventures of £42 million recognised by Tate & Lyle after 1 July 2021 have been included within discontinued operations as an adjusting item (Refer to Note 4).

The movements in the carrying value of the Group's investment in joint ventures are summarised as follows:

		YEAR ENDED 31 MARCH	
	NOTE	2022 £M	2021 £M
At 1 April		**104**	91
Share of profit after tax of joint ventures[1]		**8**	26
Other comprehensive expense (including foreign exchange) for the full year	24	**10**	(6)
Dividends paid[1]		**(17)**	(4)
Other movements (including contributions)		**–**	(3)
Reclassification to assets held for sale		**(105)**	–
At 31 March		**–**	104

1 The 2022 share of profit after tax for Almex and Bio-PDO is for the three months to 30 June 2021, prior to the date of the recognition of the disposal group as held for sale on 1 July 2021. Any dividend recognised after that date has been included as an adjusting item in the consolidated income statement. Comparative amounts are not adjusted.

23. SHARE CAPITAL AND SHARE PREMIUM

	ORDINARY SHARE CAPITAL £M	SHARE PREMIUM £M	TOTAL £M
At 1 April 2020	**117**	**406**	**523**
Allotted under share option schemes	**–**	**1**	**1**
At 31 March 2021	**117**	**407**	**524**
Allotted under share option schemes	**–**	**–**	**–**
At 31 March 2022	**117**	**407**	**524**

Ordinary shares carry the right to participate in dividends and each share entitles the holder to one vote on matters requiring shareholder approval.

Allotted, called up and fully paid equity share capital

	YEAR ENDED 31 MARCH 2022		YEAR ENDED 31 MARCH 2021	
	NUMBER OF SHARES*	COST £M	NUMBER OF SHARES*	COST £M
At 1 April	**468 458 393**	**117**	468 401 671	117
Allotted under share option schemes	**75 672**	**–**	56 722	–
At 31 March	**468 534 065**	**117**	468 458 393	117

* The nominal value of each share is 25 pence.

23. SHARE CAPITAL AND SHARE PREMIUM CONTINUED

Own shares

Own shares represent the Company's ordinary shares that are acquired to meet the Group's expected obligations under share-based incentive arrangements (refer Note 32). Own shares are held either by the Company in treasury or by an Employee Benefit Trust (EBT) that was established by the Company. The EBT is included in the consolidated accounts.

Movements in own shares held were as follows:

	YEAR ENDED 31 MARCH 2022		YEAR ENDED 31 MARCH 2021	
	NUMBER OF SHARES	COST £M	NUMBER OF SHARES	COST £M
At 1 April	**3 967 194**	**30**	5 122 967	38
Purchased in the market[1]:				
– into the EBT	**1 250 056**	**8**	–	–
Transferred to employees:				
– from the EBT	**(1 150 319)**	**(8)**	(1 155 773)	(8)
At 31 March	**4 066 931**	**30**	3 967 194	30

1 IFRS 2 permits net settled share-based payments to be treated as equity-settled in full, if certain criteria were met, rather than the tax element being cash-settled. The amount transferred to the tax authorities in the year was £5 million (2021 – £5 million) and has been recognised within financing activities in the consolidated statement of cash flows.

	AT 31 MARCH 2022			AT 31 MARCH 2021		
	NUMBER OF SHARES	MARKET VALUE £M	% OF OUTSTANDING SHARE CAPITAL	NUMBER OF SHARES	MARKET VALUE £M	% OF OUTSTANDING SHARE CAPITAL
Shares held in the EBT	**4 066 931**	**30**	**0.9%**	3 967 194	30	0.8%
Total	**4 066 931**	**30**	**0.9%**	3 967 194	30	0.8%

24. OTHER RESERVES

	HEDGING RESERVE £M	COST OF HEDGING RESERVE £M	FVOCI RESERVE £M	CURRENCY TRANSLATION RESERVE £M	PRE-IFRS RESERVES £M	TOTAL £M
At 1 April 2020	(2)	–	1	136	104	239
Cash flow hedges:						
– fair value gain in the year	1	–	–	–	–	1
– hedging loss transferred to inventory	12	–	–	–	–	12
– tax effect of the above items	(3)	–	–	–	–	(3)
FVOCI financial assets:						
– fair value gain in the year	–	–	3	–	–	3
Currency translation differences:						
– loss on currency translation of foreign operations	–	–	–	(141)	–	(141)
– fair value gain on net investment hedges	–	–	–	39	–	39
Share of other comprehensive expense of joint ventures	(4)	–	–	(2)	–	(6)
At 31 March 2021	4	–	4	32	104	144
Cash flow hedges:						
– fair value gain in the year	**82**	**–**	**–**	**–**	**–**	**82**
– hedging gain transferred to inventory	**(26)**	**–**	**–**	**–**	**–**	**(26)**
– cost of hedging	**–**	**(5)**	**–**	**–**	**–**	**(5)**
– tax effect of the above items	**(13)**	**–**	**–**	**–**	**–**	**(13)**
FVOCI financial assets:						
– fair value loss in the year	**–**	**–**	**(4)**	**–**	**–**	**(4)**
Currency translation differences:						
– gain on currency translation of foreign operations	**–**	**–**	**–**	**86**	**–**	**86**
– fair value loss on net investment hedges	**–**	**–**	**–**	**(52)**	**–**	**(52)**
Share of other comprehensive income of joint ventures	**3**	**–**	**–**	**7**	**–**	**10**
At 31 March 2022	**50**	**(5)**	**–**	**73**	**104**	**222**

Gains or losses relating to the effective portion of hedging instruments where cash flow hedge accounting is applied are recognised in OCI within the hedging reserve. Amounts accumulated in the hedging reserve are reclassified in the periods when the hedged item affects the consolidated income statement. For a non-financial asset (such as inventory), the hedging gains and losses are transferred to the cost of inventory and then subsequently recognised in the consolidated income statement or else recognised immediately in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. OTHER RESERVES CONTINUED

The FVOCI reserve includes cumulative gains or losses on FVOCI assets including investments in equities.

The currency translation reserve includes:

– Gains/losses on currency translation of foreign operations: on consolidation, the results of foreign operations are translated into pound sterling at the average rate of exchange for the period and their assets and liabilities are translated into pound sterling at the exchange rate ruling at the period-end date. Currency translation differences arising on consolidation are recognised in other comprehensive income and taken to the currency translation reserve.
– Fair value gains/losses on net investment hedges: a net investment hedge is the hedge of the currency exposure on the retranslation of the Group's net investment in a foreign operation. Net investment hedges are accounted for by recognising changes in the fair value of the hedging instrument and, to the extent that the hedge is effective, recognised in other comprehensive income. Further detail on net investment hedges can be found in Note 29.

The pre-IFRS reserve relates to amounts previously recorded in reserves prior to transition to IFRS and relates predominantly to merger reserves.

25. TRADE AND OTHER PAYABLES

Trade payables are predominantly short-term and are initially recognised at fair value, which is generally the invoice amount. The effects of the time-value of money are not material.

	AT 31 MARCH	
	2022 £M	2021 £M
Current trade and other payables		
Trade payables	**151**	267
Social security	**6**	12
Accruals and deferred income	**118**	108
Margin payables	**7**	16
Other payables	**12**	28
Total	**294**	431

Trade and other payables classified as liabilities directly associated with the assets held for sale of £253 million are included in Note 12. There were no non-current trade and other payables as at 31 March 2022 (2021 – £nil).

The carrying amount of trade and other payables was denominated in the following currencies:

	AT 31 MARCH	
	2022 £M	2021 £M
US dollar	**127**	287
Euro	**76**	67
Sterling	**52**	31
Other	**39**	46
Total	**294**	431

26. BORROWINGS

Borrowings are initially measured at fair value, net of transaction costs incurred, which is generally the amount of proceeds received. Borrowings are subsequently measured at amortised cost using the effective interest rate method, whereby the net proceeds are gradually increased to the amount that will be ultimately settled using a constant rate of interest. This constant rate of return is used to calculate the amount recognised as interest expense in the consolidated income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the period-end date.

The carrying amount of a borrowing may be adjusted where it is a hedged liability in a fair value hedge (refer to Note 29).

Non-current borrowings

	AT 31 MARCH	
	2022 £M	2021 £M
2,394,000 6.5% cumulative preference shares of £1 each	**2**	2
Industrial Revenue Bonds 2023–2036 (US$70,100,000)[1]	**–**	51
US Private Placement Notes 2023-2032[2]	**607**	577
Bank loans (unsecured)	**–**	–
Total loan notes	**609**	630
Lease liabilities	**104**	116
Total non-current borrowings	**713**	746
Lease liabilities reclassified as directly associated with the assets held for sale	**(55)**	–
Total non-current borrowings as shown in statement of financial position	**658**	746

1 The Industrial Revenue Bonds were repaid in full during the year.
2 At 31 March 2022 and 2021, the US Private Placement Notes totalled US$800 million and are presented net of deferred arrangement fees.

26. BORROWINGS CONTINUED

Current borrowings

	AT 31 MARCH 2022 £M	2021 £M
Short-term loans and facilities	**11**	15
Total loan notes	**11**	15
Lease liabilities	**29**	27
Total current borrowings	**40**	42
Lease liabilities reclassified as directly associated with the assets held for sale	**(19)**	–
Total current borrowings as shown in statement of financial position	**21**	42

Lease liabilities classified as liabilities directly associated with the assets held for sale totalling £74 million are included in Note 12.

On 15 and 22 December 2021 the Industrial Revenue Bonds were repaid in full totalling $70 million (£53 million).

In the prior year the Group issued a US$200 million (£152 million) debt private placement comprising US$100 million 2.91% notes maturing in 2030 and US$100 million 3.01% notes maturing in 2032.

Effective interest rates

The effective interest rates of the Group's borrowings are as follows:

	YEAR ENDED 31 MARCH 2022	2021
US$25m 3.83% US Private Placement Notes 2023	**3.8%**	3.8%
US$180m 4.06% US Private Placement Notes 2025	**4.1%**	4.1%
US$100m 4.16% US Private Placement Notes 2027	**4.2%**	4.2%
US$95m US Private Placement FRN[1] 2023	**1.7%**	1.7%
2,394,000 6.5% cumulative preference shares of £1 each	**6.5%**	6.5%
Lease liabilities	**3.3%**	3.6%
Industrial Revenue Bonds 2023–2036 (US$70,100,000)[2]	**–**	0.2%
US$100m 3.31% US Private Placement Notes 2029	**3.3%**	3.3%
US$100m 3.41% US Private Placement Notes 2031	**3.4%**	3.4%
US$100m 2.91% US Private Placement Notes 2030	**2.9%**	2.9%
US$100m 3.01% US Private Placement Notes 2032	**3.0%**	3.0%

1 Floating rate note based on US six-month LIBOR + 1.47%.
2 As part of these arrangements the Group was required to obtain credit insurance from certain banks. The annual premium cost of the credit insurance was approximately 1% of the principal which is not included in the effective interest rate disclosed above.

Short-term loans

Short-term loans mature within the next 12 months. Short-term loans are arranged at floating rates of interest and expose the Group to cash flow interest rate risk. The effective interest rate of short-term loans is 4.9% (2021 – 5.8%).

Credit facilities and arrangements

In the prior year the Group extended the maturity of its committed but undrawn US$800 million revolving credit facility by one year to March 2025 and US$700 million of this facility was then extended for a further year to March 2026. The financial covenant thereon is described in the 'Liquidity risk management' section of Note 30. At 31 March 2022, the facility had a sterling equivalent value of £608 million (2021 – £579 million) and was undrawn.

The facility incurs commitment fees at market rates prevailing when the facility was arranged. The lenders have the right, but not the obligation, to cancel their commitments in the event of specified events of default (principally an expected covenant breach or insolvency of the Group).

27. CHANGE IN WORKING CAPITAL AND OTHER NON-CASH MOVEMENTS – TOTAL OPERATIONS

	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Increase in inventories	**(147)**	(27)
Increase in receivables	**(151)**	(38)
Increase in payables	**79**	40
Movement in derivative financial instruments (excluding debt-related derivatives)	**(25)**	(20)
(Decrease)/increase in provisions for other liabilities and charges	**(6)**	12
Change in working capital	**(250)**	(33)
Other non-cash movements[1]	**(38)**	9
Change in working capital and other non-cash movements	**(288)**	(24)

1 Includes an outflow of £42 million related to the adjustment made to dividend income from Almex and Bio-PDO (IFRS 5 cessation of equity accounting).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

28. NET DEBT – TOTAL OPERATIONS

Reconciliation of the movement in cash and cash equivalents to the movement in net debt:

	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Net debt at beginning of the year	**(417)**	(451)
Net (decrease)/increase in cash and cash equivalents	**(257)**	135
Net decrease/(increase) in borrowings and lease liabilities	**90**	(113)
(Increase)/decrease in net debt resulting from cash flows	**(167)**	22
Currency translation differences	**(24)**	39
Subsidiaries acquired	**–**	(7)
Leases non-cash movements	**(18)**	(20)
(Increase)/decrease in net debt in the year	**(209)**	34
Net debt at end of the year	**(626)**	(417)

Movements in the Group's net debt were as follows:

	CASH AND CASH EQUIVALENTS £M	BORROWINGS AND LEASE LIABILITIES £M	TOTAL £M
At 1 April 2020	271	(722)	(451)
Movement from cash flows	135	(113)	22
Currency translation differences	(35)	74	39
Subsidiaries acquired	–	(7)	(7)
Leases non-cash movements	–	(20)	(20)
At 31 March 2021	371	(788)	(417)
Movement from cash flows	**(257)**	**90**	**(167)**
Currency translation differences	**13**	**(37)**	**(24)**
Leases non-cash movements	**–**	**(18)**	**(18)**
At 31 March 2022[1,2]	**127**	**(753)**	**(626)**

1 Borrowings and lease liabilities include £74 million of leases included in liabilities directly associated with the assets held for sale at 31 March 2022 (2021 – £nil). Refer to Note 12.
2 Cash and cash equivalents include £17 million of cash and cash equivalents included in assets held for sale as at 31 March 2022 (2021 – £nil). Refer to Note 12.

At 31 March 2022, total liabilities arising from financing activities were £753 million (2021 – £788 million).

Net debt is denominated in the following currencies:

	AT 31 MARCH 2022 £M	2021 £M
US dollar	**(644)**	(440)
Euro	**(54)**	(1)
Sterling	**34**	5
Other	**38**	19
Total	**(626)**	(417)

29. FINANCIAL INSTRUMENTS

Financial instruments comprise investments (other than investments in joint ventures), trade and other receivables, cash and cash equivalents, trade and other payables, borrowings and derivative financial instruments.

Derivatives are measured at fair value with any related transaction costs expensed as incurred. The treatment of changes in the value of derivatives depends on their use as explained below.

Fair value hedges Hedging relationships are classified as fair value hedges where the hedging instrument hedges the exposure to changes in the fair value of a recognised asset or liability that is attributable to a particular risk. Where the hedging relationship is classified as a fair value hedge, the carrying amount of the hedged asset or liability is adjusted by, or a firm commitment is recorded for, the change in its fair value attributable to the hedged risk only and the resulting gain or loss is recognised in the consolidated income statement where, to the extent that the hedge is effective, it offsets the fair value gain or loss on the hedging instrument.

As explained in Note 2, for the US net corn position, a group of items representing a net position and consisting of items that individually are eligible hedged items and which are managed together on a group basis for risk management can be designated in a hedging relationship as a net position hedged item. As such, the Group has designated the components of its US net corn position into two effective fair value hedge accounting relationships (net corn (futures and basis) and net co-products) whereby the hedged item is a group of items with offsetting risk positions.

Net investment hedges A net investment hedge is the hedge of the currency exposure on the retranslation of the Group's net investment in a foreign operation. Net investment hedges are accounted for similarly to cash flow hedges. Changes in the fair value of the hedging instrument are, to the extent that the hedge is effective, recognised in other comprehensive income. In the event that the foreign operation is disposed of, the cumulative fair value gain or loss recognised in other comprehensive income is transferred to the consolidated income statement where it is included in the gain or loss on disposal of the foreign operation.

