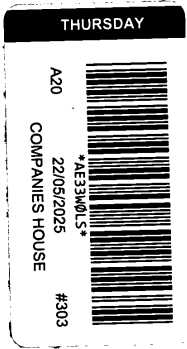




Trusted partner,
innovating every bite .

Image removed

Annual Report and
Financial Statements 2024



About us

Fuelled by insight, expertise and a passion for food, we are dedicated to reimagine the food industry. As a trusted partner, we collaborate closely with our customers to deliver award-winning innovation across products and processes. And, by innovating every bite, we're driving long-term, sustainable growth.

→ [Read more about how we innovate food and enhance lives on pages 14 to 19.](#)

Image removed

Contents

Page
02

Image removed

Page
07

Image removed

Page
82

Image removed

Page
132

Image removed

Overview

Hilton Foods at a glance	02
A growth story	04
2024 overview	05

Strategic report

Chairman's introduction	08
Chief Executive's summary	10
Business Model	12
Our strategy	14
Performance and financial review	20
2024 Financial performance	22
Risk management and principal risks	24
Stakeholder engagement (Section 172)	32
Sustainability	37

Governance

Our Board	83
Governance at a glance	85
Board activities	87
Corporate governance statement	88
Director's report	92
Report of the Audit Committee	94
Report of the Nomination Committee	97
Directors' remuneration report	99
Statement of Directors' responsibilities	123
Independent auditor's report	124

Financial statements

Consolidated income statement	133
Consolidated statement of comprehensive income	134
Consolidated and Company balance sheet	135
Consolidated and Company statement of changes in equity	137
Consolidated and Company cash flow statement	139
Notes to the financial statements	140
Glossary	186

Additional information

Registered office and advisors	188
--------------------------------	-----

→ Visit the Hilton Foods Website

Hilton Foods at a glance

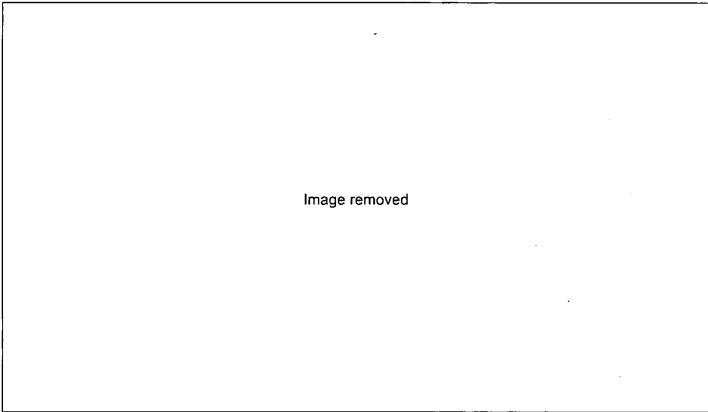
Our diversified food and supply chain services business...

7,500
people globally

£73.5m
capital investment in 2024

20
markets served internationally

24
high-performance facilities



The five pillars of Hilton Foods

Image removed	Meat High quality, efficiently processed, expertly packed	Image removed
Image removed	Seafood Responsibly and sustainably sourced	Image removed
Image removed	Vegan and vegetarian Meat substitute products ranging from cutlets to kiev	Image removed
Image removed	Easier meals Slow-cooked, ready to cook or ready to eat convenience	Image removed
Image removed	Supply chain services Consultancy in supply chain logistics	Image removed

Hilton Foods at a glance
continued

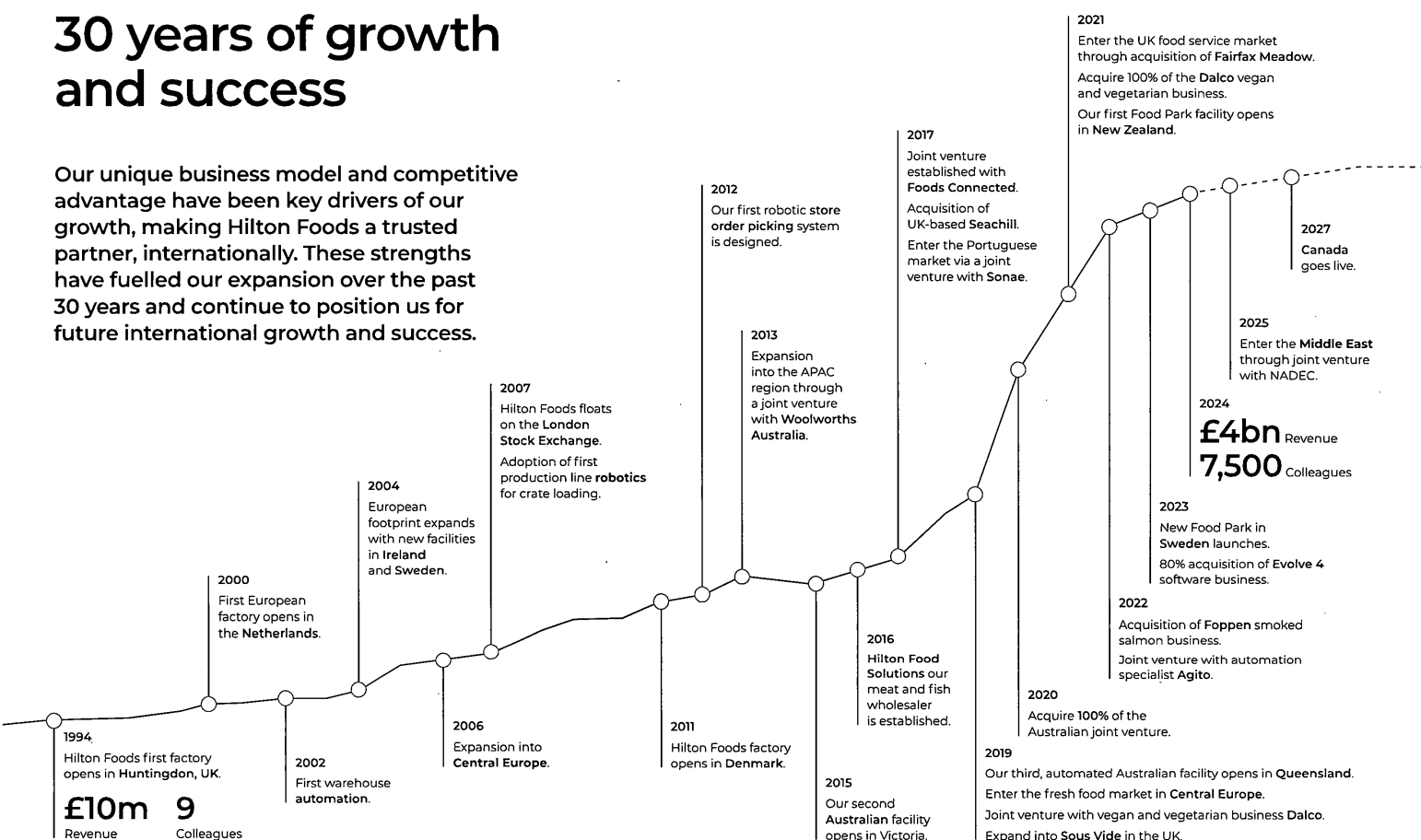
...well placed to meet our international consumer needs

UK, Ireland and Europe Image removed	APAC Image removed	Middle West Image removed	North America Image removed
--	--	---	---

A growth story

30 years of growth and success

Our unique business model and competitive advantage have been key drivers of our growth, making Hilton Foods a trusted partner, internationally. These strengths have fuelled our expansion over the past 30 years and continue to position us for future international growth and success.



2024 overview

Performance and financial overview

“

Our team's commitment has driven strong progress across our strategic objectives, fuelling growth and new expansion opportunities.”

Steve Murrells CBE
Group Chief Executive Officer

Image removed

→ Read more in the Chairman's introduction on page 08.

Graph removed

Graph removed

Graph removed

£4.0bn

(2023: £4.0bn)
Group revenue up 1.9% on a constant currency basis, underpinned by growth across all regions

£104.7m

(2023: £95.0m)
Adjusted operating profit up 11.9%

61.0p

(2023: 52.8p)
Adjusted basic earnings per share up 15.5%

£183.8m

(2023: £216.1m)
Strong cash flow generated from operations

540,239t

(2023: 517,347t)
Volume growth of 4.4%

£98.8m

(2023: £86.1m)
Operating profit up 14.8%

43.7p

(2023: 40.6p)
Basic earnings per share up 7.6%

34.5p

(2023: 32.0p)
Proposed final dividend of 24.9p, taking total dividend for 2024 to 34.5p

2024 overview
continued

Delivering against our objectives

Strategic highlights

1 Growing our global footprint ► We will leverage our strengths in food processing, innovation, quality, service and value to accelerate growth. ► In 2024 we continued to expand our international footprint through our existing customer relationships and developing new partnerships in Saudi Arabia and Canada.	2 Expanding our multi-category offer ► We are driving organic and incremental growth through our multi-category expertise in meat, seafood, vegan and vegetarian, easier meals and supply chain service offerings. ► In 2024 we launched new seafood and slow-cooked meat product ranges through cross selling into our existing international markets.
3 Building further expertise as a supply chain partner ► Strengthening our role as a supply chain expert enables us to positively impact key stages throughout our food supply chains. ► Throughout 2024 our Australian and New Zealand businesses were recognised as Woolworths Food Supplier of the Year.	4 Leverage technology as a driver of value ► We are leveraging technology, including automation and specialist food systems, to enhance efficiency, reduce labour reliance and drive value across the supply chain. ► In 2024 we continued to deploy a strategic automation programme across our UK businesses which positions this region well to effectively navigate the external environment.