Cash flow hedges Derivatives are also held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in equity. Cost of hedging, where material and opted for, is recorded in a separate account within equity. Any ineffective elements of the hedge are recognised in the consolidated income statement. Ineffectiveness may occur if there are changes to the expected timing of the hedged transaction. If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts deferred in equity are taken to the consolidated income statement at the same time as the related cash flow. When a derivative no longer qualifies for hedge accounting, any cumulative gain or loss remains in equity until the related cash flow occurs. When the cash flow takes place, the cumulative gain or loss is taken to the consolidated income statement. If the hedged cash flow is no longer expected to occur, the cumulative gain or loss is taken to the consolidated income statement immediately.

Financial instruments by category

Set out below is a comparison by category of carrying values and fair values of the Group's financial assets and financial liabilities:

		AT 31 MARCH 2022					
	NOTES	AMORTISED COST/CASH £M	DERIVATIVES IN A HEDGING RELATIONSHIP £M	HEDGED ITEM (FAIR VALUE HEDGE) £M	INVESTMENTS IN EQUITIES £M	TOTAL CARRYING VALUE £M	FAIR VALUE £M
Investments in equities	18	–	–	–	**58**	**58**	**58**
Trade and other receivables	17	**497**	–	–	–	**497**	**497**
Cash and cash equivalents	16	**127**	–	–	–	**127**	**127**
Trade and other payables	25	**(537)**	–	–	–	**(537)**	**(537)**
Borrowings	26	**(753)**	–	–	–	**(753)**	**(735)**
Forward foreign exchange contract*		–	**(31)**	–	–	**(31)**	**(31)**
Commodity derivative net assets		–	**76**	–	–	**76**	**76**
Net other current financial assets							
– commodity pricing contracts		–	–	**20**	–	**20**	**20**

* Deal contingent forward.

The presentation in the consolidated statement of financial position of derivatives assets/(liabilities) and other financial assets/(liabilities) is shown on the next page. The presentation for the other financial instruments has been amended in order to classify the following assets and liabilities as held for sale: Investments in equities: £12 million, trade and other receivables: £246 million; cash and cash equivalents: £17 million; trade and other payables: £253 million; borrowings (relates to lease liabilities): £74 million.

Investments in equities comprise financial assets recognised at fair value through profit or loss (FVPL), and financial assets recognised at fair value through OCI (FVOCI). Further analysis is provided in Note 18.

Trade and other receivables presented above excludes £20 million (2021 – £14 million) relating to prepayments of which £4 million is classified as held for sale. Trade and other payables presented above excludes £10 million (2021 – £12 million) relating to social security of which £4 million is included in held for sale.

		AT 31 MARCH 2021					
	NOTES	AMORTISED COST/CASH £M	DERIVATIVES IN A HEDGING RELATIONSHIP £M	HEDGED ITEM (FAIR VALUE HEDGE) £M	INVESTMENTS IN EQUITIES £M	TOTAL CARRYING VALUE £M	FAIR VALUE £M
Investments in equities	18	–	–	–	59	59	59
Trade and other receivables	17	320	–	–	–	320	320
Cash and cash equivalents	16	371	–	–	–	371	371
Trade and other payables	25	(419)	–	–	–	(419)	(419)
Borrowings	26	(788)	–	–	–	(788)	(815)
Commodity derivative net assets		–	15	–	–	15	15
Net other current financial assets							
– commodity pricing contracts		–	–	6	–	6	6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

29. FINANCIAL INSTRUMENTS CONTINUED

Financial instruments by category continued

There are no listed bonds as at 31 March 2022 (2021 – £nil). At that date, the Group held US$800 million US Private Placement Notes with a carrying value of £607 million (2021 – £577 million) and a fair value of £589 million (2021 – £604 million) measured by discounted estimated cash flows based on broker dealer quotations and are categorised as Level 3 for fair value measurement. The remaining borrowings had a fair value measured by discounted estimated cash flows with an applicable market quoted yield and are categorised as Level 2 for fair value measurement.

Derivatives assets/(liabilities) and other financial assets/(liabilities) are presented in the consolidated statement of financial position as follows:

	AT 31 MARCH 2022		AT 31 MARCH 2021	
	ASSETS £M	LIABILITIES £M	ASSETS £M	LIABILITIES £M
Non-current derivative financial instruments	**13**	**–**	1	–
Current derivative financial instruments	**68**	**(36)**	23	(9)
Reclassified as assets/(liabilities) held for sale (Note 12)	**(65)**	**5**		
	16[1]	**(31)**[2]	24	(9)
Other non-current financial assets/(liabilities)	**–**	**–**	–	–
Other current financial assets/(liabilities)	**60**	**(40)**	32	(26)
Reclassified as assets/(liabilities) held for sale (Note 12)	**(58)**	**40**	–	–
	2	**–**	32	(26)

1 Presented as £3 million in non-current derivative assets and £13 million in current derivative assets.
2 Presented as £nil in non-current derivative liabilities and £31 million in current derivative liabilities.

Included in assets held for sale are cash flow hedges totalling £44 million that relate to discontinued operations, of which the most significant relate to cash flow hedging using natural gas futures. The Group did not cease cash flow hedging such items upon classification of Primient as held for sale but will do so upon completion of the Transaction.

Fair value hedges

The Group has designated the components of its US net corn position into two effective fair value hedge accounting relationships (net corn (futures and basis) and net co-products) whereby the hedged item is a group of items with offsetting risk positions. Refer to Note 2.

	AT 31 MARCH	
US NET CORN POSITION (FUTURES AND BASIS) IN EFFECTIVE FAIR VALUE HEDGE ACCOUNTING RELATIONSHIPS	2022 £M	2021 £M
Nominal amounts of corn futures contracts (expressed in millions of bushels)	**1 bu**	(1)bu
Gross carrying amount of outstanding hedged items: assets	**146**	88
Gross carrying amount of outstanding hedged items: liabilities	**(111)**	(71)
Carrying amount of hedging instrument	**(3)**	3
Hedge ratio	**1:1**	1:1
Change in intrinsic value of outstanding hedging instruments used to determine hedge effectiveness	**(6)**	7
Change in intrinsic value of outstanding hedging item used to determine hedge effectiveness	**18**	12
Ineffectiveness recognised in profit or loss	**12**	19

	AT 31 MARCH	
US NET CORN POSITION (NET CO-PRODUCTS) IN EFFECTIVE FAIR VALUE HEDGE ACCOUNTING RELATIONSHIPS	2022 £M	2021 £M
Nominal amounts of co-product futures contracts (expressed in metric tonnes)	**–**	–
Gross carrying amount of outstanding hedged items: assets	**70**	46
Gross carrying amount of outstanding hedged items: liabilities	**(21)**	(13)
Carrying amount of hedging instrument	**(2)**	–
Hedge ratio	**1:1**	1:1
Change in intrinsic value of outstanding hedging instruments used to determine hedge effectiveness	**(2)**	–
Change in intrinsic value of outstanding hedging item used to determine hedge effectiveness	**16**	14
Ineffectiveness recognised in profit or loss	**14**	14

29. FINANCIAL INSTRUMENTS CONTINUED

Net investment hedges

The Group employs borrowings to hedge the currency risk associated with its net investments in subsidiaries located in the US and Europe. The Group's borrowings designated as net investment hedges are principally in US dollars and are presented in the table below.

BORROWINGS USED TO NET INVESTMENT HEDGE CURRENCY TRANSLATION RISK	AT 31 MARCH 2022 £M	 2021 £M
Notional principal amounts of borrowings (weighted liability)	**530**	363
(Loss)/gain on translation of borrowings recognised in currency translation reserve	**(26)**	39
Carrying amount of hedging instrument	**530**	363
Maturity date	**Oct 2023-Aug 2032**	Oct 2023-Aug 2032
Hedge ratio	**1:1**	1:1
Change in intrinsic value of outstanding hedging instruments used to determine hedge effectiveness	**(26)**	39
Change in intrinsic value of outstanding hedging item used to determine hedge effectiveness	**26**	(39)
Weighted average foreign currency rate for the year (/£1)	**$1.33**	$1.34
Ineffectiveness recognised in profit or loss	**–**	–
Cumulative loss remaining in translation reserve[1]	**(104)**	(78)

1 Cumulative loss remaining in translation reserve in relation to US Private Placement Notes is £47 million (2021 – £22 million).

In addition, in the year ended 31 March 2022, a weighted average total of £nil million (2021 – £3 million) of the Group's liabilities were designated as a hedge of the net investment in the Group's European operations. Translation of these liabilities taken to reserves was £nil (2021 – £nil).

During the year, the Group entered into a deal contingent forward to hedge the currency risk associated with the consideration received from the Transaction which was partially used for the shareholder distribution on 16 May 2022. This deal contingent forward was designated as a hedging instrument in a net investment hedge with the hedged items being the Group's overseas operations in the US which were sold as part of the Transaction.

DEAL CONTINGENT FORWARD USED TO NET INVESTMENT HEDGE CURRENCY TRANSLATION RISK	AT 31 MARCH 2022 £M
Notional principal amounts of deal contingent forward	**464**
Loss on the forward recognised in hedging reserve	**(26)**
Carrying amount of hedging instrument	**(31)**
Maturity date	**4 April 2022**
Hedge ratio	**1:1**
Change in intrinsic value of outstanding hedging instruments used to determine hedge effectiveness	**(31)**
Change in intrinsic value of outstanding hedging item used to determine hedge effectiveness	**26**
Cost of hedging recognised in reserves	**(5)**

Cash flow hedges

The Group employs pricing contracts, principally futures, to hedge cash flow risk associated with forecast purchases and sales of commodities or purchases of chemicals used in the manufacturing process which are designated as cash flow hedges. The fair value of these hedging instruments at 31 March 2022 is £60 million asset (2021 – £5 million asset). There was no ineffectiveness recorded in the current or prior financial year. The most significant fair values are attributable to natural gas cash flow hedges for which the details are shown below. The carrying value of the hedging instruments related to natural gas cash flow hedges held at 31 March 2021 was £3 million asset.

NATURAL GAS CASH FLOW HEDGES	AT 31 MARCH 2022 £M
Nominal amounts of futures contracts (each contract expressed in 10,000 mBTU of usage)	**3 314**
Gross carrying amount of outstanding hedged items: assets	**–**
Gross carrying amount of outstanding hedged items: liabilities	**(58)**
Carrying amount of hedging instrument	**58**
Hedge ratio	**1:1**
Change in intrinsic value of outstanding hedging instruments used to determine hedge effectiveness	**58**
Change in intrinsic value of outstanding hedging item used to determine hedge effectiveness	**(58)**
Ineffectiveness recognised in profit or loss	**–**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

29. FINANCIAL INSTRUMENTS CONTINUED

Financial instruments measured at fair value: the fair value hierarchy

Fair value measurements are categorised into three different levels based on the degree to which the inputs used to arrive at the fair value of the assets and liabilities are observable and the significance of the inputs to the fair value measurement in its entirety, as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can assess at the measurement date. The prices of equity shares or bonds quoted on the London Stock Exchange are examples of Level 1 inputs.
- Level 2 inputs are those, other than quoted prices included in Level 1 that are observable either directly or indirectly.
- Level 3 inputs are unobservable inputs. The Group generally classifies assets or liabilities as Level 3 when their fair value is determined using unobservable inputs that individually, or when aggregated with other unobservable inputs, represent more than 10% of the fair value of the observable inputs of the assets or liabilities. This would include expected future cash flows from budgets and forecasts the Group has made. Certain elements of the Group's commodity contract portfolio also fall into this category, as their values include significant management-derived assumptions.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of the reporting period. There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the year ended 31 March 2022.

The following tables illustrate the Group's financial assets and liabilities measured at fair value and fair value adjustments due to risks hedged:

		AT 31 MARCH 2022			
	NOTES	LEVEL 1 £M	LEVEL 2 £M	LEVEL 3 £M	TOTAL £M
Assets at fair value					
Financial assets at FVPL	18	**–**	**–**	**32**	**32**
Financial assets at FVOCI	18	**–**	**–**	**26**	**26**
Derivative financial instruments:					
– forward foreign exchange contracts		**–**	**–**	**–**	**–**
– commodity derivatives		**81**	**–**	**–**	**81**
Other financial assets (commodity pricing contracts)[1]		**–**	**36**	**24**	**60**
Assets at fair value		**81**	**36**	**82**	**199**
Liabilities at fair value					
Derivative financial instruments:					
– forward foreign exchange contract		**–**	**(31)**	**–**	**(31)**
– commodity derivatives		**(5)**	**–**	**–**	**(5)**
Other financial liabilities (commodity pricing contracts)[1]		**–**	**(2)**	**(38)**	**(40)**
Liabilities at fair value		**(5)**	**(33)**	**(38)**	**(76)**

1 Fair value adjustments due to risks hedged.

The presentation for the financial assets and liabilities measured at fair value has been amended in order to classify the following assets and liabilities as held for sale: financial assets at FVPL: £12 million: commodity derivatives assets: £65 million; other financial assets: £58 million; commodity derivative liabilities: £5 million and other financial liabilities: £40 million.

		AT 31 MARCH 2021			
	NOTES	LEVEL 1 £M	LEVEL 2 £M	LEVEL 3 £M	TOTAL £M
Assets at fair value					
Financial assets at FVPL	18	–	–	29	29
Financial assets at FVOCI	18	–	–	30	30
Derivative financial instruments:					
– forward foreign exchange contracts		–	–	–	–
– commodity derivatives		24	–	–	24
Other financial assets (commodity pricing contracts)[1]		–	21	11	32
Assets at fair value		24	21	70	115
Liabilities at fair value					
Derivative financial instruments:					
– commodity derivatives		(9)	–	–	(9)
Other financial liabilities (commodity pricing contracts)[1]		–	–	(26)	(26)
Liabilities at fair value		(9)	–	(26)	(35)

1 Fair value adjustments due to risks hedged.

29. FINANCIAL INSTRUMENTS CONTINUED

Financial instruments measured at fair value: the fair value hierarchy continued

Level 3 financial assets

The following table reconciles the movement in the Group's net financial instruments and fair value adjustments due to risks hedged classified in Level 3 of the fair value hierarchy:

	COMMODITY PRICING CONTRACTS – ASSETS £M	COMMODITY PRICING CONTRACTS – LIABILITIES £M	FINANCIAL ASSETS AT FVPL £M	FINANCIAL ASSETS AT FVOCI £M	TOTAL £M
At 1 April 2020	67	(16)	36	27	114
Income statement:					
– prior year amounts settled	(67)	15	–	–	(52)
– current year unrealised net gain/(loss) in operating profit	11	(25)	–	–	(14)
Other comprehensive income	–	–	–	3	3
Non-qualified deferred compensation arrangements (Note 18)	–	–	8	–	8
Purchases	–	–	4	–	4
Disposals	–	–	(3)	–	(3)
Transfer of investment on acquiring controlling interest	–	–	(11)	–	(11)
Currency translation differences	–	–	(5)	–	(5)
At 31 March 2021	11	(26)	29	30	44
Income statement:					
– prior year amounts settled	**(11)**	**19**	**–**	**–**	**8**
– current year unrealised net gain/(loss) in operating profit	**24**	**(31)**	**–**	**–**	**(7)**
Other comprehensive income	**–**	**–**	**–**	**(4)**	**(4)**
Non-qualified deferred compensation arrangements (Note 18)	**–**	**–**	**1**	**–**	**1**
Purchases	**–**	**–**	**4**	**–**	**4**
Disposals	**–**	**–**	**(4)**	**–**	**(4)**
Currency translation differences	**–**	**–**	**2**	**–**	**2**
Reclassification to (assets)/liabilities directly associated with the assets held for sale	**(22)**	**38**	**(12)**	**–**	**4**
At 31 March 2022	**2**	**–**	**20**	**26**	**48**

The full impact to the consolidated income statement of movements in the corn price on the net corn and co-product position is described within the 'Price risk management' section of Note 30. The table below describes the valuation techniques in relation to Level 3 financial instruments and isolates the unobservable inputs.