Sustainable Protein Plan highlights

Graphic removed Image removed	Graphic removed Image removed	Graphic removed Image removed
People 81% colleague engagement score in 2024 employee engagement survey	Planet A BCDP score for Climate Change – top 1.5% of businesses	Product 1,692 tonnes of plastic reduced in our packaging
100% of our own operations audited	-32% reduction in Scope 1 and 2 emissions	-47% reduction in food waste globally
40% female representation ambition by 2035 aligning with the Food Business Charter	79% renewable electricity globally	91% of our packaging is now kerbside recyclable in Australia
→ Read more on page 48.	→ Read more on page 53.	→ Read more on page 58.

From specialist butchery to improving the taste and texture of meat alternatives, we're developing innovative culinary solutions that meet consumer needs now and in the future.

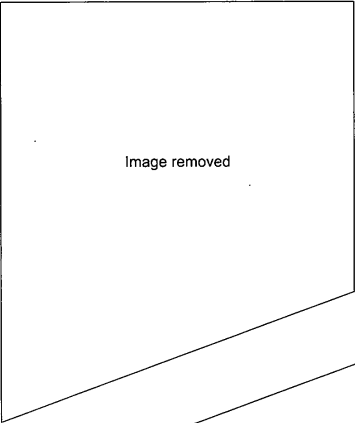


Image removed

Strategic report

Chairman's introduction	08
Chief Executive's summary	10
Business model	12
Our strategy	14
Performance and financial review	20
2024 Financial performance	22
Risk management and principal risks	24
Stakeholder engagement	32
Sustainability	37

Chairman's introduction

Driving innovation to enhance the food we produce



I am delighted to be joining a fantastic business, with great people and an excellent leadership team."

Mark Allen OBE
Chairman

Image removed

Robert Watson led the Hilton Foods Board during 2024 before stepping down on 31 December 2024. I joined the Board on 1 October 2024, initially as a Non-Executive Director before taking over as Board Chair on 1 January 2025. I am delighted to have joined this fantastic business, built over 30 years by Robert and fellow founder Philip Heffer, with great people and an excellent leadership team.

Strategic progress

This business has strong foundations. Our long-standing customer relationships, global scale, and product and technology expertise have enabled us to make continued strategic progress – even in another year marked by ongoing political and economic uncertainties.

During the year, investments delivered through our automation programme have strengthened our long-term operational resilience, unlocked capacity and positioned us well to deliver on future growth opportunities. We are also creating new growth opportunities by expanding our customer base through new retail partnerships.

Our new Canadian facility is on track, with operations expected to commence in early 2027. Meanwhile, the recently announced NADEC joint venture, due to launch in the second half of 2026, extends our global reach into the Middle East, where we see exciting long-term growth potential.

Group performance

In 2024, we achieved further volume growth, delivering strong results through sustainable growth. Our core meat business grew across all regions, outperforming the market. The performance of our seafood business improved and was a significant contributor to the improved profitability of the UK and Ireland.

While ongoing market challenges continue to impact our vegetarian and vegan business, we have taken proactive measures to streamline operations – including consolidating to a single production site. We remain confident in the category's long-term opportunities.

In 2024, we generated strong operating cash flows, enabling further significant investment in our facilities. These investments are increasing capacity, improving operational efficiency and allowing us to deliver innovative solutions for our retailer partners. We have a robust balance sheet operating comfortably within our banking covenants. We are well-positioned to continue to invest to support our growth.

Our performance has been delivered by an excellent team of people across the whole Group and I would like to thank them for their continued hard work and commitment.

Dividend policy

The Board is pleased to maintain a progressive dividend policy and remains confident that this continues to be appropriate. With the

proposed final dividend of 24.9p per ordinary share, total dividends in respect of 2024 will be 34.5p per ordinary share, an increase of 7.8% compared to last year.

Our Board, purpose and governance

The Hilton Foods Board is responsible for the long-term success of the Group and establishing its purpose, values and strategy aligned with its desired culture. Our purpose is to partner with leading retail and food service customers to produce high quality food products at scale. Our principle of partnership extends to our suppliers, colleagues and the communities in which we operate. We enable success through our passion for innovation, improving supply chains, processes and packaging, and continually developing our product ranges to best meet consumer needs. As an international food processor and supply chain specialist, we create efficiency and flexibility, delivering growth for stakeholders.

To achieve this, the Board has an appropriate mix of skills, depth and diversity and a range of practical business experience, which is available to support and guide our management teams across a wide range of countries, continuing to address succession planning and maintaining a talent pipeline. We balance good governance with an agile, entrepreneurial approach, considering workforce and stakeholder interests in all decisions. I would like to thank my colleagues on the Board for their support, counsel and expertise.

Chairman's introduction continued

Sustainability

Sustainability is written into the way we work and is strategically aligned with our customer's priorities. Our 2025 Sustainable Protein Plan targets reflect our ambition to make proteins more sustainable, and we are on track to achieve most of our original targets, a year ahead of schedule.

In 2024 we published our inaugural Transition Plan, setting out a road map to becoming a net zero company by 2048, two years ahead of our original target. The plan sets out five areas where we see opportunities for faster reductions in carbon emissions, from reducing operational emissions, through to lowering methane from livestock. Our Transition Plan is one of the first of its kind in the sector and demonstrates our commitment to driving change.

We have made excellent progress in improving all three of our Carbon Disclosure Project scores from last year even as the bar becomes more challenging. We scored an A for climate, A- for forests and, in our first year of disclosure, a B for water. This is a fantastic set of scores and puts us among top businesses globally. We have also cut the amount of food waste in our factories by 47% since 2020 by harnessing our strengths in technology and supply chain management to innovate at every stage of the food chain. By the end of 2025, we will be using 100% renewable electricity across all our operations in the UK and Europe.

Our scale, our partnerships and our supply chain expertise gives us a vantage point which helps us to deliver positive change, shaping the future of food. The progress we have made has been particularly notable in light of rising prices and global instability over the past few years. We continue to focus on building impactful partnerships, to scale our work and make an even bigger difference to the sustainability challenges we face as a planet.

People and Culture

We believe the work we do as a business is crucial for society and brings value to all our stakeholders. None of this would be possible without the people who run, manage and drive the business forward each and every day. Ensuring the safety, wellbeing and fair treatment of everyone in our business is at the centre of everything we do, fuelling our progress and shaping our future, and their voices are crucial to the success of the business.

In 2024, we achieved a 47% reduction in lost time incident severity rate as part of our continued focus on safety through creative campaigns that raise awareness and encourage safe behavioural changes at work. Through our annual engagement survey, wellbeing, continued opportunities for growth and inclusion came out as key priorities. We have established robust internal systems by integrating a core ethical labour standard across all global manufacturing sites, with all our sites successfully completing SMETA audits in the year.

We also launched our online learning management system at our UK sites, offering employees flexible and accessible opportunities for professional growth.

Robert Watson stepped down from the Board after more than 20 years with the business, initially as Chief Executive before transitioning to Executive Chairman in 2018 and then Non-Executive Chairman in 2021. Robert's contribution to Hilton Foods, together with Philip Heffer, is immeasurable and on behalf of all our people, customers and investors I want to thank them for everything that they have done to build this business into what it is today.

Outlook and current trading

2025 trading has started well. While the macro backdrop remains uncertain we are confident that we can deliver further deliver further earnings growth for the full year, in line with market expectations. Beyond the near-term, we are well placed for continued success with a strong medium-term growth pipeline and recently secured opportunities in new geographies, underpinning our expansion strategy and long-term vision.

Our business model and proposition continue to prove attractive globally, presenting further opportunities to expand and strengthen our presence in key markets. With our track record of disciplined execution, financial stability and a pipeline of strategic opportunities, we are confident in our ability to create long-term value for all our stakeholders.

Annual General Meeting

This year's Annual General Meeting (AGM) will be held at the Hilton Foods offices at 2-8 The Interchange, Latham Road, Huntingdon, Cambridgeshire PE29 6YE, in an in-person physical meeting format on Tuesday, 20 May 2025, at noon. Please refer to our website at www.hiltonfoods.com/investors/aggm/ for further guidance.

Mark Allen OBE
Chairman
7 April 2025

Chief Executive's summary

Strong profit performance and volume growth



I'm incredibly proud of our strong performance, with core retail meat volumes outpacing the market. The people at the heart of our business have been instrumental in driving our success."

Steve Murrells CBE
Group Chief Executive Officer

Image removed

Overview

In 2024, we delivered solid volume growth, up 4.4%, across all regions, maintaining strong momentum against all of our strategic priorities. This performance was driven by our core retail meat business – the foundation of our portfolio – which outperformed total market growth in every region. Our seafood operations made significant progress, delivering enhanced efficiency and profitability. These improvements are reflected in our financial results, with adjusted PBT increasing by 17.1% at constant currency and by 15.3% on a reported basis.