TYPE	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS	SENSITIVITY OF THE FAIR VALUE MEASUREMENT IN REASONABLE CHANGES TO INPUTS
Net corn position (refer to Fair value of purchases, sales and inventory of corn-based products section in Note 2).	Based on the Group's own assessment of the commodity, supply and demand, as well as expected pricing.	1. Co-products	1. A 25% increase/(decrease) in the price of co-products would result in a net increase/(decrease) in fair value of £23 million (2021 – £14 million) in respect of Level 3 financial instruments.
		2. Basis	2. A 50% increase/(decrease) in the cost of basis would result in a net increase/(decrease) in fair value of £26 million (2021 – £9 million) in respect of Level 3 financial instruments.

Assets classified as FVOCI are long-term strategic investments that we do not control, nor have significant influence over. The investments are non-listed and are mainly start-ups or in the earlier stages of their lifecycle. Therefore, fair value has been determined based on the most recent funding rounds adjusted for indicators of impairment. The fair values assigned to each of the investments have different significant unobservable inputs. Assets classified as FVPL largely consists of a 'non-qualified defined contribution' pension scheme for which the movements in its assets are largely offset by corresponding movements on retirement benefit liabilities. For more details refer to Note 18.

As discussed in Note 2, there is significant estimation uncertainty in determining the fair values of the key unobservable inputs. The two key unobservable inputs are shown in the table above, together with the impact of a reasonably possible change in assumptions on the fair value of the Level 3 financial assets/liabilities only.

In addition to the above, the Group's FVOCI and FVPL financial assets are sensitive to a number of market and non-market factors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

30. RISK MANAGEMENT

Management of financial risk

The key financial risks faced by the Group are credit risk, liquidity risk and market risks, which include interest rate risk, foreign exchange risk and certain commodity price risks. The Board regularly reviews these risks and approves written policies covering the use of financial instruments to manage these risks and sets overall risk limits. The derivative financial instruments approved by the Board of Tate & Lyle PLC to manage financial risks include: swaps (both interest rate and currency), swaptions, caps, forward rate agreements, foreign exchange contracts, commodity forward contracts and options, and commodity futures.

The Chief Financial Officer retains overall responsibility for management of financial risk for the Group. Since the departure of the Chief Financial Officer, such responsibility was managed by the Chief Executive Office and the VP, Group Financial Controller. Most of the Group's financing, interest rate and foreign exchange risks are managed through the Group treasury company, Tate & Lyle International Finance PLC. Tate & Lyle International Finance PLC arranges funding and manages interest rate, foreign exchange and bank counterparty risks within limits approved by the Board of Tate & Lyle PLC.

Commodity price risks are managed through the commodity trading functions in the US and Europe. The performance of the commodity trading function is monitored against its ability to match the Group's needs for raw materials with purchase contracts, as well as the Group's output of co-products with sales contracts. As noted in Note 2, in order to manage the commodity price risk the Group has designated the components of its US net corn position into two effective fair value hedge accounting relationships (net corn (futures and basis) and net co-products) whereby the hedged item is a group of items with offsetting risk positions. In addition, the Group applies a limited level of cash flow hedge accounting to its economic price exposure on the purchase and sales of certain commodities and purchase of chemicals used in the production process.

On completion of the Primient disposal transaction on 1 April 2022, the Group will continue to apply cash flow hedge accounting to manage its economic price exposure on the purchase of chemicals used in the production process. All corn procurement transferred to Primient on completion of the disposal and the Group will procure corn from Primient in future (both for the manufacturing of corn-based finished goods in the Group's US manufacturing sites and for corn embedded in the finished goods manufactured by Primient and sold to the Group under long-term agreements). The Group will cease to apply fair value hedge accounting to manage the net corn risk and will instead manage the corn price risk by using economic hedging principles such as entering into offsetting positions with its supplier (Primient) and customers.

Market risks

Foreign exchange management

The Group operates internationally and is exposed to foreign exchange risks arising from commercial transactions (transaction exposure), and from recognised assets, liabilities and investments in foreign operations (translation exposure).

Transaction exposure

The Group manages foreign exchange transaction risk using economic hedging principles including managing working capital levels and entering into offsetting arrangements wherever possible. The Group uses limited foreign exchange forward contracts to hedge its exposure to foreign currency risk in some circumstances. There is no material amount recognised in the statement of financial position or hedging reserve in the current or prior period.

During the year, the Group entered into a deal contingent forward to hedge the currency risk associated with the consideration received from the Transaction which was partially used for the shareholder distribution on 16 May 2022. This deal contingent forward was designated as a hedging instrument in a net investment hedge with the hedged items being the Group's overseas operations in the US which were sold as part of the Transaction.

Translation exposure

The Group manages the foreign exchange exposure to net investments in overseas operations, particularly in the US, by borrowing in US dollars, which provide a partial match for the Group's major foreign currency assets. The detail of these net investment hedges, including the deal contingent forward entered into in the current year, is set out in Note 29.

The following table illustrates only the Group's sensitivity to the fluctuation of the Group's major currencies against sterling on its consolidated income statement and other components of equity, assuming that each exchange rate moves in isolation. The consolidated income statement impact is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The equity impact for foreign exchange sensitivity relates to derivative and non-derivative financial instruments hedging the Group's net investments in its European and US operations.

	AT 31 MARCH 2022		AT 31 MARCH 2021	
	INCOME STATEMENT -/+ £M	EQUITY -/+ £M	INCOME STATEMENT -/+ £M	EQUITY -/+ £M
Sterling/US dollar 10% change[1]	**1**	**44**	1	38
Sterling/euro 10% change	**–**	**–**	–	–

1 This excludes the impact of the deal contingent forward which matured immediately after the year end on completion of the Primient business disposal transaction.

Interest rate management

The Group has an exposure to interest rate risk, arising principally from changes in US dollar interest rates. In the 2022 and 2021 financial years, the objective of optimising net finance expense and reducing volatility in reported earnings was achieved by ensuring an optimal mix of fixed and floating rate debt. The Group retains the option of entering into interest rate swaps and a full risk assessment and recommendation is made to the Group's Board each year on how to best manage interest rate risk for the forthcoming 12 months. The Group currently has low levels of net debt and secure long-term borrowings which are mostly fixed at low interest rates.

The proportion of gross debt managed by the Group's treasury function at 31 March 2022 that was fixed or capped for more than one year was 88% (2021 – 80%). At 31 March 2022, the longest term of any fixed rate debt held by the Group was until 2032 (2021 – until 2032).

Given the proportion of debt that is fixed rate debt, as at 31 March 2022, if interest rates increased by 100 basis points, Group profit before tax would increase by £nil (2021 – £2 million increase). If interest rates decreased by 100 basis points, or less where applicable, Group profit before tax would increase by £1 million (2021 – £nil). If the Group maintains a consistent level of working capital benefit in relation to supply-chain financing arrangements (see 'Liquidity risk management' section) then an increase in interest rates of 100 basis points would decrease Group profit before tax by £2 million (2021 – £2 million). A significant proportion of supply-chain financing exposure relates to the discontinued operations.

30. RISK MANAGEMENT CONTINUED

Price risk management

The Group manages its US net corn position, comprising the purchase, sale and recognition of corn and corn derived co-product inventory on a net basis. Each element of the net corn position is marked to market on the basis that doing so aligns with the economics of the business and minimises price risk volatility. The Group has designated the components of its US net corn position into two effective fair value hedge accounting relationships (net corn (futures and basis) and net co-products) whereby the hedged item is a group of items with offsetting risk positions. The Group uses certain derivative financial instruments (mainly corn futures contracts) to manage this net position.

There is estimation required in determining the fair value of certain components of this net position. The nature of these estimates is disclosed in Note 2. Given the net position for corn, as at 31 March 2022, a 50% increase/decrease in the price of corn would result in a decrease/increase to the consolidated income statement of £17 million (2021 – £1 million) and related decrease/increase in other components of equity of £1 million (2021 – £2 million).

The Group discloses sensitivity analysis on the key areas of estimation uncertainty (price of co-products and basis) and the carrying amounts impacted by estimation uncertainty in Note 29. Full details of the valuation technique are also included in Note 29.

Additionally, the Group employs limited pricing contracts, principally futures, to hedge cash flow risk associated with certain forecast purchases and sales of commodities and purchases of chemicals used in the manufacturing process which are designated as cash flow hedges. Refer to Note 29.

Credit risk management

Counterparty credit risk arises from the placing of deposits (refer to Note 16) and entering into derivative financial instrument contracts with banks and financial institutions, as well as credit exposures inherent within the Group's outstanding receivables. The Group manages credit risk by entering into financial instrument contracts substantially with investment grade counterparties approved by the Board.

The Board has approved maximum counterparty exposure limits for specified banks and financial institutions based on the long-term credit ratings from major credit rating agencies. Trading limits assigned to commercial customers are based on ratings from Dun & Bradstreet. In cases where published financial ratings are not available or inconclusive, credit application, reference checking, measurement of performance against agreed terms, and obtaining of customers' financial information such as liquidity and turnover ratio, are required to evaluate customers' creditworthiness. Counterparties' positions are monitored on a regular basis to ensure that they are within the approved limits and there are no significant concentrations of credit risks.

The Group's trade receivables are short term in nature and are largely comprised of amounts receivable from business customers. Concentrations of credit risk with respect to trade receivables are limited, with our customer base including large, unrelated and internationally dispersed customers. The Group considers its maximum exposure to credit risk at the year-end date is the carrying value of each class of financial assets as disclosed under financial instruments by category on page 177. Refer to Note 17 for the effect of expected credit loss on the Group's trade receivables.

Liquidity risk management

The Group manages its exposure to liquidity risk and ensures maximum flexibility in meeting changing business needs by maintaining access to a wide range of funding sources, including capital markets and bank borrowings. The majority of the Group's borrowings are raised through the Group treasury company, Tate & Lyle International Finance PLC, and are then on-lent to the business units on an arm's length basis.

At the year end, the Group held cash and cash equivalents of £127 million (2021 – £371 million) and had committed undrawn facilities of £608 million (2021 – £579 million). These resources are maintained to provide liquidity back-up and to meet the projected maximum cash outflow from debt repayment, capital expenditure and seasonal working capital needs foreseen for at least a year into the future at any one time. The Group policy requires that available liquidity (undrawn committed facilities plus cash) is greater than £400 million and minimum liquidity requirements are maintained in order to retain an investment grade credit rating, per any relevant published definitions of Standard & Poor's and Moody's. Note that the Group received a significant increase in cash and cash equivalents on completion of the Primient business disposal transaction on 1 April 2022 which was partially used to fund the special dividend on 16 May 2022. Refer to Note 37.

At 31 March 2022, the average maturity of the Group's drawn financing was 6.2 years (2021 – 7.3 years).

To allow more effective management of interest rate risk and optimisation of overall cost of debt, the Group policy is as follows; a) no more than 20% of the total Group gross debt plus undrawn committed facilities should mature within 12 months from balance sheet date b) the Group's core undrawn committed bank facility must be refinanced no later than 12 months prior to its full maturity, and c) at least 50% of drawn debt should have a maturity of more than 2.5 years. At 31 March 2022, after taking account of undrawn committed facilities, the Group was compliant with the policy.

The Group has a core committed revolving credit facility of US$800 million. In March 2021, the Group extended the maturity of US$700 million of the US$800 million revolving credit facility by a year, to March 2026. This facility is unsecured and contains one financial covenant, that the multiple of net debt to EBITDA, as defined in the facility agreement, should not be greater than 3.5 times. The Group policy requires that net debt is managed within the target range of 1.5 – 2.5 times EBITDA (including the impact of IFRS 16).

At 31 March 2022, the Group had US$800 million of US Private Placement Notes which mature between 2023 and 2032. These notes contain financial covenants that the multiple of net debt to EBITDA, as defined in the note purchase agreement, should not be greater than 3.5 times.

The ratios for this financial covenant were:

	YEAR ENDED 31 MARCH	
	2022 TIMES	2021 TIMES
Net debt/EBITDA[1]	**1.1**	0.6

1 This financial covenant applies to both the revolving credit facility and US Private Placement Notes.

The Group monitors compliance against all its financial obligations and it is Group policy to manage the consolidated statement of financial position so as to operate well within these covenanted restrictions. In both the current and prior reporting periods, the Group complied with its financial covenants at all measurement points. (The Group is required to report on covenants after the interim and year-end reporting dates).

Note that the multiple of net debt to EBITDA as required for the financial covenants of the loan notes and revolving credit facility is a different measure to the simplified calculation of net debt to EBITDA used as a Group KPI. This KPI is more directly related to information in the Group's financial statements and is reported in Note 4.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

30. RISK MANAGEMENT CONTINUED

Liquidity risk management continued

The table below analyses the undiscounted cash flows related to the Group's non-derivative financial liabilities and derivative assets and liabilities.

	AT 31 MARCH 2022		
Liquidity analysis	< 1 YEAR £M	1 – 5 YEARS £M	> 5 YEARS £M
Borrowings	**(4)**	**(228)**	**(382)**
Lease liabilities[1]	**(33)**	**(88)**	**(24)**
Interest on borrowings	**(21)**	**(71)**	**(44)**
Trade and other payables	**(537)**	**–**	**–**
Derivative contracts:			
– receipts	**160**	**–**	**–**
– payments	**(160)**	**–**	**–**
– deal contingent forward receipt	**464**	**–**	**–**
– deal contingent forward payment	**(495)**	**–**	**–**
Commodity derivatives	**62**	**14**	**–**

1 Cash flows related to leases liabilities included in discontinued operations include £21 million to be paid in less than one year, £51 million to be paid between one and five years, and £8 million to be paid after more than five years.

	AT 31 MARCH 2021		
Liquidity analysis	< 1 YEAR £M	1 – 5 YEARS £M	> 5 YEARS £M
Borrowings	(8)	(229)	(404)
Lease liabilities	(32)	(95)	(32)
Interest on borrowings	(20)	(74)	(55)
Trade and other payables	(419)	–	–
Derivative contracts:			
– receipts	84	–	–
– payments	(84)	–	–
Commodity derivatives	12	2	–

Derivative contracts include forward exchange contracts. Commodity pricing contracts included above represent options and futures. Commodity pricing contracts classified within Level 2 and Level 3 of fair value measurement (included in other current financial assets/(liabilities) on the balance sheet) are not included in the liquidity analysis above as they are not settled for cash.

The Group also participated in certain customer-led supply-chain financing arrangements which resulted in an earlier payment through an intermediary (usually a bank) at a discount. Other than a working capital benefit relating to these arrangements of £199 million in the year ended 31 March 2022 (2021 – £203 million) and the supply-chain financing costs, there is no further impact on the Group's accounting on the basis that once the intermediary has settled the receivable there is no further recourse to the Group in the event the customer defaults on its payment to the intermediary. The classification of the receivable is not changed as the Group is not able to instigate collection ahead of the contractual terms of this arrangement meaning that the business model's objective continues to be holding assets in order to collect contractual cash flows. The discount incurred is recorded as a reduction of revenue.

Capital risk management

The Group's primary objectives in managing its capital are to safeguard the business as a going concern; to maintain the dividend policy; to maintain sufficient financial flexibility to undertake its investment plans; and to retain an investment-grade credit rating which enables access to debt capital markets. The Group's financial profile and level of financial risk is assessed on a regular basis in the light of changes to the economic conditions, business environment, the Group's business profile and the risk characteristics of its businesses.

Tate & Lyle PLC has contractual relationships with Moody's and Standard & Poor's (S&P) for the provision of credit ratings. At 31 March 2022, the long-term credit rating from Moody's was Baa3 (stable outlook) (2021 – Baa2) and from S&P was BBB (stable outlook) (2021 – BBB).

Capital risk management

The Group regards its total capital as follows:

	NOTE	2022 £M	RESTATED* 2021 £M
Net debt	28	**626**	417
Equity attributable to owners of the Company		**1 619**	1 453
Total capital		**2 245**	1 870

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

31. RETIREMENT BENEFIT OBLIGATIONS

For accounting purposes, a valuation of each of the defined benefit plans is carried out annually at 31 March using independent qualified actuaries. Benefit obligations are measured using the projected unit credit method and are discounted using the market yields on high-quality corporate bonds denominated in the same currency as, and of similar duration to, the benefit obligations. Plan assets are measured at their fair value at the period-end date. Where a plan holds a qualifying insurance policy, the fair value of the policy is equivalent to the present value of the related benefit obligations.

A deficit or surplus is recognised on each plan, representing the difference between the present value of the benefit obligation and the fair value of the plan assets.

The costs of the defined benefit plan that are recognised in the consolidated income statement include the current service cost, any past service cost and the interest on the net deficit or surplus. Gains or losses on curtailments or settlements of the plans are recognised in the consolidated income statement in the period in which the curtailment or settlement occurs. Plan administration costs incurred by the Group are also recognised in the consolidated income statement. Interest on the net deficit or surplus is calculated by applying the discount rate that is used in measuring the present value of the benefit obligation to the opening deficit or surplus.

Re-measurements of the deficit or surplus are recognised in other comprehensive income. Re-measurements comprise differences between the actual return on plan assets (less asset management expenses) and the interest on the plan assets and actuarial gains and losses. Actuarial gains and losses represent the effect of changes in the actuarial assumptions made in measuring the present value of the benefit obligation and experience differences between those assumptions and actual outcomes. Actuarial gains and losses are recognised in full in the period in which they occur.

For defined contribution plans contributions made by the Group to defined contribution pension schemes are recognised in the consolidated income statement in the period in which they fall due.

Plan information

The Group operates a number of defined benefit pension plans, principally in the UK and the US. At 31 March 2022, the Group's retirement benefit obligations are in a net deficit of £107 million (2021 – deficit of £140 million). The primary driver for the reduction in net liability was the reclassification of £28 million to liabilities directly associated with assets held for sale on the balance sheet . Therefore, on a like-for-like basis the liability reduced by £5 million.

The UK plans primarily comprise funded retirement benefit plans where plan assets were previously held separately from those of the Group in funds that were under the control of trustees. In the 2020 financial year, the Group supported the trustees of the main UK pension scheme in completing a £930 million bulk annuity insurance policy 'buy-in' for that scheme. As a result, the assets of the main UK pension scheme were replaced with an insurance asset matching UK scheme liabilities. In the current year, the actuarial movements in the liabilities subject to the 'buy-in' are matched by an equal and opposite movement on its assets both recorded in other comprehensive income.

The UK plans are closed to new entrants and to future accrual. In the UK, scheme members can elect to forego a portion of their future pension benefits, in return for a lump sum payment, or a transfer out to other arrangements. These amounts are excluded from future benefit projections.

The US plans, presented below, principally comprise:

- two funded plans where plan assets are held separately from those of the Group in funds that are under the control of an investment management committee. These plans are closed to new entrants and to future accrual
- a retirement benefit plan to certain employees which is funded but the associated assets do not qualify for recognition as IAS 19 plan assets. As such the plan is presented below as funded. The related assets are recognised as FVPL assets within investments in equities (refer to Note 18). This is referred to as 'non-qualified deferred compensation arrangements' within this note
- a retirement benefit plan for certain employees which is unfunded and non-qualified for tax purposes
- an unfunded retirement medical plan where the costs of providing these benefits are recognised in the period in which they are incurred. Such plans provide financial assistance in meeting various costs including medical, dental and prescription drugs. Employees are required to contribute to the cost of benefits received under the plans. The liability associated with this plan at 31 March 2022 was £40 million (2021 – £57 million), which excludes the £16 million designated as held for sale. The Group paid £4 million (2021 – £3 million) into this plan in the year. Details on assumptions applied in the calculation of the liability and sensitivity analysis thereon is included in this note.

The Group operates defined contribution pension plans in a number of countries. Contributions payable by the Group to these plans during the year amounted to £9 million (2021 – £8 million).

On disposal of the Primient business, the Group retains all US defined benefit pension schemes but certain funded non-qualified deferred compensation arrangements as well as the unfunded post-retirement medical plan relating to employees who transitioned to the Primient business (together a net deficit of £28 million) were disposed of and were therefore classified as held for sale.

Movement in net defined benefit asset/(liability)

Analysis of net defined benefit asset/(liability)

	AT 31 MARCH 2022			AT 31 MARCH 2021		
	UK PLANS* £M	US PLANS £M	TOTAL £M	UK PLANS* £M	US PLANS £M	TOTAL £M
Benefit obligations:						
Funded plans	**(881)**	**(484)**	**(1 365)**	(957)	(505)	(1 462)
Unfunded plans	**(4)**	**(105)**	**(109)**	(3)	(108)	(111)
	(885)	**(589)**	**(1 474)**	(960)	(613)	(1 573)
Fair value of plan assets	**867**	**472**	**1 339**	942	491	1 433
	(18)	**(117)**	**(135)**	(18)	(122)	(140)
Reclassification to liabilities directly associated with the assets held for sale	**–**	**28**	**28**	–	–	–
Net deficit	**(18)**	**(89)**	**(107)**	(18)	(122)	(140)
Presented in the statement of financial position as:						
Retirement benefit surplus	**3**	**20**	**23**	3	15	18
Retirement benefit deficit	**(21)**	**(109)**	**(130)**	(21)	(137)	(158)
	(18)	**(89)**	**(107)**	(18)	(122)	(140)
Liabilities directly associated with the assets held for sale	**–**	**(28)**	**(28)**	–	–	–
	(18)	**(117)**	**(135)**	(18)	(122)	(140)

* Includes £4 million (2021 – £3 million) relating to legacy unfunded retirement benefit plans of European subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

Net defined benefit asset/(liability) reconciliation

	UK PLANS £M	US PLANS FUNDED £M	US PLANS UNFUNDED* £M	TOTAL £M
Net deficit at 1 April 2021	(18)	(14)	(108)	(140)
Income statement:				
– current service costs	–	–	(1)	(1)
– US pension past service credit	–	13	–	13
– administration costs	(1)	(1)	–	(2)
– net interest expense US plans	–	1	(4)	(3)
Other comprehensive income:				
– actual return lower than interest on plan assets	(42)	(28)	–	(70)
– actuarial gain/(loss):				
– changes in financial assumptions	60	24	1	85
– changes in demographic assumptions	2	(2)	2	2
– experience against assumptions	(19)	(2)	1	(20)
Other movements:				
– employer's contribution	2	–	8	10
– non-qualified deferred compensation arrangements	–	(1)	–	(1)
– currency translation differences	(2)	(2)	(4)	(8)
	(18)	(12)	(105)	(135)
Reclassification to liabilities directly associated with the assets held for sale	–	12	16	28
Net deficit at 31 March 2022	(18)	–	(89)	(107)

* Included within US unfunded plans is the retirement medical plan of £40 million (2021 – £57 million).

Analysis of movement in the benefit obligations

	UK PLANS £M	US PLANS FUNDED £M	US PLANS UNFUNDED £M	TOTAL £M
At 1 April 2021	(960)	(505)	(108)	(1 573)
Income statement:				
– current service costs	–	–	(1)	(1)
– US pension past service credit	–	13	–	13
– interest costs	(18)	(13)	(4)	(35)
Other comprehensive income:				
– actuarial gain/(loss):				
– changes in financial assumptions	60	24	1	85
– changes in demographic assumptions	2	(2)	2	2
– experience against assumptions	(19)	(2)	1	(20)
Other movements:				
– benefits paid	52	27	8	87
– non-qualified deferred compensation arrangements	–	(1)	–	(1)
– currency translation differences	(2)	(25)	(4)	(31)
	(885)	(484)	(105)	(1 474)
Reclassification to liabilities directly associated with the assets held for sale	–	12	16	28
At 31 March 2022	(885)	(472)	(89)	(1 446)

Analysis of movement in plan assets

	UK PLANS £M	US PLANS FUNDED £M	US PLANS UNFUNDED £M	TOTAL £M
At 1 April 2021	942	491	–	1 433
Income statement:				
– administration costs	(1)	(1)	–	(2)
– interest gains	18	14	–	32
Other comprehensive income:				
– actual return lower than interest on plan assets	(42)	(28)	–	(70)
Other movements:				
– employer's contribution	2	–	–	2
– benefits paid	(52)	(27)	–	(79)
– currency translation differences	–	23	–	23
At 31 March 2022	867	472	–	1 339

31. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

Significant assumptions

For accounting purposes, the benefit obligation of each plan is based on assumptions made by the Group on the advice of independent actuaries. For the UK defined benefit pension plan these 'best estimate' IAS 19 assumptions are different to the more prudent assumptions used for funding valuation purposes. For the US defined benefit pension plan, the funding valuation assumptions are identical to the IAS 19 assumptions.

	AT 31 MARCH 2022		AT 31 MARCH 2021	
PRINCIPAL ASSUMPTIONS	UK	US	UK	US
Inflation rate	**3.2%/3.8%**	**2.5%**	2.7%/3.4%	2.5%
Expected rate of salary increases	**n/a**	**2.5%**	n/a	3.0%
Expected rate of pension increases:				
– deferred pensions	**3.2%**	**n/a**	2.7%	n/a
– pensions in payment	**3.6%**	**n/a**	3.3%	n/a
Discount rate	**2.7%**	**3.4%**	1.9%	2.9%
Average life expectancy				
– male aged 65 now/in 20 years	**21.3/22.9 years**	**20.5/23.3 years**	21.3/22.9 years	20.6/23.3 years
– female aged 65 now/in 20 years	**23.8/25.5 years**	**22.5/25.2 years**	23.7/25.4 years	22.5/25.2 years

Principal assumptions used in calculating the US medical benefit obligation are medical cost inflation and the discount rate applied to the expected benefit payments. The Group has assumed medical cost inflation at 6.5% per annum (2021 – 6.5%), grading down to 6% by 2023, and used a discount rate of 3.4% (2021 – 2.8%).

Significant assumptions

At 31 March 2022, the sensitivity of the net surplus/(deficit) on the plans to changes in the principal assumptions was as follows (assuming in each case that the other assumptions are unchanged):

		INCREASE/(DECREASE) IN OBLIGATION	
	CHANGE IN ASSUMPTIONS +/-	IMPACT OF INCREASE IN ASSUMPTION £M	IMPACT OF DECREASE IN ASSUMPTION £M
Inflation rate[1]	50 bp	**36**	**(35)**
Life expectancy	1 year	**69**	**(68)**
Discount rate	50 bp	**(82)**	**91**

1 Inflation rate sensitivity covers the inflation assumption, expected rate of salary increases assumption and expected rate of pensions in payment increases assumption.

Analysis of plan assets

	YEAR ENDED 31 MARCH 2022			YEAR ENDED 31 MARCH 2021		
	UK £M	US £M	TOTAL £M	UK £M	US £M	TOTAL £M
Quoted[1]						
Equities	**3**	**–**	**3**	3	–	3
Corporate bonds	**2**	**–**	**2**	2	–	2
Investment funds	**5**	**–**	**5**	5	–	5
Liability Driven Investments (LDI) fixed income	**–**	**468**	**468**	–	487	487
Cash	**7**	**–**	**7**	8	–	8
Unquoted						
Insurance policies	**850**	**4**	**854**	924	4	928
	867	**472**	**1 339**	942	491	1 433

1 Quoted assets contain certain pooled funds where the underlying assets are quoted.

The fair value of the insurance policies is deemed to be equivalent to the present value of the related benefit obligation. The Group also paid an additional £4 million (2021 – £3 million) into the US unfunded retirement medical plans and £4 million (2021 – £4 million) into the US unfunded pension plans to meet the cost of providing benefits in the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

31. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

Maturity profile

At 31 March 2022, the weighted average duration of the plans and the benefit payments expected by the plans are as follows:

	UK PLANS £M	US PLANS £M	TOTAL £M
Weighted average duration (years)	13.9	10.4	12.5
Benefit payments expected:			
– within 12 months	41	38	79
– between 1 to 5 years	173	150	323
– between 6 to 10 years	221	174	395

Funding of the plans

As required by local regulations, actuarial valuations of the US pension plans are carried out each year and those of the UK pension plans are carried out at least every three years. The main UK scheme triennial valuation as at 31 March 2019 was concluded during the year ended 31 March 2020 and, given that the liabilities were secured through the purchase of a bulk annuity insurance policy, both core contributions to the scheme and supplementary contributions to the secured funding account has ceased.

The Group continues to fund ongoing administration costs of the main UK scheme, £1 million for this financial year and £1million of contributions for the other UK scheme. In respect of the US plans no contributions were paid to the funded plans, £4 million to the unfunded pension plan with £4 million paid for health plans.

During the year ending 31 March 2023 the Group expects to contribute approximately £5 million to its defined benefit pension plans and to pay approximately £4 million in relation to retirement medical benefits, principally in the US. The Group also expects to make a one-off contribution of approximately £11 million to settle a post transaction price adjustment in respect of the bulk annuity policy 'buy-in' of the main UK plan.

Where a plan is in surplus, the surplus recognised is limited to the present value of any amounts that the Group expects to recover by way of refunds or a reduction in future contributions.

Risk mitigation

RISK	ACTION TAKEN
Investment and longevity risks	The investment and longevity risks for the main UK scheme have been fully insured through the purchase of a qualifying bulk annuity insurance policy during the year ended 31 March 2020, whilst the remaining assets of the funded defined benefit plans in the US are predominantly held in fixed interest security type investments, as a result of the de-risking initiatives through the sale of equities and some investment funds. At 31 March 2022, £854 million (2021 – £928 million) of the benefit obligation was fully matched by qualifying insurance policies that also mitigate longevity and investment risks.
Interest rate risk	The bulk annuity insurance policy has nullified the interest rate risk for the main UK Scheme. For the US funded plans, the Group seeks to ensure that, as far as practicable, the investment portfolios are invested in securities with maturities and in currencies that match the expected future benefit payments as they fall due.
Inflation risk	Inflation risk for the main UK Scheme has also been nullified due to the bulk annuity policy. The deferred pensions and pensions in payment in the US funded plans do not attract inflation increases. Some inflation risk exists in relation to the employee members' benefits which is mitigated by holding index-linked government bonds and corporate bonds.

32. SHARE-BASED PAYMENTS

All of the awards granted under the existing plans are classified as equity-settled awards. The Group recognises compensation expense based on the fair value of the awards measured at the grant date using the Black-Scholes option pricing model. Fair value is not subsequently re-measured unless relevant conditions attaching to the award are modified.

Fair value reflects any market performance conditions and all non-vesting conditions. Adjustments are made to the compensation expense to reflect actual and expected forfeitures due to failure to satisfy service conditions or non-market performance conditions.

The resulting compensation expense is recognised in the consolidated income statement on a straight-line basis over the vesting period and a corresponding credit is recognised in equity. In the event of the cancellation of an award the compensation expense that would have been recognised over the remainder of the vesting period is recognised immediately in the consolidated income statement.

The Company operates share-based incentive arrangements for the executive directors, senior executives and other eligible employees under which awards and options are granted over the Company's ordinary shares. All of the arrangements under which awards and options were outstanding during the 2022 and 2021 financial years are classified as equity-settled.

During the year, the compensation expense recognised in profit or loss in respect of share-based incentives was £12 million (2021 – £8 million). Other than the Sharesave Plan, all option awards have a nil exercise price. The following arrangements existed during the period:

Performance Share Plan

The Group's principal ongoing share-based incentive arrangement is the Performance Share Plan (PSP). Participation in the PSP is restricted to the executive directors and other senior executives. Awards made under the PSP normally vest provided the participant remains in the Group's employment until the end of the performance period and are subject to the satisfaction of performance conditions.

The conditions applicable to PSP awards made from 1 April 2021 relate to the achievement of organic revenue growth, the Group adjusted return on capital employed (ROCE), relative Total Shareholder Return and Purpose and Sustainability metrics over the performance period. Up to 30% of each award vests dependant on compound organic revenue growth over the performance period. Up to 25% of each award vests dependant on the Group's adjusted ROCE from continuing operations reaching specified levels at the end of the performance period. Up to 25% of each award vests based on Total Shareholder Return over the period ranked against the Group's industry peers. The final 20% vests based on achievement of Purpose and Sustainability aims with financial year 2024 outcomes compared to stated goals.

The conditions applicable to PSP awards made in prior years relate to the achievement of the Group adjusted ROCE, volume growth in Food & Beverage Solutions and earnings per share growth. Up to 40% of each award vests dependant on the Group's adjusted ROCE from total operations reaching specified levels at the end of the performance period. Up to 20% of each award vests dependant on the compound annual growth in Food & Beverage Solutions volume over the performance period, with the remaining 40% from compound annual growth in the Group's adjusted earnings per share, over the performance period.

The performance period runs for three financial years commencing in the financial year in which the award is granted.