We are building a business that is well-positioned for sustainable, long-term success. We are a scale operator in the international food industry, offering a highly relevant, in-demand, product portfolio in attractive growth markets. Our foundation is built on long-term customer partnerships that ensure stable and predictable demand with a unique operating model and deep industry expertise – enabling us to successfully enter new markets and attract new customers globally. This strategic position is supported by strong financials that give us the flexibility to pursue strategic expansion while maintaining stability and resilience in the core business.

Region performance

UK and Ireland

This operating segment covers the Hilton Foods businesses and joint ventures across the UK and Ireland, including our meat processing facilities in the UK in Huntingdon, seafood facilities in Grimsby, our foodservice business Fairfax Meadow and our Republic of Ireland meat facility in Drogheda.

The business delivered strong growth in 2024, with volumes increasing by 9.1% and revenue increasing by 10.6% on a constant currency basis (10.3% at actual FX rates). Adjusted operating margins increased to 3.5% (2023: 2.7%), driven by a strong performance from the core meat businesses, with seafood delivering as planned. This performance, which included record Christmas volumes across both meat and seafood, contributed significantly to profit growth across our UK and Ireland business.

Europe

This operating segment covers the Group's meat, easier meals, seafood, vegan and vegetarian businesses and joint ventures in Holland, Sweden, Denmark, Central Europe, Greece and Portugal.

Volumes grew by 1.6%, with revenue increasing by 3.2% on a constant currency

basis (1.3% at actual FX rates), reflecting moderating inflationary pressures in meat. Adjusted operating margins remained stable at 3.9% (2023: 3.9%).

The vegan and vegetarian market continues to face changing consumer demand patterns that are creating structural headwinds. We have recognised a £9.8m non-cash impairment charge related to goodwill acquired with our Dalco business reflecting the impact of changes in conditions in the vegan and vegetarian market. We have responded by consolidating operations onto a single site and adapting our approach to address the evolving customer trends, which are already yielding new business opportunities.

We have welcomed a new complementary customer to our facilities in Denmark to utilise excess capacity, agreed to launch a frozen burger range in Sweden with ICA and continue to strengthen our partnership with Zabka in Central Europe serving a new market, Romania.

APAC

The Group operates three Australian processing facilities (Bunbury in Western Australia, Melbourne and Brisbane) alongside our multi-protein food park facility in Auckland, New Zealand.

Region	Revenue		Change		Adjusted operating profit		Change	
	2024	2023	Reported	Constant currency	2024	2023	Reported	Constant currency
UK & Ireland	£1,465.9m	£1,329.3m	10.3%	10.6%	£50.9m	£35.5m	43.4%	43.7%
Europe	£1,059.0m	£1,045.3m	1.3%	3.2%	£40.8m	£40.9m	-0.2%	1.1%
APAC	£1,463.4m	£1,614.9m	-9.4%	-6.2%	£29.8m	£30.2m	-1.3%	2.0%

Chief Executive's summary continued

Volume growth remained strong at 4.0%, demonstrating the continued strength in our core meat category. Revenue declined 6.2% on a constant currency basis (9.4% at actual FX rates) primarily due to significant raw material price deflation, particularly in the first half. In addition, adjusted operating profit margins improved to 2.0% (2023: 1.9%), despite the impact of lower interest cost recovery.

Our expertise in supply chain excellence was recognised when we were named Woolworths' supplier of the year in Australia and New Zealand.

Leading food manufacturer with highly relevant products

Hilton Foods is a business driven by a genuine passion for food innovation. Our food and innovation experts work collaboratively with our customers to develop market-leading ranges that meet evolving consumer demands and drive volume growth across all categories and regions.

At Hilton Foods Australia, we have grown sales through the relaunch of the barbecue range including an improved burger range. In the UK, we have successfully launched an elevated premium at-home steak restaurant experience while expanding our premium Christmas food-to-order products. Across Europe, we introduced premium tier range extensions and ranges of healthier hybrid mince, burger and meatball products made from beef and poultry.

Throughout 2024, we have continued to launch initiatives to reduce the use of plastic in our packaging, which has resulted in a 1,692 tonne reduction or offset of plastic use and launched a first-to-market trial of tray-to-tray packaging circularity in a limited number of stores in partnership with one of our strategic packaging suppliers and Tesco.

Growing across international markets with significant expansion potential

Hilton Foods has unique capabilities to expand its product portfolio across regions – selling more proteins and products to our existing customers around the world. In 2024, we successfully extended our UK-produced value-added seafood range to New Zealand to address the growing consumer demand for convenient seafood products. We also expanded into Romania through our Central European facility by capitalising on our strong partnerships with Ahold Delhaize and Zabka.

Our geographical expansion reached a significant milestone with the recently announced joint venture with NADEC, a new customer partnership in Saudi Arabia – our first entry into the exciting Middle East market, with an estimated red meat market size of 25m tonnes per annum. Our operations are scheduled to commence in H2 2026, and this venture aligns with the Kingdom of Saudi Arabia's Vision 2030 initiatives that prioritise food security and offers substantial long-term growth potential. Our long-term partnership with Walmart in Canada, where we will provide comprehensive multi-protein solutions whilst deploying our state-of-the-art sorting capabilities, is on track for launch in early 2027.

While organic growth and geographical expansion are our primary growth levers, we will maintain a disciplined approach to evaluating M&A opportunities that arise that could offer strong returns and clear synergies.

Future-ready: consumer driven supply chain innovation and digital transformation

Our industry-leading technology is a key element of our competitive differentiation, directly addressing critical macro challenges,

including rising labour costs and lower staff availability, as well as growing demand for supply chain traceability and transparency. Through our advanced robotics and cloud-based infrastructure, we deliver exceptionally efficient supply chain solutions that empower retailers to manage their full end-to-end value chain, from specification to product quality and production mapping costs.

The Foods Connected platform strengthens both our business and our customers' supply chains by optimising data-led decision-making that drives cost efficiency and enables visibility of supply chain risks. Our category experts continue to pioneer innovations across our supply chains, exploring alternative species in seafood and optimising availability, price and quality during seasonal peak periods.

Our integrated technology solutions continue to enhance our core food business, with significant improvements in complex automation across our food processing facilities through our joint venture with Agito. This year, our UK strategic automation programme delivered measurable improvements, including end-of-line robotic automation, which boosted efficiency and reduced reliance on labour.

In addition to supporting our core food business, each of our technology businesses continues to make progress in unlocking opportunities to commercialise their products and services outside the Group.

The Sustainable Protein Plan

The Sustainable Protein Plan underpins everything we do, and sustainability remains a key strategic priority for our customers. Our principle of operating through partnership extends into sustainability where we deliver positive change by collaborating throughout the supply chain. This year, we have continued to make progress on

our commitments, with a reduction of 32% in Scope 1 and 2 emissions versus 2020 base, achieving an A CDP score for climate change, placing us in the top reporting businesses and we published our inaugural Transition Plan. We continue to raise our standards with more ambitious science-based targets, in line with a 1.5°C pathway, which were validated in March 2024, and most recently were founding signatories to the UK Food Business Charter, committing to an ambition of 40% female representation by 2035.

Looking forward

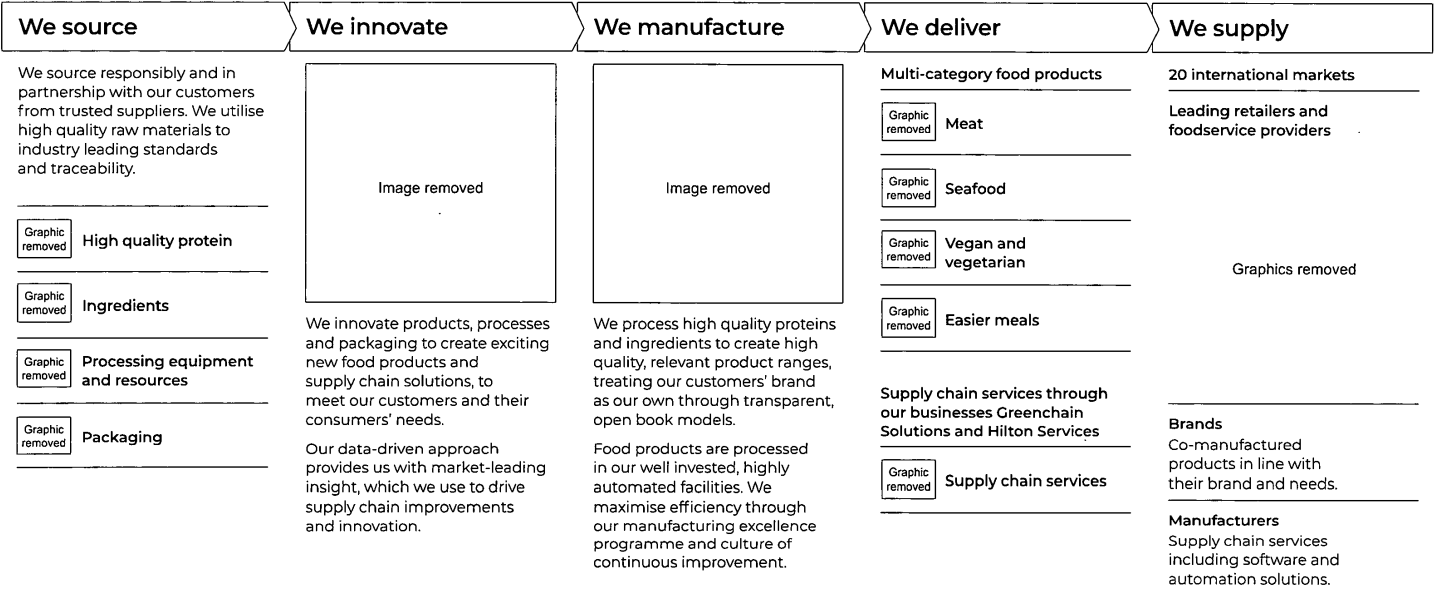
Hilton Foods has all the right attributes to deliver long-term success. We have built a business that is acutely tuned to respond to evolving consumer preferences and market dynamics, enabling us to anticipate demand and drive category growth. Our competitive advantages are clear: strength and longevity of partnerships, industry-leading automation, genuine sustainability leadership and a strong track record of launching successful new product offers.

The strength and the longevity of our partnerships underpin everything that we do, providing stability within our existing business that creates a strong platform for growth – whether through deeper collaboration with existing partners, developing complementary relationships or expanding into new markets. Our financial strength provides the flexibility to pursue strategic expansion whilst maintaining our focus on ensuring that the core business remains strong and stable.

Steve Murrells CBE
Group Chief Executive Officer
7 April 2025

Business Model

Driving efficiency through our specialisation model



We provide integrated supply chain services, including food processing, production, sortation and logistics. These deliver efficiencies through our market leading technology and automation capability.

→ Read more on pages 14 to 19.

Business Model
continued

Creating value for all our stakeholders

Our competitive advantages



Image removed



Image removed

Outstanding food products

→ Read more on page 17.



Image removed

Sustainable Protein Plan

→ Read more on pages 40 to 42.



Image removed

International reach

→ Read more on pages 10 to 11.

Industry leading technology

→ Read more on page 19.

Our integrated supply chain services deliver efficiencies through market leading technology and automation capability



Full end-to-end supply chain management solution for data led decision making. Includes the Foods Connected data insight platform that supports trusted and optimised supply chains.



Provides physical material handling solutions and automation control software.



Flexible factory-wide Enterprise Resource Planning system.



Agnostic software solution for control of production line equipment with Omega, now re-branded as Line Control.

The value we create

Our consumers

77%

of our packaging is now recyclable, helping consumers make more sustainable product choices

Our customers

£73.5m

strategic investment into our core business, creating capacity and capability to support their growth

Our people

81%

high colleague engagement score and developing talent through international training programmes

Our environment

-32%

reduction in equivalent Scope 1 and 2 emissions

Our investors

7.8%

dividend increase

Our suppliers

1,692

tonnes of plastic removed from our packaging through collaboration with our supplier partners

Our communities

GOLD

award from Grocery Aid for our support of their fantastic charity

→ Read more about our Stakeholders on pages 32 to 36.

Our strategy: Introduction

Growth and success through partnership

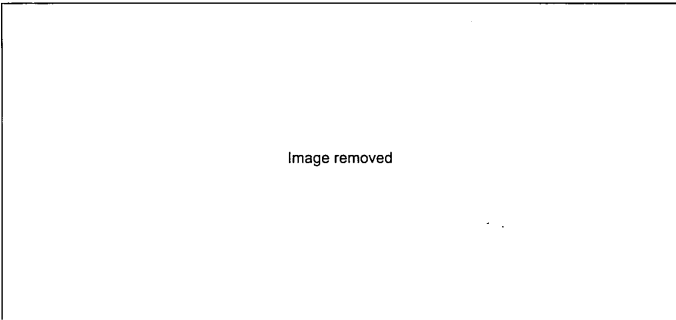
Our purpose

Our purpose is to deliver growth and success through partnership. This defines our actions, informs our decisions, and guides the delivery of our strategy.

We **partner** with leading retail and foodservice customers to produce high quality food products at scale that consumers desire. Our principle of partnership extends to our suppliers, colleagues and the communities in which we operate.

We enable **success** through our passion for innovation, improving supply chains, processes and packaging we use, and continually developing our product ranges to best meet consumer needs.

We deliver **growth** through creating efficiency and flexibility in the food supply chain as an international food processor and a supply chain service specialist.



Our strategy

Our strategy continues to support our customers' brands and their development through our unique category offer in their local markets. This approach, combined with a strong reputation, well invested modern facilities and a robust balance sheet, has generated growth over many years.

Our objectives

We are achieving long-term, sustainable customer and shareholder value through our strategic objectives:

1

Image removed

Growing our global footprint

→ Read more on page 16.

2

Image removed

Expanding our multi-category offer

→ Read more on page 17.

3

Image removed

Building further expertise as a supply chain partner

→ Read more on page 18.

4

Image removed

Leveraging technology as a driver of value

→ Read more on page 19.

Our strategy: Introduction continued

How we deliver our strategy

Our Group strategy is delivered across the categories and services we operate in, and is underpinned by our core values and principles.

Our values unite the diverse, international cultures of our business, ensuring that we work together to deliver our strategy, while our principles articulate how we do what we do, and how we will achieve our objectives.

Image removed

We approach all relationships with the long-term in mind. We invest long-term in our people, our partnerships and our relationships with key suppliers. This approach improves outcomes for all involved.

We follow consumer trends closely, developing ideas that help to keep our customers ahead of the pack. We focus on the strategies, needs and challenges of our customers, working closely with them to drive sales and sustainable growth.

We engage positively with the concerns of the communities that we serve. As an employer, we focus on doing the right thing in terms of inclusion, opportunity, decency and fairness. We build transparent supply chains, taking account of sustainability, climate change, animal welfare, waste, healthy eating and the need for human dignity at work.

People who join Hilton Foods are joining a welcoming culture that believes in developing individuals and their careers, regardless of their backgrounds or beliefs. Around the world, we seek out talented, passionate and ambitious people who want to stretch themselves and their goals.

We are market leading experts in the categories where we operate. We enter new categories by acquiring expert organisations with a proven category focus. Where we build success and expertise in one market, we share this expertise internationally, to the benefit of all our customers.

Our strategy: Pillar 1

1

Image removed

Graphic removed

What this means

We will accelerate strategic growth by expanding our global footprint, deepening partnerships with existing and new customers, and entering high-potential geographies through joint ventures that offer promising long-term growth opportunities. We will leverage our strengths in food processing, innovation, quality, service and value, which in turn delivers competitive advantage to our customers. This will be delivered through our ability to enter local markets successfully and create highly automated facilities that deliver exceptional product offerings.

Graphic removed

Progress in 2024

- ▶ Hilton Foods Canada is set to launch in early 2027, in partnership with Walmart.
- ▶ Hilton Foods Global is building customer relationships and expanding in Asia, leveraging our product catalogue.
- ▶ We've extended our European reach to Romania with Żabka, our convenience retail partner, already collaborating in Poland.

Graphic removed

Looking forward

We continue to explore growth opportunities, using comprehensive metrics to evaluate potential, ensuring long-term business success, while meeting our financial hurdle rates for sustainable growth.

“Canadian consumers are seeking consistent product quality, new flavour and format offerings, and sustainable packaging solutions, reflecting their desire for better choices and environmental responsibility.”

Sarah Adamson
Market, Strategy and Planning Director

Developing new facilities and product ranges for Walmart Canada

Market context

Walmart is the fifth largest retailer in the Canadian market offering a wide range of products including groceries. With a strong presence across the country, Walmart Canada prioritises affordability, convenience and customer satisfaction through both physical stores and online services a .

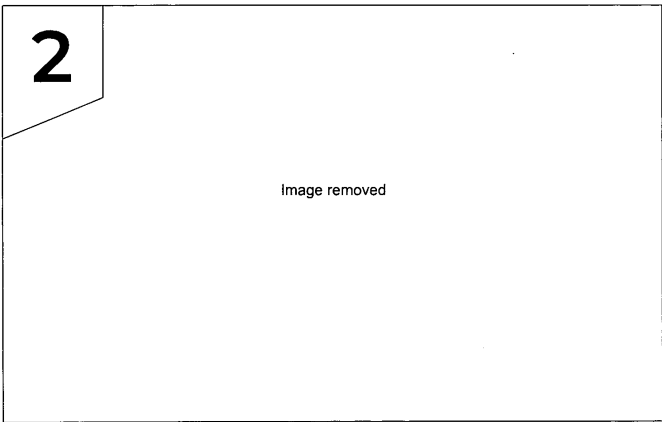
Our actions

We've conducted extensive Canadian consumer research to deeply understand their needs, enabling us to harness innovation and develop the optimal product range. Simultaneously, we have broken ground on our new facility, while refining our manufacturing lines, automation and store order-picking services – all in partnership with Walmart to deliver exceptional value and meet evolving customer expectations, supported by best practice from our existing international footprint.

Outcomes

We remain on track for launch in early 2027. Our work throughout 2025 will deliver innovative, consumer-driven products, enhanced manufacturing capabilities, and streamlined automation processes. Crate washing and store order-picking services will lead to improved supply chain performance, exceptional product quality and elevated customer satisfaction for Walmart across the Canadian markets.

Our strategy: Pillar 2



Graphic removed **What this means**

We will accelerate organic and incremental growth through our multi-category expertise in meat, seafood, vegan and vegetarian, easier meals and supply chain service offerings. By innovating within these categories, and closing white space, we will strengthen customer relationships and expand market presence, meet diverse consumer needs and elevate customers to premium products.