32. SHARE-BASED PAYMENTS CONTINUED

Group Bonus Plan – deferred element

Bonuses earned under the Group Bonus Plan (GBP) are normally paid in cash up to 100% of the base salary of the participating executive. Any excess above 100% of base salary is paid in the form of deferred shares that are released after two years subject to the executive remaining in the Group's employment. During the vesting period, payments in lieu of dividends are made in relation to the deferred shares.

Sharesave Plan

Options are granted from time to time under the Company's Sharesave Plan, which is open to all employees in the UK. It offers eligible employees the option to buy shares in the Company after a period of three or five years funded from the proceeds of a savings contract to which they contribute on a monthly basis. The exercise price reflects a discount to market value of up to 20%.

Restricted Share Awards

The Company has made a Restricted Share Award (RSA) to a number of eligible employees. Awards made normally vest provided the participant remains in the Group's employment during the performance period and other conditions, specific to the individual awards, are met.

Further information relating to specific awards made to executive directors are set out in the Directors' Remuneration Report on pages 108 to 126.

Movements in the year

Movements in the awards outstanding during the year were as follows:

	YEAR ENDED 31 MARCH 2022		YEAR ENDED 31 MARCH 2021	
	AWARDS (NUMBER)	WEIGHTED AVERAGE EXERCISE PRICE (PENCE)	AWARDS (NUMBER)	WEIGHTED AVERAGE EXERCISE PRICE (PENCE)
Outstanding at 1 April	**9 793 339**	**14p**	10 293 944	15p
Granted	**4 704 587**	**11p**	3 491 921	9p
Exercised	**(1 926 800)**	**22p**	(1 919 388)	17p
Lapsed	**(2 163 237)**	**8p**	(2 073 138)	10p
Outstanding at 31 March	**10 407 889**	**12p**	9 793 339	14p
Exercisable at 31 March	**108 054**	**37p**	233 167	82p

The weighted average market price of the Company's ordinary shares on the dates on which awards were exercised during the year was 784p (2021 – 679p).

Awards granted in the year

During the year, PSP awards were granted over 3,600,659 shares (2021 – 3,324,590 shares), RSAs were granted over 932,309 shares (2021 – 80,253 shares). Shares issued under the Group Bonus Plan in the year were 77,640 (2021 – 26,433 shares) and Sharesave options were granted over 93,979 shares (2021 – 60,645 shares). The compensation expense recognised in relation to these awards is based on the fair value of the awards at their respective grant dates.

The weighted average fair values of the awards granted during the year and the principal assumptions made in measuring those fair values were as follows:

	YEAR ENDED 31 MARCH 2022		YEAR ENDED 31 MARCH 2021	
	PSP	SHARESAVE	PSP	SHARESAVE
Fair value at grant date	**608p**	**141p**	605p	116p
Exercise price	**–**	**542p**	–	531p
Principal assumptions:				
Share price on grant date	**738p**	**649p**	664p	656p
Expected life of the awards	**3 years**	**3.3/5.3 years**	3 years	3.3/5.3 years
Risk-free interest rate	**n/a**	**0.39%/0.78%**	n/a	-0.05%/0.03%
Dividend yield on the Company's shares	**2.08%**	**2.39%**	4.45%	4.51%
Volatility of the Company's shares	**n/a**	**25%**	n/a	25%

There were 77,640 shares issued under the Group Bonus Plan during the year (2021 – 26,433 shares). The RSAs were granted, with employment related conditions and expected life of the award, specific to each individual grant.

The fair value of the awards was measured using a Black-Scholes option pricing methodology, taking into account factors such as exercise restrictions and behavioural considerations.

Expected volatility was based on the historical volatility of the market price of the Company's shares over the expected life of the awards.

Awards outstanding at the end of the year

The range of exercise prices and the weighted average remaining contractual life of the awards outstanding at the end of the year were as follows:

	AT 31 MARCH 2022		AT 31 MARCH 2021	
EXERCISE PRICE	AWARDS (NUMBER)	WEIGHTED AVERAGE CONTRACTUAL LIFE (MONTHS)	AWARDS (NUMBER)	WEIGHTED AVERAGE CONTRACTUAL LIFE (MONTHS)
Nil	**10 171 846**	**36.7**	9 542 752	48.7
400p to 799p	**236 043**	**33.4**	250 587	28.8
Total	**10 407 889**	**36.7**	9 793 339	48.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

33. PROVISIONS AND CONTINGENT LIABILITIES

A provision is a liability of uncertain timing or amount that is recognised when: 1) the Group has a present obligation (legal or constructive) as a result of a past event; 2) it is more likely than not that a payment will be required to settle the obligation; and 3) the amount can be reliably estimated.

Where a payment is not probable, or the amount of the obligation cannot be measured with sufficient certainty, a contingent liability is disclosed. Contingent liabilities are also disclosed if a possible obligation arises from past events, but its existence will be confirmed only by the occurrence or non-occurrence of uncertain future events.

Provisions

	INSURANCE PROVISIONS £M	RESTRUCTURING AND CLOSURE PROVISIONS £M	ENVIRONMENTAL HEALTH & SAFETY PROVISION £M	LITIGATION AND OTHER PROVISIONS £M	TOTAL £M
At 1 April 2020	7	7	7	11	32
Provided in the year	4	2	–	17	23
Released in the year	–	–	–	(2)	(2)
Utilised in the year	(3)	(6)	(7)	–	(16)
Currency translation differences	(1)	–	–	(1)	(2)
At 31 March 2021	7	3	–	25	35
Provided in the year	**4**	**–**	**–**	**13**	**17**
Released in the year	**–**	**(1)**	**–**	**(8)**	**(9)**
Utilised in the year	**(6)**	**(2)**	**–**	**(13)**	**(21)**
Currency translation differences	**–**	**–**	**–**	**1**	**1**
At 31 March 2022	**5**	**–**	**–**	**18**	**23**

	AT 31 MARCH 2022 £M	2021 £M
Provisions are expected to be utilised as follows:		
– within one year	**11**	24
– after more than one year but before five years	**12**	11
Total	**23**	35

Insurance provisions include amounts provided by the Group's captive insurance subsidiary in respect of the expected level of insurance claims.

The difference between the carrying value and the discounted present value was not material in either year. The amount and timing of settlement in respect of these provisions are uncertain and dependent on various factors that are not always within management's control.

Contingent liabilities

The Group is subject to claims and litigation generally arising in the ordinary course of its business. Provision is made when liabilities are considered likely to arise and the expected quantum of the exposure is estimable. The risk in relation to claims and litigation is monitored on an ongoing basis and provisions amended accordingly.

The contingent liability previously disclosed with respect to the Passaic River matter is no longer expected to be material. The matter continues with the U.S. Environmental Protection Agency.

It is not expected that claims and litigation existing at 31 March 2022 will have a material adverse effect on the Group's financial position.

34. COMMITMENTS

Total commitments for the purchase of tangible and intangible non-current assets are £51 million (2021 – £33 million).

In addition, the Group has various lease contracts that have not yet commenced as at 31 March 2022. The future lease payments for these non-cancellable lease contracts are £nil within one year, £9 million within five years and £2 million thereafter. These contracts are held by the Primient discontinued operations.

Commitments in respect of retirement benefit obligations are detailed in Note 31.

35. ACQUISITIONS

Business combinations

A business combination is a transaction or other event in which the Group obtains control over a business. Business combinations are accounted for using the acquisition method, the key elements of which are below.

Identifiable assets and liabilities of the acquired business are generally measured at their fair value at the acquisition date. Retirement benefit obligations and deferred tax assets and liabilities are measured in accordance with the Group's accounting policies.

Consideration transferred represents the sum of the fair values at the acquisition date of the assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control over the acquired business. Acquisition-related costs are charged to the consolidated income statement in the period in which they are incurred.

Any non-controlling interest in the acquired business is measured either at fair value or at the non-controlling interest's proportionate share of the identifiable assets and liabilities of the business.

Goodwill arising in a business combination represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquired business and, where a business combination is achieved in stages, the fair value at the acquisition date of the Group's previously held equity interest, over the net total of the identifiable assets and liabilities of the acquired business at the acquisition date. Any re-measurement gain or loss on the previously held equity interest is recognised in the consolidated income statement. Any shortfall, or negative goodwill, is recognised immediately as a gain in the consolidated income statement.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for within equity. Any gain or loss upon loss of control is recognised in the consolidated income statement.

In the 2022 financial year:

No acquisitions or disposals were completed.

Quantum

On 31 March 2022, the Group announced it had signed an agreement to acquire Quantum Hi-Tech (Guangdong) Biological Co., Ltd (Quantum), a leading prebiotic dietary fibre business in China from ChemPartner Pharmatech Co., Ltd (ChemPartner) for a total consideration of US$237 million. Closing of the transaction is expected to occur in the second quarter of the 2022 calendar year.

The acquisition of Quantum which engages in the research, development, production and sale of fructo-oligosaccharides and galacto-oligosaccharides, significantly strengthens Tate & Lyle's position as a leading global player in dietary fibres, bringing a high-quality portfolio of speciality fibres, strong R&D capabilities and proprietary manufacturing processes and technologies. The acquisition expands Tate & Lyle's ability to provide added-fibre solutions for its customers across a range of categories including dairy, beverages, bakery and nutrition (including infant nutrition), and to meet growing consumer interest in gut health. It also significantly expands Tate & Lyle's presence in China and Asia, and extends its capabilities to create solutions across food and drink utilising its leading speciality ingredient portfolio.

In the 2021 financial year:

Sweet Green Fields ('SGF')

On 30 November 2020, the Group acquired the remaining 85% of the equity of SGF which it did not already own. In the year ended 31 March 2022, following the finalisation of the completion accounts and working capital adjustment, the final all cash consideration in respect of the acquisition is £60 million (including the fair value of the 15% that the Group already owned) (a decrease of £1 million from the £61 million provisional consideration disclosed at 31 March 2021) and the final fair value for identifiable net assets is £26 million, including £1 million cash and cash equivalents (an increase of £1 million compared to the provisional fair value for identifiable net assets of £25 million disclosed at 31 March 2021). This has resulted in a final goodwill balance at the date of acquisition of £34 million (a decrease of £2 million compared to the provisional goodwill of £36 million disclosed at 31 March 2021). This is not deductible for tax purposes. Refer to Note 19.

The acquired business contributed revenue of £7 million and an operating loss of £2 million for the period from acquisition on 30 November 2020 until the end of the 2021 financial year (including the amortisation of acquired intangibles recognised from the acquisition). Had the business been acquired at the beginning of the 2021 financial year, it would have contributed revenue of £41 million and an operating profit of £nil in that year.

Chaodee Modified Starch Co., Ltd ('CMS')

On 10 February 2021, the Group acquired 85% of the shares of CMS (increased to 93% at 31 March 2022 following the funding of capacity expansion in which the minority shareholder did not participate), a well-established tapioca modified food starch manufacturer located in Thailand. In the year ended 31 March 2022, there have been no changes to the provisional consideration, provisional fair value for identifiable net assets and resultant goodwill disclosed in the prior year Annual Report.

The Group has elected to measure the non-controlling interests in the acquiree at fair value.

36. RELATED PARTY DISCLOSURE

Identity of related parties

The Group has related party relationships with its joint ventures, the Group's pension schemes and with key management, being its Directors and executive officers. Key management compensation is disclosed in Note 9. There were no other related party transactions with key management. There were no material changes in related parties or in the nature of related party transactions during the year and no material related party transactions containing unusual commercial terms in the current or prior year.

Subsidiaries and joint ventures

	YEAR ENDED 31 MARCH	
	2022 £M	2021 £M
Sales of goods and services to joint ventures	**147**	128
Purchases of goods and services from joint ventures	**–**	–
Receivables due from joint ventures	**13**	6
Payables due to joint ventures	**–**	–

Transactions entered into by the Company, Tate & Lyle PLC, with subsidiaries and between subsidiaries as well as the resultant balances of receivables and payables are eliminated on consolidation and are not required to be disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

37. EVENTS AFTER THE BALANCE SHEET DATE

Sale of controlling stake in Primient

Further to the announcement of 12 July 2021, the Group announced that on 1 April 2022 it completed the sale of a controlling stake in Primient, comprising its Primary Products business in North America and Latin America and its interests in the Almidones Mexicanos S.A. de C.V. and DuPont Tate & Lyle Bio-Products Company, LLC joint ventures, to KPS Capital Partners, LP ('KPS'). KPS now holds a 50.1% interest in Primient. The Group holds a 49.9% interest in Primient. The provisional cash consideration is US$1.4 billion and US$30 million of contingent consideration. The exercise to finalise the completion accounts is in progress and will be disclosed in the Group's Interim Results that will be published in November 2022. Details of assets held for sale are provided in Note 12.

Special dividend

Following the announcement on 1 April 2022 of the completion of the sale of a controlling stake in Primient and following shareholder approval at the General Meeting held on 26 April 2022, the Group returned £497 million on 16 May 2022 to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share in the capital of Tate & Lyle PLC . In order to maintain the comparability, so far as possible, of Tate & Lyle PLC's share price before and after the special dividend, the Group also completed a share consolidation resulting in ordinary shareholders receiving six new ordinary shares with a nominal value of 29 1⁄6 pence each for every seven existing ordinary shares that they held. The new ordinary shares are traded on the London Stock Exchange in the same way as the previously existing ordinary shares and have the same rights under the Articles to the previously existing ordinary shares. The total number of ordinary shares after the share consolidation was 401.6 million shares.

A return of funds was also completed for ADR holders on the ADR register on 19 May 2022. As a result of the share consolidation, existing ADRs were cancelled and new ADRs issued in the ratio of six new ADRs to replace every seven existing ADRs.

38. CHANGE IN ACCOUNTING POLICY

In April 2021 the IFRS Interpretations Committee published an agenda decision regarding the treatment of Configuration or Customisation Costs in a Cloud Computing Arrangement under IAS 38 – Intangible Assets. During the year ended 31 March 2022, the Group has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements in response to this IFRS Interpretations Committee decision. In addition, the Group has assessed the impact of this change in accounting policy on any cloud computing arrangements entered into during the prior periods and restated the comparative figures. This has impacted the balance sheet and retained earnings only as the consolidated income statement impact on earlier periods was not material. A balance sheet as at the beginning of the preceding year (i.e. at 1 April 2020) has not been presented on the grounds of materiality, however the impact of the change and the revised accounting policy is shown below.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation as well as the SaaS access over the contract term, then the configuration and customisation costs are expensed over the contract term only if the services provided are not distinct and are otherwise expensed upfront as the software is configured or customised. Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

The impact of the adoption of this revised accounting policy is set out below. Comparatives have been restated accordingly.

	IMPACT OF CHANGE IN ACCOUNTING POLICY		
At 1 April 2020	AS REPORTED £M	ADJUSTMENT £M	AS RESTATED £M
Goodwill and other intangible assets	340	(9)	331
Total assets	2 851	(9)	2 842
Deferred tax liabilities	(42)	3	(39)
Total liabilities	(1 452)	3	(1 449)
Retained earnings	629	(6)	623
Total equity	1 399	(6)	1 393
At 31 March 2021			
Goodwill and other intangible assets	354	(9)	345
Total assets	2 976	(9)	2 967
Deferred tax liabilities	(44)	3	(41)
Total liabilities	(1 516)	3	(1 513)
Retained earnings	783	(6)	777
Total equity	1 460	(6)	1 454
Operating profit*	287	–	287
Profit for the year ended 31 March 2021*	253	–	253

* Before restatement for discontinued operations.

There was no impact on the Group's basic or diluted earnings per share and no impact on the total operating, investing or financing cash flows for the year ended 31 March 2021.

39. RELATED UNDERTAKINGS

A full list of related undertakings, comprising subsidiaries and joint ventures, is set out below. All are 100% owned directly or indirectly by the Group except where percentage ownership is indicated with (X%).

Subsidiaries

COMPANY NAME	REGISTERED ADDRESS
United Kingdom[1]	
Astaxanthin Manufacturing Limited	5 Marble Arch, London W1H 7EJ, UK
G.C. Hahn and Company Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Hahntech International Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Export Holdings Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Group Services Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Holdings Americas Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Holdings Limited[3]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Mold UK Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Industries Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle International Finance PLC[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Investments America Limited[3]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Investments Brazil Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Investments Limited[2,3]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle L.P.	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Overseas Limited	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Pension Trust Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Technology Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle UK Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Ventures II LP (99.5%)	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Ventures Limited[2]	5 Marble Arch, London W1H 7EJ, UK
Tate & Lyle Ventures LP (99.5%)	5 Marble Arch, London W1H 7EJ, UK
Argentina	
Tate & Lyle Argentina SA[4]	San Martín 140, 14th Floor, City of Buenos Aires, Argentina
Primary Products Ingredients SRL[4]	San Martín 140, 14th Floor, City of Buenos Aires, Argentina
Australia	
Tate & Lyle ANZ Pty Limited	Building 2, 1425 Boundary Road, Wacol QLD 4076, Australia
Belgium	
Tate & Lyle Services (Belgium) N.V.[2]	Industrielaan 4 box, 10-11, 9320 Aalst, Belgium
Bermuda	
Tate & Lyle Management & Finance Limited	Aon House, 30 Woodbourne Avenue, Pembroke, HM 08, Bermuda
Brazil	
Primary Products Ingredients Brasil S.A.[4,5]	Santa Rosa do Viterbo, State of São Paulo, Fazenda Amália, São Paulo, 14270-000, Brazil
G.C. Hahn & Co. do Brasil Estabilizantes e Tecnologia para Alimentos Ltda.[4]	Rua Sapetuba Nº 211, CEP:- 005510-001- Vila Pirajussara, Estado de São Paulo, Brazil
Tate & Lyle Gemacom Tech Indústria e Comércio S.A.[4]	Rua Bruno Simili No. 380, Distrito Industrial, City of Juiz de Fora, State of Minas Gerais, 36092-050, Brazil
Tate & Lyle Solutions Brasil Limitada [4]	Rua Dr. Rubens Gomes Bueno, No. 691, Torre Sigma, 10th floor, Bairro Várzea de Baixo, 04730-903, Brazil
British Virgin Islands	
SGF (Asia) Co., Limited	Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands
SGF Investment Co., Limited	Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands
Canada	
Primary Products Ingredients Canada Limited[5]	Suite 300, 77 Westmorland Street, Fredericton, NB E3B 4Y9, Canada
Tate & Lyle Solutions Canada Limited	Suite 300, 77 Westmorland Street, Fredericton, NB E3B 4Y9, Canada
Cayman Islands	
Sweet Green Fields Group Co., Limited	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands

COMPANY NAME	REGISTERED ADDRESS
Chile	
Tate & Lyle Chile Commercial Ltda	Isidora Goyenechea 2800, Piso 43, Las Condes, Santiago, Chile
China	
Sweet Green Fields Co., Limited[4]	Anji Economic Development Zone, Health Medicine Industry Garden, Huzhou, Zhejiang, China
Tate & Lyle Trading (Shanghai) Co. Ltd[4]	Room 1401, Building 11, No. 1582, Gumei Road, Xuhui District, Shanghai, 200233, China
G.C. Hahn & Co. Food Stabiliser Business (Shanghai) Ltd[4]	Unit A, Room 1301, Building 11, No. 1582, Gumei Road, Xuhui District, Shanghai, 200233, China
Tate & Lyle Food Ingredients (Nantong) Company Limited[4]	New & Hi-Tech Industrial Development District, Rudong county, Nantong city, 226400, China
Colombia	
Tate & Lyle Colombia S.A.S.[4]	Calle 11 #100-121 Of 309, Cali, Colombia
Costa Rica	
Tate & Lyle Costa Rica Limitada	San Jose Merced, Edificio Torre Mercedes, Piso Octavo, Oficinas De CDO Auditores, Costa Rica
Croatia	
G.C. Hahn & Co. d.o.o.	Radnička cesta 80, Zagreb, 10 000, Croatia
Czech Republic	
G.C. Hahn & Co. stabilizacni technika, s.r.o.	Kateřinská 466/40, Nové Město, 120 00 Praha 2, Czech Republic
Egypt	
Tate & Lyle Egypt LLC	87 Street 9, Maadi, Cairo, Egypt
France	
Tate & Lyle Ingredients France S.A.S.	3-5 Rue Saint-Georges, 75009, Paris, France
Germany	
G.C. Hahn & Co. Stabilisierungstechnik GmbH	Roggenhorster Strasse 31, 23556, Lübeck, Germany
G.C. Hahn & Co. Cooperationsgesellschaft mbH	Roggenhorster Strasse 31, 23556, Lübeck, Germany
Tate & Lyle Germany GmbH	Roggenhorster Strasse 31, 23556, Lübeck, Germany
Gibraltar	
Tate & Lyle Insurance (Gibraltar) Limited	Suite 913, Europort, Gibraltar
Greece	
Tate & Lyle Greece A.E.	69 K. N Papadaki, Thessaloniki, 54248 Thessaloniki, Greece
Hong Kong	
Sweet Green Fields International Co., Limited	2701, 27th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
Italy	
Tate & Lyle Italia S.P.A.	Via Verdi, 1-CAP 20002 Ossona, Milano, Italy
Ivory Coast	
Tate & Lyle Ivory Coast[4]	Abidjan Cocody 2, Plateaux 01, BP 659 ABJ 01, Côte d'Ivoire

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

39. RELATED UNDERTAKINGS CONTINUED

COMPANY NAME	REGISTERED ADDRESS
Japan	
Tate & Lyle Japan KK	2F Oak Minami-Azabu Building, 3-19-23 Minami-Azabu, Minato-ku, Tokyo, Japan
Lithuania	
UAB G.C. Hahn & Co.	Vito Gerulaičio str. 10-101, LT-08200, Vilnius, Lithuania
Mexico	
Tate & Lyle México, S. de R.L. de C.V.[4]	Piso 2, Av. Universidad 749, Col del Valle Sur, Ciudad de Mexico, 03100, México
Mexama, S.A. de C.V.[4] (65%)	Calle lago de tequesquitengo, No 111 Col. Cuahutemoc C.P. 62430, Morelos, México
Talo Services de Mexico, S.C.[4]	Piso 2, Av. Universidad 749, Col del Valle Sur, Ciudad de Mexico, 03100, México
Morocco	
T&L Casablanca S.A.R.L.	22, Rue du Parc, Casa Théâtre Centre, Anfa, Casablanca, Morocco
Netherlands	
Nederlandse Glucose Industrie B.V.	1541 KA, Koog aan de Zaan, Lagendijk 5, The Netherlands
Tate & Lyle Netherlands B.V.	1541 KA, Koog aan de Zaan, Lagendijk 5, The Netherlands
Poland	
G.C. Hahn & Co. Technika stabilizowania Sp.z o.o.	Ul. Sterlinga 8A, 91425, Łódź, Poland
Tate & Lyle Global Shared Services Sp.z o.o.	Ul. Sterlinga 8A, 91425, Łódź, Poland
Singapore	
Tate & Lyle Asia Pacific Pte. Ltd.	3 Biopolis Drive, #05-11-16 Synapse, 138623 Singapore
Slovakia	
Tate & Lyle Boleráz s.r.o.	114, Boleráz, 91908, Slovakia
Tate & Lyle Slovakia s.r.o	114, Boleráz, 91908, Slovakia
South Africa	
Tate and Lyle South Africa Proprietary Limited	1 Gravel Drive, Kya Sand Business Park, Kya Sand, 2163, South Africa
Spain	
G.C. Hahn Estabilizantes y Tecnologia para Alimentos	Calle Príncipe de Vergara 112, Planta Cuarta, 28002, Madrid, Spain
Ebromyl S.L.	Ps. de la Constitución 10, Entlo. Dcha., 50008, Zaragoza, Spain
Sweden	
Tate & Lyle Sweden AB	Mäster Samuelsgatan 17, Box 1432, 111 84, Stockholm, Sweden
Thailand	
Chaodee Modified Starch Co., Ltd (93%)	No. 345, Moo 14, Hin Dat Subdistrict, Dan Khun Thot District, Nakhom Ratchasima Province, Thailand
Tate & Lyle Trading (Thailand) Limited	No. 345, Moo 14, Hin Dat Subdistrict, Dan Khun Thot District, Nakhom Ratchasima Province, Thailand
Turkey	
Tate and Lyle Turkey Gıda Hizmetleri Anonim Şirketi	Esentepe Mah., Büyükdere Cad., 193 Plaza Kat: 2 193/235A14 Şişli, İstanbul, Turkey
Ukraine	
PII G.C. Hahn & Co. Kiev[4]	Mala Olexandriwka, Zentralna-Str. 2-B, Borispol, 08320 Kiev, Ukraine
United Arab Emirates	
Tate & Lyle DMCC	Unit JLT-PH2-RET-X5, Detached Retail X5, Jumeirah Lakes Towers, Dubai, United Arab Emirates
USA	
Staley Holdings LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Staley International Inc.	1209 North Orange Street, Wilmington, DE 19801, USA
Sweet Green Fields USA LLC	11 Bellwether Way, Suite 305, Bellingham WA 98225, USA
Tate & Lyle Finance LLC	1209 North Orange Street, Wilmington, DE 19801, USA
TLHUS, Inc.	1209 North Orange Street, Wilmington, DE 19801, USA
Primary Products Ingredients Americas LLC[5]	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Sucralose LLC	1209 North Orange Street, Wilmington, DE 19801, USA
TLI Holding LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Primary Products Grain, LLC[5]	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Malic Acid LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Sugar Holdings, Inc.	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Americas LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Citric Acid LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Solutions USA LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle PP Americas LLC	1209 North Orange Street, Wilmington, DE 19801, USA
Primary Products Investments LLC[5]	1209 North Orange Street, Wilmington, DE 19801, USA
Primary Products Holdings LLC[5]	1209 North Orange Street, Wilmington, DE 19801, USA
Primary Products Finance LLC[5]	1209 North Orange Street, Wilmington, DE 19801, USA
Tate & Lyle Domestic International Sales II Corporation	1209 North Orange Street, Wilmington, DE 19801, USA

Joint Ventures

COMPANY NAME	REGISTERED ADDRESS
Mexico	
Almidones Mexicanos S.A. de C.V.[4,5] (50%)	Calle 26 No. 2756, Zona Industrial, Guadalajara, Jal., 44940, Mexico
Promotora de Productos y Mercados Mexicanos, S.A. de C.V.[4,5] (50%)	Calle 26 No. 2756, Zona Industrial, Guadalajara, Jal., 44940, Mexico
Estación de Transferencia Coatzacoalcos, S.A. de C.V.[4,5] (50%)	Calle 26 No. 2756, Zona Industrial, Guadalajara, Jal., 44940, Mexico
USA	
DuPont Tate & Lyle Bio Products Company, LLC[4,5] (50%)	1209 North Orange Street, Wilmington, DE 19801, USA

1 Registered in England and Wales, except Tate & Lyle L.P. which is registered in Delaware, USA.
2 Direct subsidiaries of Tate & Lyle PLC.
3 Entity also issues preference shares which are 100% attributable to Tate & Lyle PLC.
4 Non-coterminous year end (31 December).
5 Disposed of on 1 April 2022 as part of the Primient Transaction.

The results, assets and liabilities and cash flows of those entities whose financial years are not coterminous with that of the Group are consolidated or equity accounted in the Group's financial statements on the basis of management accounts for the year ended 31 March.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control would be accounted for within equity. Any gain or loss upon loss of control would be recognised in the consolidated income statement.

PARENT COMPANY BALANCE SHEET

	Notes	2022 £M	Restated* 2021 £M
		AT 31 MARCH	
ASSETS			
Fixed assets			
Tangible fixed assets (including right-of-use assets of £12 million (2021 – £5 million))	2	**16**	5
Intangible assets	2	**2**	3
Investments in subsidiary undertakings	2	**1 092**	1 085
Total		**1 110**	1 093
Current assets			
Debtors	4	**1 617**	1 516
		1 617	1 516
Creditors – amounts falling due within one year	5	**(1 271)**	(1 227)
Borrowings (including lease liabilities of £2 million (2021 – £1 million))	6	**(2)**	(1)
Provisions for liabilities		**(1)**	–
Net current assets		**343**	288
Total assets less current liabilities		**1 453**	1 381
Creditors – amounts falling due after more than one year	5	**(2)**	(2)
Borrowings (including lease liabilities of £17 million (2021 – £7 million))	6	**(17)**	(7)
Provisions for liabilities	7	**(3)**	–
Net assets		**1 431**	1 372
Capital and reserves			
Called up share capital	9	**117**	117
Share premium account		**407**	407
Capital redemption reserves		**8**	8
Retained earnings		**899**	840
Total shareholders' funds		**1 431**	1 372

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2).

The Company recognised profit for the year of £204 million (2021 – £153 million).

The notes on pages 197 to 201 form part of these financial statements. The Parent Company's financial statements on pages 195 to 201 were approved by the Board of Directors on 8 June 2022 and signed on its behalf by:

Nick Hampton
Director

Andy Henley
VP, Group Financial Controller

Tate & Lyle PLC
Registered number: 76535

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PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	CALLED UP SHARE CAPITAL £M	SHARE PREMIUM ACCOUNT £M	CAPITAL REDEMPTION RESERVES £M	RETAINED EARNINGS £M	TOTAL EQUITY £M
At 1 April 2020	117	406	8	821	1 352
Software-as-a-Service restatement	–	–	–	(2)	(2)
At 1 April 2020 – restated*	117	406	8	819	1 350
Profit for the year	–	–	–	153	153
Purchase of own shares including net settlement	–	–	–	(5)	(5)
Issue of share capital	–	1	–	–	1
Share-based payments	–	–	–	10	10
Dividends paid	–	–	–	(137)	(137)
At 31 March 2021	117	407	8	840	1 372
Profit for the year	**–**	**–**	**–**	**204**	**204**
Purchase of own shares including net settlement	**–**	**–**	**–**	**(13)**	**(13)**
Share-based payments	**–**	**–**	**–**	**12**	**12**
Dividends paid	**–**	**–**	**–**	**(144)**	**(144)**
At 31 March 2022	**117**	**407**	**8**	**899**	**1 431**

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2).

At 31 March 2022, the Company had realised profits available for distribution in excess of £745 million (2021 – in excess of £725 million).

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

Tate & Lyle PLC (the Company) is a public limited company incorporated in the United Kingdom and registered in England. The Company's ordinary shares are listed on the London Stock Exchange.

The Company's financial statements are prepared under the historical cost convention in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 as at 31 March 2022, with comparative figures as at 31 March 2021.

For the reasons set out on pages 145 and 146, the Company's financial statements are prepared on a going concern basis.

As permitted by Section 408 of the Companies Act 2006, the Company's profit and loss account is not presented in these financial statements. Profit and loss account disclosures are presented in Note 11.

The results of the Company are included in the preceding Group consolidated financial statements.

The following disclosure exemptions from the requirements of UK adopted International Accounting Standards have been applied in the preparation of these financial statements, in accordance with FRS 101:

- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18(a) of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, paragraph 73(e) of IAS 16 Property, Plant and Equipment and 118(e) of IAS 38 Intangible assets
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-Based Payments
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d) (statement of cash flows), 10(f) (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively), 38(A to D) (comparative information), 111 (statement of cash flows) and 134 to 136 (capital management) of IAS 1 Presentation of Financial Statements
- the requirements of paragraphs 52 and 58 of IFRS 16 Leases
- the requirements of paragraph 16 of IAS 1.

The Company intends to maintain these disclosure exemptions in future years.

Restatement of comparative financial information – upfront configuration or customisation costs incurred in implementing Software-as-a-Service arrangements

In April 2021 the IFRS Interpretations Committee published an agenda decision regarding the treatment of Configuration or Customisation Costs in a Cloud Computing Arrangement under IAS 38 – Intangible Assets. During the year ended 31 March 2022, the Company has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements in response to this IFRS Interpretations Committee decision. In addition, the Company has assessed the impact of this change in accounting policy on any cloud computing arrangements entered into during the prior periods and restated the comparative figures. This has impacted the balance sheet and retained earnings only as the income statement impact on earlier periods was not material. A balance sheet as at the beginning of the preceding period (i.e. at 1 April 2020) has not been presented on the grounds of materiality, however the impact of the change is shown in Note 13.