Graphic removed **Progress in 2024**

- Our UK seafood and New Zealand teams collaborated to introduce coated fish and fishcakes, produced in Grimsby, to the New Zealand market, offering consumers convenient mid-week meal solutions.
- Our UK and Ireland teams worked together to launch a tailored range of slow-cooked meat products for the Irish market.

Graphic removed **Looking forward**

We continue to leverage our international network, culinary innovation to maximise our existing facilities and multi-category expertise; trading customers up, strengthening customer partnerships, growing market share and strategically addressing untapped opportunities in key product categories.

Winning premium special occasions: Elevating consumer experiences at home

Market context

Through 2024 consumers have increasingly been opting for special occasions at home instead of dining out, driven by a focus on managing their discretionary spending. However, the desire to treat themselves remains strong, creating a significant opportunity for ultra-premium products in the retail sector that deliver indulgence and restaurant-quality experiences at home.

Our actions

Hilton Foods UK collaborated with Tesco to launch the Steakhouse range in 150 stores, delivering ultra-premium steak cuts and slow-cooked options. Featuring salt dry aged steaks, Aberdeen Angus sharing cuts and 30-day matured selections, the range offers a complete steakhouse experience with centre piece meats, butters, sauces and sides – crafted in partnership with Tesco and other strategic suppliers from concept all the way through to commercial launch.

Outcomes

Consumers have responded overwhelmingly positively to Tesco's new Finest Steakhouse proposition. The range, including dry-aged steaks and gourmet sides, has enhanced special at-home dining occasions, driving strong engagement and supporting Tesco to win new customers to their steak category and growth year on year in market share.

“

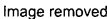
Tesco's Steakhouse proposition has fulfilled new premium meal occasions, offering consumers restaurant-quality meals at home, elevating their dining experience from retail purchases.”

Matt Lee
Regional CEO,
UK and Ireland

Image removed

Our strategy: Pillar 3

3

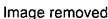
Image removed

Building further expertise as a supply chain partner

Graphic removed **What this means**
Building deeper expertise as a supply chain partner allows us to positively impact key stages in the food supply chain. It drives product innovation, optimises end-to-end operations and reduces risks, while enhancing availability, quality and cost. This approach helps us meet evolving consumer demands, strengthen supply security, boost competitiveness and foster long-term sustainable growth.

Graphic removed **Progress in 2024**
End-to-end UK supply chain review improving availability and volume sales in retail steaks.
Strengthening upstream partnerships in seafood through spending time at source with our strategic suppliers.
Supported the development of a standardised carbon measurement tool in seafood.

Graphic removed **Looking forward**
Building further expertise as a supply chain partner enhances collaboration, drives efficiency, security of supply and strengthens relationships. This positions the business for long-term success, ensuring sustainable growth and market leadership.

Image removed

“

Our collaborative end-to-end project with Woolworths has significantly improved raw material planning, forecasting accuracy – supporting offering competitive promotions and innovative new product launches.”

Adele Davenall-Gabain
Commercial Director,
APAC Region

Improving availability, service level, and product range for Woolworths in Australia and New Zealand.

Market context
In Australia, building further expertise as a supply chain partner to Woolworths is crucial for maintaining best-in-class service levels, one of our key non-financial KPI's.

In a deflationary market, end-to-end supply chain leadership, and our ambition for driving continuous improvement are key to continuing to drive volume growth and customer satisfaction. By optimising availability, efficiency, innovative new product launches and competitive promotions, we help Woolworths win in their market.

Our actions
Over the past 12 months, we've worked closely with Woolworths and Greenstock to enhance product availability through better planning

and forecasting, and driven product innovation, launching 49 new products in Australia with a focus on Summer BBQ. Additionally, we've implemented productivity initiatives in our processing facilities and partnered with our packaging suppliers to reduce plastic and increase recyclability of meat trays, furthering our sustainability goals.

Outcomes
Hilton Foods APAC was proudly recognised by Woolworths Australia and New Zealand as the 2024 Protein Trade Partner of the Year in both territories. The team was honoured for driving efficiency and sustainability, enhancing product availability, boosting productivity, pioneering retail-first burger technology and eliminating a significant volume of virgin plastic in Australia. Their efforts also earned them an Australasian Packaging Innovation & Design Award (PIDA) for sustainable packaging.

Our strategy: Pillar 4

4

Image removed

Leveraging technology as a driver of value

Graphic What this means removed

We will leverage our technology stack – including cloud-based supply chain software, automation, agnostic line interfacing and specialist food ERP systems – to drive value both internally and externally. These technologies address critical challenges in the food sector, presenting opportunities to commercialise our solutions with non-competitive businesses, meeting broad market needs.

Graphic Progress in 2024 removed

- ▶ Continued UK programme of end-of-line automation in Huntingdon and Grimsby improving health and safety, reducing labour reliance and improving efficiency.
- ▶ Introduced automated white fish filleting and cutting to reduce our labour reliance, replace declining skills availability and improve efficiency.
- ▶ Agito chosen as a supplier partner for a significant product in Australia with Coca-Cola Europacific.

Graphic Looking forward removed

Digitalising the supply chain and automation are crucial for effective supply chain management, mitigating labour inflation, improving efficiency, reducing waste and enhancing sustainability. This remains a key focus for our food business and an opportunity to commercialise our technology assets.

“

Our goal is to digitalise and simplify the food industry for customers through world-class software, insightful reporting, and expert guidance.”

Roger McCracken
Co-founder and
CEO Foods Connected

Foods Connected has partnered with McDonald's to support the delivery of their Brand Trust Digital Transformation Programme on Product Specification and Facility Auditing.

Market context

As consumer expectations evolve, quick-service global restaurant brands are increasingly focused on building greater transparency and trust. To protect their brand reputation and mitigate supply chain risks, food businesses are looking to enhance end-to-end supply chain transparency, communication and audit compliance, ensuring alignment with brand and industry standards and consumer expectations.

Our actions

We have configured our standard Foods Connected platform modules to address McDonald's specific needs through collaborative workshops with their Brand Trust Digital Transformation Team, suppliers and auditors. As we begin our partnership, we are rolling out the product specification module and the facility auditing solution in phases across their global supply chain.

Outcomes

This contract highlights the industry's need for supply chain digitalisation and reinforces our platform as a leading solution. The modules we are rolling out with McDonald's focus on facility auditing to ensure compliance and reduce risk, and product specification management for ingredients and finished products across all food types. It also marks the beginning of a valuable partnership between Foods Connected and a global leader in quick-service restaurants.

Performance and financial review

Improved profit performance driven by volume growth and market outperformance



Strong financial performance in 2024 was supported by product improvement, premiumisation and new ranges."

Matt Osborne
Chief Financial Officer

Image removed

This performance and financial review covers the Group's financial performance and position in 2024. Hilton Foods' overall financial performance saw strong profit growth, driven by strong volume growth in our core retail meat category and continued improvements in our UK seafood business. Cash flow generation was strong, supporting our ongoing investment in facilities.

Basis of preparation

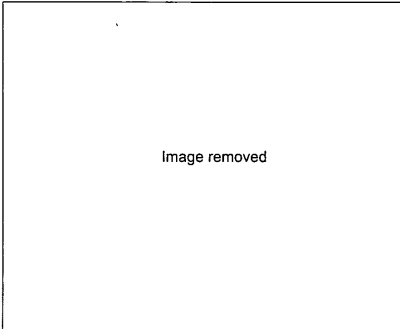
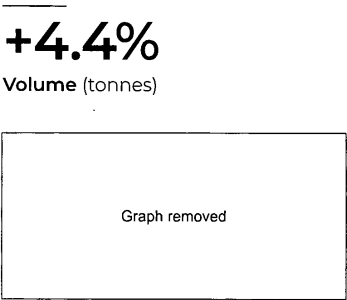
The Group is presenting its results for the 52-week period ended 29 December 2024, with comparative information for the 52-week period ended 31 December 2023. The Group's financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards (IFRS) and the Companies Act 2006 applicable to companies reporting under IFRS.

Hilton Foods uses Alternative Performance Measures (APMs) to monitor the underlying performance of the Group. Management uses these APMs to monitor and manage the business's day-to-day performance and, therefore, believes they provide useful additional information to shareholders and wider users of the financial statements.

Key performance indicators

How we measure our performance against our strategic objectives

The Board monitors a range of financial and non-financial key performance indicators (KPIs) to measure the Group's performance over time in building shareholder value and achieving the Group's strategic priorities. The nine headline KPI metrics used by the Board for this purpose, together with our performance over the past two years, is set out on the next page. In addition, a much wider range of financial and operating KPIs are continuously tracked at business unit level.