Accounting policies

Investments in subsidiary undertakings

Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiary undertakings represent interests that are directly owned by the Company and are stated at cost less amounts written off for any permanent diminution in value.

Tangible fixed assets

Land and buildings mainly comprise of administrative facilities. Plant and machinery mainly comprise of office equipment. Fixed assets are stated at historical cost less accumulated depreciation and impairment and are reviewed for impairment when any changes in circumstances indicate that their carrying amounts may not be recoverable.

Intangible assets

Intangible assets comprise computer software and are amortised on a straight-line basis over the periods of their expected benefit to the Company. Capitalised costs in respect of core global IS/IT systems included within computer software are being amortised over a period of five to seven years and are reviewed for impairment when any changes in circumstances indicate that their carrying amounts may not be recoverable.

Retirement benefits

The Company participates in a defined benefit pension scheme in which certain of its subsidiaries also participate. The Company, which is not the principal employer, cannot identify its share of the underlying assets and liabilities of the scheme. Accordingly, as permitted by IAS 19 Employee benefits, the Company accounts for the scheme as a defined contribution scheme and charges its contributions to the scheme to the profit and loss account in the periods in which they fall due.

Share-based payments

As described in Note 32 to the consolidated financial statements, the Company operates share-based incentive plans under which it grants awards over its ordinary shares to its own employees and to those of its subsidiary undertakings. All of the awards granted under the existing plans are classified as equity-settled awards.

Estimating fair value for share-based transactions requires determination of the most appropriate valuation model which depends on the terms and conditions of each individual grant. This estimation also requires determination of the most appropriate inputs to the valuation model and represents a key source of estimation uncertainty.

For awards granted to its own employees, the Company recognises an expense that is based on the fair value of the awards measured at the grant date using a Black-Scholes option pricing methodology. For awards granted to employees of its subsidiary undertakings, the Company recognises a capital contribution to the subsidiary and a corresponding credit to equity calculated on the same basis as the expense that it recognises for awards to its own employees.

Guarantees

From time to time, the Company provides guarantees to third parties in respect of the indebtedness of its subsidiary undertakings and joint ventures. The Directors consider these guarantees to be insurance arrangements and, therefore, the Company recognises a liability in respect of such guarantees only in the event that it becomes probable that the guarantee will be called upon and the Company will be required to make a payment to the third party.

Own shares

Own shares represent the Company's ordinary shares that are held by the Company in treasury or by a sponsored Employee Benefit Trust that are used to satisfy awards made under the Company's share-based incentive plans. When own shares are acquired, the cost of purchase in the market is deducted from the profit and loss account reserve. Gains or losses on the subsequent transfer or sale of own shares are also recognised in the profit and loss account reserve.

Dividends

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's AGM. Dividends are recognised as an appropriation of shareholders' funds. Details of dividends paid and proposed are set out in Note 10.

Dividend income received from subsidiary companies is recognised when the right to receive the payment is established.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised costs or their recoverable amount. The Company recognises an allowance for expected credit losses based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

Creditors

Trade payables are predominantly short-term and are initially recognised at fair value, which is generally the invoice amount. The effects of the time-value of money are not material.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

2. FIXED ASSETS

	LAND AND BUILDINGS £M	PLANT AND MACHINERY £M	RESTATED* INTANGIBLE ASSETS £M	INVESTMENTS IN SUBSIDIARIES £M
Cost				
At 1 April 2021	9	5	9	1 235
Software-as-a-Service restatement	–	–	(2)	–
At 1 April 2021 – restated*	9	5	7	1 235
Additions	16	–	–	7
At 31 March 2022	**25**	**5**	**7**	**1 242**
Accumulated depreciation/amortisation/impairment				
At 1 April 2021	5	4	4	150
Depreciation/amortisation/impairment charge	5	–	1	–
Transfer between categories	(1)	1	–	–
At 31 March 2022	**9**	**5**	**5**	**150**
Net book value at 31 March 2021 – restated*	4	1	3	1 085
Net book value at 31 March 2022	**16**	**–**	**2**	**1 092**

* Prior year restated for change in accounting policy (to adopt the requirements of Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2).

3. LEASES

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of future lease payments. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date.

The right-of-use assets presented in the Company balance sheet comprise of tangible fixed assets being leases of office buildings. The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost including the amount of lease liabilities recognised and initial direct costs incurred less any incentives granted by the lessor. Right-of-use assets are subject to impairment. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the right-of-use assets.

Movements in right-of-use assets are included in land and buildings in Note 2 Fixed Assets.

The total cash outflow for leases in the year ended 31 March 2022 was £2 million (2021 – £2 million).

Leases of buildings usually have lease terms between 1 and 16 years.

4. DEBTORS

	AT 31 MARCH 2022 £M	2021 £M
Due within one year		
Current tax	**39**	29
Amounts owed by subsidiary undertakings[1]	**1 567**	1 479
Other debtors[1]	**10**	5
Due after one year		
Deferred tax	**1**	3
Total	**1 617**	1 516

1 The effective interest rate applicable to amounts owed by subsidiary undertakings at 31 March 2022 is 1.6% (2021 – 1.7%). Amounts owed by subsidiary undertakings are receivable on demand. There is no security for non-trading amounts. The Company has assessed the effect of expected credit loss on amounts owed by subsidiary undertakings and other debtors and has concluded that no provision is necessary (2021 – £nil).

5. CREDITORS

	AT 31 MARCH 2022 £M	2021 £M
Due within one year		
Amounts owed to subsidiary undertakings[1]	**1 221**	1 195
Other creditors	**5**	7
Accruals and deferred income	**45**	25
Total	**1 271**	1 227

1 The effective interest rate applicable to amounts owed to subsidiary undertakings at 31 March 2022 was 1.9% (2021 – 2.2%). Amounts owed to subsidiary undertakings are repayable on demand. There is no security for non-trading amounts.

	AT 31 MARCH 2022 £M	2021 £M
Due after one year		
Creditors – preference shares	**2**	2
Total	**2**	2

On a return of capital on a winding-up, the holders of 6.5% cumulative preference shares shall be entitled to £1 per share, in preference to all other classes of shareholders. Holders of these shares are entitled to vote at meetings, except on the following matters: any question as to the disposal of the surplus profits after the dividend on these shares has been provided for; the election of directors; their remuneration; any agreement between the directors and the Company; or the alteration of the Articles of Association dealing with any such matters.

6. BORROWINGS

At 31 March 2022, borrowings of £19 million (2021 – £8 million) relate to lease liabilities. £2 million (2021 – £1 million) of the total relates to current lease liabilities. Lease liabilities are measured at the present value of the future lease payments, discounted using lessee's incremental borrowing rate at the lease commencement date.

7. PROVISION FOR LIABILITIES

	AT 31 MARCH 2022 £M	2021 £M
Due within one year		
Other provisions	**1**	–
Due after one year		
Other provisions	**3**	–

8. GUARANTEES AND FINANCIAL COMMITMENTS

At 31 March 2022, the Company had given guarantees in respect of committed financing of certain of its subsidiaries and joint ventures totalling £1,312 million (2021 – £1,288 million), against which amounts drawn totalled £635 million (2021 – £647 million). The Company had given guarantees in respect of lease commitments of certain of its subsidiaries and joint ventures totalling £192 million (2021 – £192 million). The Company provides other guarantees in the normal course of business. The Company has assessed the probability of material loss under these guarantees as remote. In addition, commitments in respect of retirement benefit obligations are detailed in Note 12.

At 31 March 2022, the Company had outstanding capital commitments of £1 million (2021 – £nil).

9. SHARE CAPITAL AND SHARE PREMIUM

Allotted, called up and fully paid equity share capital

	YEAR ENDED 31 MARCH 2022		YEAR ENDED 31 MARCH 2021	
	NUMBER OF SHARES*	COST £M	NUMBER OF SHARES*	COST £M
At 1 April	**468 458 393**	**117**	468 401 671	117
Allotted under share option schemes	**75 672**	**–**	56 722	–
At 31 March	**468 534 065**	**117**	468 458 393	117

* The nominal value of each share is 25 pence.

Refer to Note 23 in the consolidated financial statements for details of movement in share premium and shares held in the Employee Benefit Trust.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS CONTINUED

10. DIVIDENDS ON ORDINARY SHARES

Dividends on ordinary shares in respect of the financial year:

	YEAR ENDED 31 MARCH	
	2022 PENCE	2021 PENCE
Per ordinary share:		
– interim dividend paid	**9.0**	8.8
– final dividend proposed	**12.8**	22.0
Total dividend	**21.8**	30.8

The Directors propose a final dividend for the financial year of 12.8p per ordinary share that, subject to approval by shareholders, will be paid on 5 August 2022 to shareholders who are on the Register of Members on 1 July 2022.

Dividends on ordinary shares paid in the financial year:

	YEAR ENDED 31 MARCH	
	2022 £M	2021 £M
Final dividend paid relating to the prior year	**102**	97
Interim dividend paid relating to the year	**42**	40
Total dividend paid	**144**	137

Based on the number of ordinary shares outstanding at 31 March 2022, adjusted to reflect the impact of the share consolidation on 16 May 2022, and the proposed dividend per share, the final dividend for the financial year is expected to amount to £51 million.

11. PROFIT AND LOSS ACCOUNT DISCLOSURES

The Company recognised a profit for the year of £204 million (2021 – £153 million).

Fees payable to the Company's external auditors, Ernst & Young LLP, for the audit of the Company's financial statements amounted to £0.1 million (2021 – £0.1 million). Refer to Note 7 of the consolidated financial statement.

The Company employed an average of 155 people (including Directors) during the year (2021 – 153). Staff costs are shown below:

	YEAR ENDED 31 MARCH	
	2022 £M	2021 £M
Wages and salaries	**31**	27
Social security costs	**5**	4
Other pension costs	**3**	3
Share-based incentives	**5**	2
Total	**44**	36

Directors' emoluments disclosures are provided in the Directors' Remuneration Report on pages 108 to 126 and in Note 9 of the consolidated financial statements.

No deferred tax assets have been recognised in respect of tax losses of £341 million (2021 – £341 million) as there is uncertainty as to whether taxable profits against which these assets may be recovered will be available.

12. RETIREMENT BENEFIT OBLIGATIONS

Plan information

The Company participates in a defined benefit plan together with another subsidiary company, Tate & Lyle Industries Ltd. In the prior year, a bulk annuity insurance policy 'buy-in' was completed for the main UK scheme, refer to Note 30 of the consolidated financial statements for further details. The plan is closed to new entrants and future accruals. The Company has 304 pensioners and deferred pensioners out of a total membership of circa 5,000 (excluding dependent beneficiaries).

The Company also operates a defined contribution pension plan. Contributions payable by the Company to the plan during the year amounted to £2 million (2021 – £1 million).

The Company has provided a full liability guarantee in respect of the pension obligations of Tate & Lyle Industries Ltd, the other participating employer.

Funding commitments of the plan

As required by UK regulations, actuarial valuations are carried out every three years. The latest main UK scheme triennial valuation as at 31 March 2019 was concluded during 2019. Following the purchase of the bulk annuity insurance policy (buy-in) in the main UK scheme, the previously agreed core funding contributions of £18 million per year ceased and the funding triggers linked to the Company's financial strength, payable into the secured funding account, are now limited to the residual costs of the scheme. The Company continues to fund the UK plan administration costs.

13. CHANGE IN ACCOUNTING POLICY

In April 2021 the IFRS Interpretations Committee published an agenda decision regarding the treatment of Configuration or Customisation Costs in a Cloud Computing Arrangement under IAS 38 – Intangible Assets. During the year ended 31 March 2022, the Company has revised its accounting policy in relation to upfront configuration or customisation costs incurred in implementing Software-as-a-Service (SaaS) arrangements in response to this IFRS Interpretations Committee decision. In addition, the Company has assessed the impact of this change in accounting policy on any cloud computing arrangements entered into during the prior periods and restated the comparative figures. This has impacted the balance sheet and retained earnings only as the income statement impact on earlier periods was not material. A balance sheet as at the beginning of the preceding year (i.e. at 1 April 2020) has not been presented on the grounds of materiality, however the impact of the change and the revised accounting policy is shown below.

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation as well as the SaaS access over the contract term, then the configuration and customisation costs are expensed over the contract term only if the services provided are not distinct and are otherwise expensed upfront as the software is configured or customised. Some of the costs incurred relate to the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of, and the recognition criteria for, an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

The impact of the adoption of this revised accounting policy is set out below. Comparatives have been restated accordingly.

	IMPACT OF CHANGE IN ACCOUNTING POLICY		
At 1 April 2020	AS REPORTED £M	ADJUSTMENT £M	AS RESTATED £M
Intangible assets	4	(2)	2
Total assets	1 092	(2)	1 090
Retained earnings	821	(2)	819
Total equity	1 352	(2)	1 350
At 31 March 2021			
Intangible assets	5	(2)	3
Total assets	1 095	(2)	1 093
Retained earnings	842	(2)	840
Total equity	1 374	(2)	1 372

14. EVENTS AFTER THE BALANCE SHEET DATE

Special dividend

Following the announcement on 1 April 2022 of the completion of the sale of a controlling stake in Primient and following shareholder approval at the General Meeting held on 26 April 2022, the Company returned £497 million on 16 May 2022 to ordinary shareholders by way of a special dividend of £1.07 per existing ordinary share in the capital of Tate & Lyle PLC . In order to maintain the comparability, so far as possible, of Tate & Lyle PLC's share price before and after the special dividend, the Company also completed a share consolidation resulting in ordinary shareholders receiving six new ordinary shares with a nominal value of 29 1/6 pence each for every seven existing ordinary shares that they held. The new ordinary shares are traded on the London Stock Exchange in the same way as the previously existing ordinary shares and have the same rights under the Articles to the previously existing ordinary shares. The total number of ordinary shares after the share consolidation was 401.6 million shares.

A return of funds was also completed for ADR holders on the ADR register on 19 May 2022. As a result of the share consolidation, existing ADRs were cancelled and new ADRs issued in the ratio of six new ADRs to replace every seven existing ADRs.

USEFUL INFORMATION

USEFUL INFORMATION

IN THIS SECTION

GROUP FIVE-YEAR SUMMARY

The results for the years 2018, 2019 and 2020 have not been restated to reflect discontinued operations.

YEAR ENDED 31 MARCH	2018* £M	2019 £M	2020 £M	2021** £M	2022 £M
Results summary					
Continuing operations					
Revenue	2 710	2 755	2 882	1 211	**1 375**
Food & Beverage Solutions	137	143	162	156	**160**
Sucralose	55	61	63	55	**61**
Primary Products	166	148	158	–	**–**
Central	(58)	(47)	(52)	(51)	**(51)**
Adjusted operating profit	300	305	331	160	**170**
Amortisation of acquired intangible assets	(12)	(11)	(11)	(10)	**(10)**
Exceptional items	2	(58)	(24)	(34)	**(93)**
Operating profit	290	236	296	116	**67**
Adjusted net finance expense*	(27)	(26)	(28)	(26)	**(25)**
Net retirement benefit interest expense	(5)	–	–	–	**–**
Net finance expense	(32)	(26)	(28)	(26)	**(25)**
Share of profit after tax of joint ventures and associates	28	30	28	–	**–**
Profit before tax	286	240	296	90	**42**
Income tax expense	(23)	(59)	(51)	(1)	**(16)**
Profit for the year from continuing operations	263	181	245	89	**26**
Profit for the year from discontinued operations	2	–	–	164	**210**
Non-controlling interests	–	–	–	–	**–**
Profit for the year attributable to owners of the Company	265	181	245	253	**236**
Adjusted profit before tax	296	309	331	134	**145**

* Restated as the Group now includes net retirement benefit interest and associated tax in its alternative performance measures. For the 2018 year presented above net retirement benefit interest is separated, however adjusted net finance expense as restated was £32 million.
** Prior years restated to reflect discontinued operations (see Notes 1 and 12).