Performance and financial review continued

Revenue growth (%) 0.0%2023: 3.7% Year on year revenue growth expressed as a percentage. The 2024 movement reflects volume growth offset by the impact of fx rates and APAC raw material price deflation.	Adjusted operating profit margin (pence per kg) 19.4p2023: 18.4p Adjusted operating profit per kilogram processed and sold in pence. The increase in 2024 mainly reflects strong trading in the UK and Ireland.	Return on capital employed (%) 21.7%2023: 18.3% Adjusted operating profit divided by average of opening and closing capital employed representing total equity adjusted for net bank cash/debt, leases, derivatives and deferred tax. The increase in 2024 is primarily driven by higher profitability.
Adjusted operating profit margin (%) 2.6%2023: 2.4% Adjusted operating profit expressed as a percentage of turnover. The improvement in 2024 mainly reflects strong trading in the UK and Ireland.	Adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA) (£m) £152.6m2023: £144.0m Adjusted operating profit before depreciation and amortisation. The increase in 2024 mainly reflects higher profitability.	Free cash flow (£m) £62.2m2023: £112.1m IFRS cash inflow/(outflow) before minorities, dividends and financing. The decrease in 2024 is primarily attributable to reduced favourable working capital movements and higher tax and capex expenditure.
Net debt/EBITDA ratio (times) 0.92023: 1.0 Year-end net bank debt as a percentage of adjusted EBITDA. The improvement in 2024 is due to strong profit and cash generation.	Growth in sales volumes (%) 4.4%2023: 0.7% Year on year volume growth. There was volume growth across all regions in 2024.	Customer service level (%) 98.4%2023: 94.1% Packs of product delivered as a percentage of the orders placed. The customer service level remains best in class.

2024 Financial performance

Group results

Volume and revenue

Volumes grew by 4.4% in the year reflecting growth across all regions. Additional details of volume growth by business segment are set out in the Chief Executive's summary. Revenue increased 1.9% to £4.0bn on a constant currency basis, although flat on a reported basis reflecting APAC raw material price deflation.

Operating profit and margin

Adjusted operating profit, which excludes adjusting items as set out in note 31, was £104.7m (2023: £95.0m) and is 10.2% higher than last year and 11.9% higher on a constant currency basis reflecting strong trading in the UK and Ireland. Adjusting items total £5.9m net cost (2023: £8.9m net cost) and include £13.2m of insurance proceeds received in respect of the claim made in connection with the fire at our Belgium facility in 2021, reorganisation costs of £4.2m and a £9.8m non-cash impairment of goodwill recognised. After allowing for these adjusting items, IFRS operating profit was £98.8m (2023: £86.1m).

The Group's adjusted operating profit margin in 2024 increased to 2.6% (2023: 2.4%) and the adjusted operating profit per kilogram of packed food sold increased to 19.4p (2023: 18.4p).

Net finance costs

Adjusted net finance costs, excluding non-underlying items and lease interest, reduced slightly to £28.6m (2023: £28.9m). Interest cover as a proportion of adjusted EBITDA in 2024 increased to 5.3 times (2023: 5.0 times). IFRS net finance costs were £37.8m (2023: £37.5m).

Taxation

The adjusted taxation charge for the period was £18.9m (2023: £17.2m). The effective tax rate was 24.9% (2023: 26.0%). The IFRS taxation charge was £19.4m (2023: £10.6m) with an effective tax rate of 31.8% (2023: 21.9%).

Net income

Adjusted net income, representing profit for the year attributable to owners of the parent, of £54.7m (2023: £47.2m) was 15.9% higher than last year and 17.8% higher on a constant currency basis. IFRS net income was £39.3m (2023: £36.4m).

Earnings per share

Adjusted basic earnings per share at 61.0p (2023: 52.8p) was 15.5% higher than last year and 17.4% on a constant currency basis. IFRS basic earnings per share were 43.7p (2023: 40.6p). Diluted earnings per share were 43.3p (2023: 40.2p).

Earnings before interest, taxation, depreciation and amortisation (EBITDA)

Adjusted EBITDA, which is used by the Group as an indicator of cash generation, increased to £152.6m (2023: £144.0m).

Balance sheet, cash flow and funding

Return on capital employed (ROCE)

ROCE, calculated as adjusted operating profit divided by the average of opening and closing capital employed representing total equity adjusted for net bank cash/debt, leases, derivatives and deferred tax, was 21.7% (2023: 18.3%).

Free cash flow and net debt position

Operating cash flow was again strong in 2024, with cash flows from operating activities of £183.8m (2023: £216.1m) reflecting higher profits and reduced favourable working capital movements. Free cash inflow, after capital expenditure of £73.5m but before cashflows from financing activities, was £62.2m (2023: £112.1m) primarily attributable to the reduced favourable working capital movements and higher tax and capex expenditure.

The Group's closing net bank debt (comprising borrowings less cash and cash equivalents excluding lease liabilities), reduced to £131.4m (2023: £139.7m) reflecting bank borrowings of £243.3m net of cash balances of £111.9m. Net debt including lease liabilities was £337.4m (2023: £366.6m). Year-end net bank debt as a ratio of adjusted EBITDA reduced to 0.9 times (2023: 1.0 times).

At the end of 2024 the Group had undrawn committed bank facilities under its syndicated banking facilities of £108.0m (2023: £108.7m). These banking facilities are subject to covenants comprising three times net bank debt to EBITDA and four times EBITDA interest cover. There was comfortable headroom under these covenants at the end of the year for these metrics. The Group also uses supply chain finance facilities provided by its customers as a cost-effective way of managing fluctuations in working capital requirements.

The resilience of the Group has been assessed by applying significant downside sensitivities to the Group's cash flow projections. Allowing for these sensitivities and potential mitigating actions, the Board is satisfied that the Group has adequate headroom under its existing committed facilities and will be able to continue to operate well within its banking covenants.

Dividends

The Group has maintained a progressive dividend policy since flotation and has recommended a final dividend of 24.9p per ordinary share in respect of 2024. This, together with the interim dividend of 9.6p per ordinary share paid in November 2024, represents an increase of 7.8% compared to last year 32.0p per ordinary share. The final dividend, if approved by shareholders, will be paid on 27 June 2025 to shareholders on the register on 30 May 2025, and the shares will be ex-dividend on 29 May 2025.

Treasury management

Hilton Foods does not engage in any speculative trading in financial instruments and transacts only in relation to its underlying business requirements. The Group's treasury policy is designed to ensure adequate financial resources are made available as required for the continuing development and growth of its businesses, while taking practical steps to reduce exposures to foreign exchange, interest rate fluctuation, credit, pricing and liquidity risks, as described below.

Foreign exchange rate movements and country-specific risks

While the presentational currency of the Group is Sterling, a significant proportion of its earnings are generated in other currencies, principally the Euro and Australian Dollar. The earnings of the Group's overseas subsidiaries are translated into Sterling at the average exchange rates for the year and their assets and liabilities at the year-end closing rates. Changes in relevant currency parities are monitored on a continuing basis, with the timing of the repatriation of overseas profits by dividend payments and the repayment of any intra group loans to UK holding companies are made with due regard to actual and forecast exchange rate movements.

The Group's policy is only to use forward currency exchange rate contracts for the purpose of mitigating commodity risk occurring in the normal course of business. At no time will the Group take positions in derivative instruments for the purpose of earning a stand-alone profit from such instruments. The majority of Hilton Foods overseas subsidiaries all have natural hedges in place as they, for the most part, buy raw materials, employ people, source services, sell products and arrange funding in their local currencies. As a result, Hilton Foods main foreign exchange exposure is limited

2024 Financial performance continued

to its equity/major capital expenditure investment in each overseas subsidiary and its joint ventures, and in the translation of overseas earnings.

The level of country-specific risk currently remains material for many businesses, in terms of the impact of macroeconomic developments and commodity price movements. The Group sells high quality basic food products, for which there will always be continuing demand, to successful blue-chip retailers in developed countries.

Interest rate fluctuation risk

This risk stems from the fact that the interest rates on the Group's borrowings are variable, being at set margins over SONIA and other interbank rates which fluctuate over time. The Board will continue reviewing hedging costs and options as it is expected global interest rates may increase materially beyond current levels.

Customer credit and pricing risk

As Hilton Foods customers comprise a small number of successful and credit worthy major multiple retailers, the level of credit risk is considered to be insignificant. Historically, the incidence of bad debts has been immaterial. Hilton Foods pricing is based either on a cost plus, packing rate or volume based reward basis with its customers.

Liquidity risk

Hilton Foods remains strongly cash generative, has a robust balance sheet and has committed banking facilities for the medium term, sufficient to support its existing business. All bank positions are monitored on a daily basis and capital expenditure above set levels, together with decisions on intra group dividends, are all approved at Board meetings. All long-term debt is arranged centrally and is subject to Board approval.

Tax strategy

Hilton Foods is committed to paying the right amount of tax at the right time, complying with all relevant laws and regulations, and recognising the importance of the tax contributions that it makes in the countries in which its profits originate. We have a low-risk appetite toward tax planning, with a simple corporate structure based around our commercial operations. We do not engage in planning schemes or arrangements that could be considered aggressive or artificial in nature. The Group's approach to transfer pricing is to ensure that transactions reflect the underlying commercial arrangements, and therefore the use of transfer pricing to artificially avoid tax is prohibited. We also fully endorse the aims of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) and its related package of Actions: www.oecd.org/tax/beps/about/. Our tax strategy can be found on our website: www.hiltonfoods.com/investors/corporate-governance/

Going concern statement

The Directors have performed a detailed assessment, including a review of the Group's budget for the 2025 financial year and its longer term plans, including consideration of the principal risks faced by the Group.

The resilience of the Group has been assessed by applying significant downside sensitivities to the Group's cash flow projections and a reverse stress test, flexing operating profit to determine what circumstance would be required to breach the two financial covenants, net debt/EBITDA and interest cover.

Allowing for these sensitivities and potential mitigating actions, the Board is satisfied that the Group is able to continue to operate well within its banking covenants and has adequate headroom under its new committed facilities which do not expire

until January 2027. The Directors are satisfied that the Company and the Group have adequate resources to continue to operate and meet its liabilities as they fall due for the foreseeable future, a period considered to be at least 12 months from the date of signing these financial statements. For this reason, the Directors continue to adopt the going concern basis for preparing the financial statements.

The Group's net bank debt as at 29 December 2024 was £131.4m. It has access to undrawn committed loan facilities of £108m which have an expiry date of January 2027.

Future geographical expansion which is not yet contracted, and which is not built into our internal budgets and forecasts, may require additional or extended banking facilities, and such future geographical expansion will depend on our ability to negotiate appropriate additional or extended facilities, as and when they are required.

The Group considers that the likelihood of the reverse stress test scenario occurring to be remote. Internal budgets and forward forecasts, which incorporate all reasonably foreseeable changes in trading performance, are regularly reviewed by the Board and show that it will be able to operate within its current banking facilities, taking into account available cash balances, for the foreseeable future.

Viability statement

In accordance with provision 31 of the 2018 UK Corporate Governance Code, the Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the three years ending in December 2027.

A period of three years has been chosen for the purpose of this viability statement as it is the key period of focus within the Group's

strategic plan, which is based on the Group's current customers and does not incorporate the benefits from any potential new contract gains over this period.

The Directors' assessment has been made with reference to the Group's current position and strategy taking into account the Group's principal risks, including those in relation to the changing geopolitical and macroeconomic environment, and how these are managed. The strategy and associated principal risks, which the Directors review at least annually, are incorporated in the strategic plan and such related scenario testing as is required. The strategic plan makes reasoned assumptions in relation to volume growth based on the position of our customers and expected changes in the macroeconomic environment and retail market conditions, expected changes in food raw material, packaging and other costs, together with the anticipated level of capital investment required to maintain our facilities at state-of-the-art levels. The Group's current bank facilities expire in January 2027 and are expected to be renegotiated prior to their expiry on comparable terms to the existing arrangements.

Cautionary statement

This Strategic report contains forward looking statements. Such statements are based on current expectations and assumptions and are subject to risk factors and uncertainties which we believe are reasonable. Accordingly, the Group's actual future results may differ materially from the results expressed or implied in these forward-looking statements. We do not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Matt Osborne
Chief Financial Officer

7 April 2025

Risk management and principal risks

Our approach to risk management

Board

Responsibility for risk management including the appropriate identification of risks and the effective application of actions designed to mitigate those risks, resides with the Board. The Board also sets the risk appetite and considers how best to minimise and control the probability and potential impact of identified risks if they were to crystallise.

Chairman	Non-Executive Directors
Chief Executive Officer	Chief Financial Officer

Audit Committee

The Audit Committee reports to the Board on the substance of the risk assessment and any changes to the nature, likelihood or materiality of those risks. The Group Internal Audit and Risk Director presents at every Audit Committee meeting on the internal controls and risk management systems.

Risk Management Committee

The Risk Management Committee reports regularly to the Audit Committee on the risk assessment and any changes to the nature, likelihood or materiality of those risks. The Risk Management Committee also considers the risk appetite and reviews the progress and development of internal controls and their implementation aligned to principal risks. The Chair of the Risk Management Committee also oversees the scenario-based business continuity management exercises.

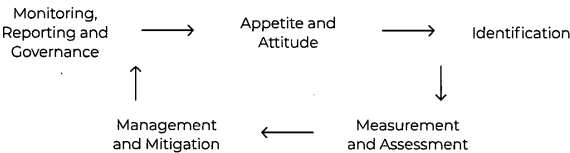
Group Internal Audit and Risk Director	Representatives from Executive Leadership Team	Key international leaders across the business
--	--	---

Business unit risk registers

Business units and functions manage and monitor their own key risks through regular review, ensuring the risk registers and risk mitigations are accurate. The Group's risk register is compiled through combining the set of business unit risk registers supplemented by formal interviews with senior executives and Directors of the Group.

Group Internal Audit and Risk Director	Site Managing Directors
--	-------------------------

Risk management process



Lines of defence

1st – Business operations 'Management Controls' Local business units carry out effective risk management activities in order to identify, monitor, mitigate and report on risks that impact on operations.
2nd – Oversight and Key Assurance Functions Key oversight and assurance functions ensure the effective management of critical risks. This includes policies, procedures and training.
3rd – Internal Audit and Consultants Internal independent review over the completeness and effectiveness of our internal controls and risk management systems.
4th – External Audit and Regulators Third party and independent review of all business units. Review of the viability and going concern of the business.

We believe that a successful risk management framework carefully balances risk and reward, and applies reasoned judgement and consideration of potential likelihood and impact in determining its principal risks.

Risk management and principal risks continued

Overview

Effective risk management at Hilton Foods is essential to the delivery of our strategic objectives and aims to safeguard the interests of all our stakeholders in an increasingly complex world. Our proactive approach to risk management enables the long-term sustainable growth of all aspects of our business and is integrated into everything we do.

Risks and risk management

In accordance with provision 28 of the 2018 UK Corporate Governance Code, the Directors confirm that they have carried out a robust assessment of the emerging and principal risks facing Hilton Foods that might impede the achievement of its strategic and operational objectives or affect performance and cash position. As a leading international food and supply chain services provider in a fast-moving environment, it is critical that Hilton Foods identifies, assesses and prioritises its risks. The result of this assessment is a statement of principal risks together with a description of the main controls and mitigations that reduce the effect of those risks were they to crystallise. This, together with the adoption of appropriate mitigating actions, enables us to monitor, minimise and control both the probability and potential impact of these risks.

How we manage risk

Hilton Foods takes a proactive approach to risk management with well-developed structures and a range of processes for identifying, assessing, prioritising and mitigating its key risks. The delivery of our strategy depends on our ability to make sound risk informed decisions. The Internal Audit function provides independent assurance that Hilton Foods risk management, governance and internal control processes are operating effectively. The Audit Committee are regularly updated on the risk-based assurance plan by the Internal Audit function who maintain and review processes for risk identification and assessment, measurement, control, monitoring and reporting. Risk exposure is reviewed by the Audit Committee twice a year. For more detail, please see: Our approach to risk management.

Risk management process and risk appetite

The Board aims to balance a robust and proportionate control environment with the agility needed to pursue new business opportunities. Despite these efforts, the business will inevitably face certain risks and uncertainties, as outlined below.

At Hilton Foods we nurture a culture where everyone is required to be aware of the risks facing the business and their responsibilities for managing them. To support this, we maintain and create an environment where employees feel comfortable speaking up. Our processes for identifying existing and emerging risks and responding collaboratively to them is managed by the Internal Audit function.

Identified risks are measured and assessed for likelihood and impact allowing for the correct risk responses to be developed. Policies, procedures, controls and other measures are put in place to mitigate risks. We use a suite of preventative, detective and corrective controls.

Risk ownership is assigned to key leaders. This ownership is reviewed as part of the ongoing risk management process. Mitigation plans and controls are developed collaboratively with the risk owner to ensure effective management.

Not all the risks listed are within the Group's control and others may be unknown or currently considered immaterial, but could turn out to be material in the future. These risks, together with our risk mitigation strategies, should be considered in the context of our risk management and internal control framework, details of which are set out in the Corporate governance statement. It must be recognised that systems of internal control are designed to manage rather than completely eliminate any identified risks.

Current and emerging risks

Increasing geopolitical uncertainty

Geopolitical uncertainty and increasing levels of active hostilities in multiple regions remain a significant concern and increases the risk impacting our supply chains and operations. Disruption to energy markets, global shipping and international trade, particularly in relation to government tariff strategies, can also have far-reaching impacts. However, our continued review of mitigations enables us to maintain resilience in our supply chains and operations.

The macroeconomic environment

Cost-of-living pressures and economic uncertainty continue in much of the world, with elevated inflation and interest rates not expected to reduce as rapidly as previously

expected. As these trends continue and as levels of inflation and interest rates further ease, we expect consumer spending and eating habits to recover but remain cautious. We recognise the effect of higher interest costs on all businesses and we continue to focus on ways of reducing our exposure such as the use of cash pooling and exploring working capital financing.

Our continued focus on cost control, innovation and factory efficiency, and the implementation of automation and robotics is enabling us to manage the inflationary pressures the industry is currently facing. Through our strong customer relationships we are able to support consumers to navigate through these challenging times.

Budgetary changes in the UK in relation to National Insurance Contributions and wage inflation in the UK and Ireland, Europe and APAC regions are also factors being mitigated through our 2025 budgets and regional planning.

Changing regulatory landscape

Hilton Foods has a strong basis of environmental, social and governance policies and strategy. We recognise the potential disruption from growing environmental regulations and the resourcing requirements to meet upcoming disclosure requirements. We are actively enhancing our mitigations, including third party risk management and supply chain due diligence.

We continue to monitor international regulatory and trade environments as they evolve and amend processes and operations as required, including as a result of the new administration in the USA.

We work closely with our customers and supply chains to adapt to further revisions to border processes and trade agreements.

Risk management and principal risks continued

Cyber risk

Information systems and cyber security risk continues to pose a threat to the Group and remains a principal risk. We are aware that specific sectors, including manufacturing and logistics, are increasingly a focus of such attacks. While the cyber security risk profile for Hilton Foods has remained stable during the year, we recognise the challenges and opportunities that are emerging through the development of artificial intelligence. We continue to invest in our IT systems to remain protected and match the ever-increasing number and diversity of external security threats.