AT 31 MARCH	2018 £M	2019 £M	2020* £M	2021* £M	2022 £M
Employment of capital					
Goodwill and intangible assets	360	342	331	345	**283**
Property, plant and equipment	965	982	1 190	1 105	**497**
Other assets	37	59	63	59	**46**
Working capital (including provisions and non-debt derivatives)	385	401	409	421	**258**
Net pension surplus/(deficit)	18	24	(203)	(140)	**(107)**
Net assets held for sale (excluding cash and leases included in net debt)	–	–	–	–	**1 323**
Net operating assets	1 765	1 808	1 790	1 790	**2 300**
Investment in joint ventures and associates	85	102	91	104	**–**
Net debt	(392)	(337)	(451)	(417)	**(626)**
Net tax liability	(91)	(84)	(37)	(23)	**(54)**
Total net assets	1 367	1 489	1 393	1 454	**1 620**
Capital employed					
Called up share capital	117	117	117	117	**117**
Reserves	1 250	1 372	1 276	1 336	**1 502**
	1 367	1 489	1 393	1 453	**1 619**
Non-controlling interests	–	–	–	1	**1**
Total equity	1 367	1 489	1 393	1 454	**1 620**

* Prior years restated for change in accounting policy (to adopt the requirements of Configuration of Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2). See Notes 1 and 38.

Per share information	2018*	2019	2020	2021**	2022
Earnings per share continuing operations:					
– basic (pence)	57.0p	39.2p	52.8p	19.3p	**5.5p**
– diluted (pence)	56.1p	38.6p	52.1p	19.1p	**5.5p**
Basic earnings per share total operations:					
– reported (pence)	57.4p	39.2p	52.8p	54.4p	**50.7p**
– adjusted basic (pence)	50.3p	52.8p	58.6p	61.9p	**56.7p**
Diluted earnings per share total operations:					
– reported (pence)	56.5p	38.6p	52.1p	53.8p	**50.2p**
– adjusted diluted (pence)	49.4p	52.0p	57.8p	61.2p	**56.0p**
Dividends per ordinary share (pence)	28.7p	29.4p	29.6p	30.8p	**21.8p**
Closing share price at 31 March (pence)	544.6p	725.8p	656.0p	767.2p	**732.2p**
Closing market capitalisation at 31 March (£ million)	2 550	3 399	3 073	3 594	**3 431**

Business ratios					
Net debt to EBITDA (times)[1]	0.9x	0.8x	0.9x	0.8x	**1.3x**
Net debt divided by pre-exceptional EBITDA					
Gearing[3]	29%	23%	32%	29%	**39%**
Net debt as a percentage of total net assets[2]					
Adjusted operating margin	11.1%	11.1%	11.5%	12.1%	**10.0%**
Adjusted operating profit as a percentage of revenue[2]					
Return on capital employed	16.2%	17.1%	17.5%	17.3%	**14.9%**
Profit before interest, tax and exceptional items as a percentage of invested operating capital[2]					
Dividend cover (times)					
Basic earnings per share divided by dividends per share[2]	2.0x	1.4x	1.8x	1.8x	**1.6x**
Adjusted basic earnings per share divided by dividends per share[2]	1.8x	1.8x	2.0x	2.1x	**1.8x**

1 Following the refinancing of the revolving credit facility in the year ended 31 March 2020 (refer to Note 26) the amended covenant definitions were adopted. In light of this, the Group has simplified the calculation of these KPIs to make them more directly related to information in the Group's financial statements. Refer to Note 4.
2 These metrics have been calculated using the results of both continuing and discontinued operations.
3 During the year ended 31 March 2020 the Group adopted IFRS 16 without restating comparatives. On a like-for-like basis the ratios for Net debt to EBITDA, Gearing and Return on capital employed were 0.6 times, 20% and 17.9%, respectively.
* Restated as the Group now includes net retirement benefit interest and associated tax in its alternative performance measures.
** Prior year restated to reflect discontinued operations (see Notes 1 and 12).

ADDITIONAL INFORMATION

CURRENCY EXCHANGE RATES

The principal exchange rates used to translate the results, assets and liabilities and cash flows of the Group's foreign operations into pound sterling were as follows:

	YEAR ENDED 31 MARCH 2022 £1 =	2021 £1 =
Average rates		
US dollar	**1.37**	1.31
Euro	**1.18**	1.12
Year-end closing rates		
US dollar	**1.32**	1.38
Euro	**1.19**	1.17

CALCULATION OF CHANGES IN CONSTANT CURRENCY

Where changes in constant currency are presented in this statement, they are calculated by retranslating current year results at prior year exchange rates. The following table provides a reconciliation between the 2022 performance at actual exchange rates and at constant currency exchange rates. Absolute numbers presented in the tables are rounded for presentational purposes, whereas the growth percentages are calculated on unrounded numbers.

Adjusted performance CONTINUING OPERATIONS	2022 £M	FX £M	2022 AT CONSTANT CURRENCY £M	UNDERLYING GROWTH £M	RESTATED* 2021 £M	CHANGE %	CHANGE IN CONSTANT CURRENCY %
Revenue	**1 375**	58	1 433	222	1 211	14%	18%
Food & Beverage Solutions	**160**	7	167	11	156	3%	7%
Sucralose	**61**	3	64	9	55	9%	15%
Central	**(51)**	–	(51)	–	(51)	1%	–%
Adjusted operating profit	**170**	10	180	20	160	6%	12%
Net finance expense	**(25)**	(1)	(26)	–	(26)	4%	–%
Adjusted profit before tax	**145**	9	154	20	134	8%	14%
Adjusted income tax expense	**(28)**	(3)	(31)	(15)	(16)	(72%)	(91%)
Adjusted profit after tax	**117**	6	123	5	118	(1%)	4%
Adjusted diluted EPS (pence)	**24.9p**	1.2p	26.1p	0.9p	25.2p	(1%)	4%

SUMMARY OF PRO-FORMA RETURN ON CAPITAL EMPLOYED FOR THE YEAR ENDED 31 MARCH 2022 FOR CONTINUING OPERATIONS

As set out in Note 4, Return on Capital Employed (ROCE) % for total operations was 14.9% (2021 – 17.3%).

Set out below is the pro-forma return on capital employed calculation:

CALCULATION OF ROCE – PRO-FORMA	YEAR ENDED 31 MARCH 2022 £M	2021 £M
Adjusted operating profit – continuing operations	**170**	
Impact of long-term agreements	**(7)**	
Deduct: Amortisation of acquired intangible assets	**(10)**	
Profit before interest, tax and exceptional items for ROCE – pro-forma[1]	**153**	
Invested operating capital – total operations	**2 177**	1 871
Less: impact of Primient invested operating capital and Add: impact of LTAs	**(1 258)**	(942)
Invested operating capital of continuing operations – pro-forma	**919**	929
Average invested operating capital of continuing operations – pro-forma[2]	**924**	
Return on capital employed (ROCE) % – pro-forma	**16.5%**	

1 Excludes pro-forma share of profits of Primient.
2 Excludes pro-forma impact of investment in Primient joint venture.

INFORMATION FOR INVESTORS

SHAREHOLDER ENQUIRIES

ORDINARY SHARES

Equiniti Limited

Information about how to manage your shareholdings can be found at www.shareview.co.uk. The website also provides answers to commonly asked shareholder questions and has links to downloadable forms, guidance notes and Company history fact sheets. You can also send your enquiry via secure email from the Shareview website.

Telephone enquiries

0371 384 2063 (for UK calls)[1]
+44 (0)121 415 0235 (for calls from outside the UK)

1 Lines open 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales).

Written enquiries

Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

AMERICAN DEPOSITARY SHARES (ADS)

Citibank Shareholder Services

The Company's shares trade in the US on the over-the-counter (OTC) market in the form of ADSs and these are evidenced by American Depositary Receipts (ADRs). The shares are traded under the ticker symbol TATYY.

Telephone and email enquiries

Tel: 1-877-CITI-ADR (toll free)
Tel: 1-781-575-4555 (outside US)
Fax 1-201-324-3284
E-mail:
Citibank@shareholders-online.com

Written enquiries

Citibank Shareholder Services
P.O. Box 43077
Providence,
Rhode Island 02940-3077
USA

TATE & LYLE WEBSITE AND SHARE PRICE INFORMATION

Tate & Lyle's website provides other information relevant to shareholders of the Company. The share price is available on the website with a 15-minute delay.

FINANCIAL CALENDAR

2022 Annual General Meeting	28 July 2022[1]
Announcement of half-year results for the six months to 30 September 2022	10 November 2022[1]
Announcement of full-year results for the year ending 31 March 2023	25 May 2023[1]
2023 Annual General Meeting	27 July 2023[1]

DIVIDENDS PAID ON ORDINARY SHARES DURING THE YEAR ENDED 31 MARCH 2022

PAYMENT	DIVIDEND DESCRIPTION	DIVIDEND PER SHARE
6 August 2021	Final 2021	22.0p
5 January 2022	Interim 2022	9.0p

SPECIAL DIVIDEND PAID ON ORDINARY SHARES

PAYMENT	DIVIDEND DESCRIPTION	DIVIDEND PER SHARE
16 May 2022	Special	107.0p

DIVIDEND CALENDAR FOR DIVIDENDS ON ORDINARY SHARES

	2022 FINAL	2023 INTERIM	2023 FINAL
Announced	9 June 2022	9 November 2022[1]	25 May 2023[1]
Payment date	5 August 2022[2]	4 January 2023[1]	2 August 2023[1,2]

1 Provisional date.
2 Subject to approval of shareholders.

DIVIDENDS PAID ON 6.5% CUMULATIVE PREFERENCE SHARES

Paid each 31 March and 30 September.

ELECTRONIC COMMUNICATIONS

Shareholder documents are only sent in paper format to shareholders who have elected to receive documents in this way. This approach enables the Company to reduce printing and distribution costs and the impact of the documents on the environment.

Shareholders who wish to receive email notification should register online at www.shareview.co.uk, using their shareholder reference number that is on either their share certificate or other correspondence.

DIVIDEND PAYMENTS

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan (DRIP) which enables shareholders to use their cash dividend to buy additional shares in Tate & Lyle PLC. Further information can be obtained from Equiniti.

Direct into your bank account

We encourage shareholders to have their dividends paid directly into their bank or building society account; dividend confirmations are then mailed to shareholders separately. This method avoids the risk of dividend cheques being delayed or lost in the post. If you live outside the UK, Equiniti also offers an overseas payment service whereby your dividend is converted into your local currency. Further information on mandating your dividend payments and the overseas payment service can be obtained from Equiniti.

BEWARE OF SHARE FRAUD

Shareholders should be very wary of any unsolicited calls or correspondence offering to buy or sell shares at a discounted price. These calls are typically from fraudsters operating 'boiler rooms'. Boiler rooms use increasingly sophisticated means to approach investors and often leave their victims out of pocket. If you are concerned that you may have been targeted by fraudsters please contact the Financial Conduct Authority (FCA) Consumer Helpline on 0800 111 6768.

GLOSSARY

A

Acidulants
Ingredients such as citric acid that are used to add a 'sour' taste to food and soft drinks and to act as a preservative.

Adjusted free cash flow
Adjusted free cash flow represents cash generated from continuing operations after net interest and tax paid, after capital expenditure and excluding the impact of exceptional items.

Adjusted operating profit (PBITEA)
Operating profit (as defined separately), adjusted for amortisation of acquired intangible assets and net exceptional items.

Adjusted profit before tax (PBTEA)
Profit before tax (as defined separately), adjusted for amortisation of acquired intangible assets and net exceptional items.

B

Bio-PDO™
Multi-purpose monomer propanediol made from corn (as opposed to being made from a petrochemical source). Used in cosmetics, detergents, carpets and textiles.

C

Carbon dioxide equivalent (CO_2e)
One metric tonne of carbon dioxide or an amount of any other greenhouse gas with an equivalent global warming potential, calculated consistently with international carbon reporting practices.

CLARIA® Functional Clean-Label Starches
A line of clean-label starches with neutral taste and colour comparable to normal modified starches that is versatile across a broad range of applications and sophisticated processes.

'Clean label'
A term used in the food and beverage industry generally to refer to shorter or simpler ingredient lists or less processed ingredients that appeal more to some consumers than those containing complex ingredients. Interpretations may vary.

Commodities
Commodities include corn and basis, US ethanol and co-products.

Constant currency
Where changes in constant currency are presented, they are calculated by retranslating current year results at prior year exchange rates. Reconciliation between the 2022 performance at actual exchange rates and at constant currency exchange rates have been included in the additional information on page 206.

Continuing operations
Continuing operations comprise: Food & Beverage solutions (into which the European Primary Products business, which is not part of the Transaction, and certain stranded costs have been combined); Sucralose; and Central costs.

Co-products
Corn gluten feed, corn gluten meal and corn oil.

D

Discontinued operations
Discontinued operations comprises the Primient business, which represents a disposal group.

DOLCIA PRIMA® Allulose
Low-calorie sugar that offers a superior, new taste experience.

E

EHSQS
Environment, Health, Safety, Quality and Security.

G

Greenhouse gas (GHG)
Any of the following: carbon dioxide (CO_2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6).

H

High fructose corn syrup
High fructose corn syrup is widely used as a substitute for sugar in North America. Also called isoglucose in Europe.

N

New Products
New Products are products in the first seven years after launch.

O

Operating profit (also referred to as profit before interest and tax (PBIT))
Revenue less net operating expenses.

P

Profit before tax (PBT)
Sales, less net operating expense, less net finance expense and including the Group's share of profit after tax of joint ventures.

PROMITOR® Soluble Fibre
A prebiotic soluble fibre.

PUREFRUIT™ Monk Fruit Extract
A versitile calorie-free sweetener that blends well with other sweeteners.

S

SPLENDA® Sucralose
A zero-calorie sweetener, the manufacturing process for which starts with sugar.

Stabiliser Systems
Systems customising ingredient blends to improve product mouthfeel, texture and stability profile.

STA-LITE® Polydextrose
A soluble fibre with prebiotic properties made from corn and used to provide body and texture in reduced calorie, no-added sugar and high-fibre foods.

Sucralose
An operating segment and part of Food & Beverage Solutions.

T

TASTEVA® M Stevia Sweetener
A zero-calorie sweetener made from stevia.

Transaction
The sale of a controlling interest in new company Primient and its subsidiaries to KPS Capital Partners LP as further described on pages 16 and 17.

DEFINITIONS/EXPLANATORY NOTES

NON-RELIANCE STATEMENT

This Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategy and the potential of that strategy to succeed, and should not be relied upon by any other party or for any other purpose.

CAUTIONARY STATEMENT

This Annual Report contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of Tate & Lyle PLC. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.

TATE & LYLE PLC

Tate & Lyle PLC is a public limited company listed on the London Stock Exchange and is registered in England and Wales.

More information about Tate & Lyle can be found on the Company's website, www.tateandlyle.com

DEFINITIONS

In this Annual Report:

- 'Company' means Tate & Lyle PLC
- References to 'Tate & Lyle', 'Group', 'we', 'us' or 'our' in the period up to and including 31 March 2022 means Tate & Lyle PLC and its subsidiaries prior to the sale of a controlling interest in Primient to KPS Capital Partners LP, which completed on 1 April 2022
- 'Primient' means the new business comprised of the Primary Products business in the Americas, and Tate & Lyle's former interests in Almex and Bio-PDO
- 'Almex' means Almidones Mexicanos S.A. de C.V.
- 'Bio-PDO' means DuPont Tate & Lyle Bio Products Company, LLC
- 'during the year' means during the financial year ended 31 March 2022.

SPLENDA®

SPLENDA® is a trademark of Heartland Consumer Products LLC.

ENVIRONMENTAL STATEMENT

This Annual Report has been printed on Heaven 42 and UPM Fine offset, which are both Forest Stewardship Council® (FSC®) certified paper.

The paper is Carbon Balanced with World Land Trust, an international conservation charity, which offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests, under threat of clearance, carbon is locked in that would otherwise be released. These protected forests are then able to continue absorbing carbon from the atmosphere, referred to as REDD (Reduced Emissions from Deforestation and forest Degradation).

This is now recognised as one of the most cost-effective and swiftest ways to arrest the rise in atmospheric CO_2 and global warming effects. Additional to the carbon benefits is the flora and fauna this land preserves, including a number of species identified at risk of extinction on the IUCN Red List of Threatened Species.

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Registered office
Tate & Lyle PLC
5 Marble Arch
London W1H 7EJ
Tel: +44 (0)20 7257 2100
Fax: +44 (0)20 7257 2200
Company number: 76535

TATE & LYLE