The Board, through the Audit Committee, receives key updates from the Group Internal Audit and Risk Director, the Chief Information Officer and Head of IT Security regarding our risk mitigation activities focusing on both the direct threat to our operations and the wider supply chain, and the continued drive on cyber risk awareness and training across the Group.

The internal audit plan for 2024 included specific reviews on IT access governance and IT systems and cyber security resilience.

Hilton Foods fosters a digitally secure culture through:

- Information Security and IT policies are in place and are regularly reviewed. Our cyber security strategy and actions are regularly monitored by the Audit Committee and the Board.
- Compulsory IT and cyber security training is regularly run, including internal phishing awareness campaigns, to validate that learning is embedded throughout the organisation.

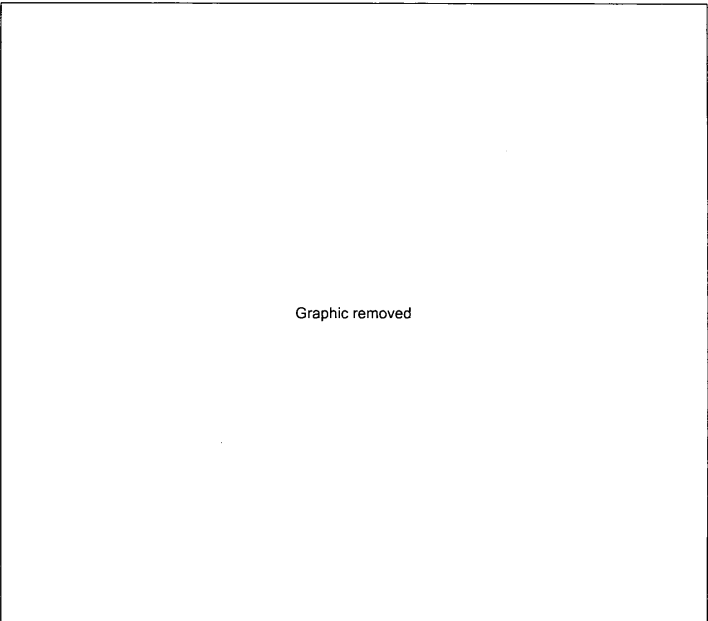
- Regular employee communication and engagement through cyber security newsletters and email alerts to raise awareness of emerging threats.
- A centrally governed IT function continually monitors known and emerging threats through dedicated platforms, and in turn, considers the effectiveness of our incident response plans to manage and eliminate these risks. This includes maintaining firewalls and threat detection and response systems with regular penetration testing performed.
- Expanding our IT response plans to incorporate wider stakeholders and continue to develop alignment to the latest threats. Employees are encouraged to log all security issues, facilitating rapid response to emerging threats. Easier reporting of suspected phishing emails has been enabled through a shortcut embedded in email software.

Movement of principal risks in 2024

The heat map shows the relative positioning of our principal risks at the date of this Annual Report.

Recognising that our growth into the Canadian and Middle Eastern markets requires us to prepare for potential new compliance and resource requirements, as well as the need for cultural alignment, we have increased the rating for risks 4 and 9.

Due to the challenges and opportunities that are emerging through the development of Artificial Intelligence we have applied upwards movement to risk 8.



Principal risk

1	Macroeconomic and geopolitical environment
2	Customer success impacting growth potential
3	Customer diversity and dominance
4	Reliance on key personnel
5	Global supply base
6	Contamination within the supply chain
7	Business disruption
8	Information security, technology and cyber-security
9	Health and safety
10	Climate change

Risk management and principal risks continued

Principal risks

The most significant business risks that Hilton Foods faces, together with the measures we have adopted to mitigate these risks, are outlined in the following tables. This is not intended to constitute an exhaustive analysis of all risks faced by Hilton Foods, but rather to highlight those which are the most significant.

Risk 1	No movement	Risk 2	No movement
Description The progress of the Hilton Foods business is affected by the macroeconomic and geopolitical environment and levels of consumer spending.		Description Hilton Foods growth potential may be affected by the success of our customers and the growth of their packed food sales.	
Its potential impact No business is immune to difficult economic climates. The macroeconomic and geopolitical landscape, is placing extraordinary financial pressures on our supply chains, operations, consumers and customers. The risk of energy price volatility and the ongoing cost of living crisis is impacting consumer spending and eating habits. As a result, our retail customers are under immense pressure to deliver value and are sharing that pressure with supplier partners.		Its potential impact Hilton Foods products predominantly carry the brand labels of our customers so our sales are dependent on the success of our customers and their consumer perception, which is increasingly influenced by environmental, social and governance (ESG) considerations.	
Risk mitigation measures and strategies adopted Our strong growth model, based on successful diversification across different proteins, and expanding as a technology-led supply chain partner is built on our ESG credentials which underpin our business resilience. We continue to broaden product ranges with our retail partners, maintaining a single-minded focus on minimising unit packing costs, while continuing to deliver high levels of product quality and integrity. Hilton Foods is able to harness its innovative and agile approach with its class-leading technology and systems to respond quickly and effectively to macroeconomic challenges and opportunities. We recognise the impact of increasing interest costs on all businesses and we continue to focus on ways of reducing our exposure such as the use of cash pooling and exploring working capital financing.		Risk mitigation measures and strategies adopted Hilton Foods plays a very proactive role in enhancing its customers' brand values, by providing high quality, competitively priced products, high service levels, ongoing product and packaging innovation and category management support. We recognise that quality and traceability assurance are integral to our customers' brands and we work closely with customers to ensure rigorous quality assurance standards are met. Our customers continually measure performance across a very wide range of parameters, including delivery time, product specification, product traceability and accuracy of documentation. We work closely with our customers to identify continuous opportunities across the supply chain, including enhanced product presentation, extended shelf life and reduced wastage at every stage in the supply chain. Our ESG strategy underpins the growth of our product sectors for our customers and supports them to reach their goals. Our ambitious 2025 Sustainable Protein Plan is in partnership with our customers and suppliers as we engage in the key collaborative initiatives that drive sustainability for our sectors and raise the bar together. We have set stretching goals that drive impactful actions that become integrated into our core business practices. Our data collection platform, Foods Connected, demonstrates the assurance of standards across our supply chains, and allows us to measure progress towards our 2025 targets. The detail of our strategy, and its impact, are described within the Sustainability section of this report.	

Risk management and principal risks continued

Risk 3	No movement	Risk 4	Upwards movement
Description Hilton Foods strategy focuses on a small number of customers who can exercise significant buying power and influence when it comes to contractual renewal terms at 1 to 15 year intervals. Its potential impact Although Hilton Foods has historically relied on a few, influential retailers for a larger part of our revenue, this has diversified in recent years. The larger retail chains continue to focus on strengthening their market share of protein products in the countries in which we operate, creating an increasingly competitive retail environment. This has increased the buying and negotiating power of our customers, which could enable them to seek better terms over time. During periods of unprecedented inflationary pressure, misalignment between production costs and agreed operational packing rates may occur, potentially impacting profitability. Risk mitigation measures and strategies adopted Hilton Foods is progressively widening its customer base, with the recent announcement of a partnership with Walmart Canada bringing further diversification to the customer portfolio. We maintain a high level of investment in state-of-the-art facilities, which together with management's continuous focus on reducing costs, allows us to operate efficiently at high throughputs and price our products competitively. Hilton Foods operates an entrepreneurial business structure, which enables us to work very closely and flexibly with retail partners, in order to achieve high service levels in terms of orders delivered, delivery times, compliance with product specifications and accuracy of documentation, all backed by an uncompromising focus on food safety, product integrity and traceability assurance. The Group maintains an ongoing focus on cost control, innovation and factory efficiency to manage inflationary pressures. Hilton Foods continues to evolve and respond to changing market conditions. The provision of added value services in distribution and logistics deepens the relationships we have with our retailer partners. Our technology and services business offers an industry-leading technology platform providing end-to-end supply chain and integrated automation solutions. Investment in these services means that we are able to develop and maintain a technology advantage within our industry.		Description As Hilton Foods continues to grow, there is a risk that the people capabilities do not enable the business to grow and change as is necessary. Recruiting, developing and engaging our workforce is critical to executing our strategy and achieving business success. This risk increases as the Group continues to expand through simultaneous growth projects with a need to ensure we have the right culture, skills, capability and capacity in our workforce to execute the strategy. Its potential impact The Group may struggle to meet key strategic objectives and projects and grow in line with the strategy of the business due to the following: ▶ Culture, diversity and employee engagement. ▶ Leadership development and talent management. ▶ Human capital management. Risk mitigation measures and strategies adopted The Group carefully manages its skilled resources including succession planning and maintaining a talent pipeline. The Group is evolving its people capability balanced with an appropriate management structure within the overall organisation. Hilton Foods continues to invest in on-the-job training and career development, while recruiting high quality new employees, as required to facilitate the Group's ongoing growth. Appointment of additional key resources and alignment of structures have supported the enhancement of project management control and oversight. Control systems embedded in project management enable the risks of growth to be appropriately highlighted and managed. To underscore our efforts, we have active relationships with strong industry experts across all areas of business growth. In the current climate, strong partnership and proximity to our customers are fundamental. Hilton Foods leadership continues to develop its organisational structures to ensure as close a relationship with our retail partners as possible.	

Risk management and principal risks continued

Risk 5		No movement		Risk 6		No movement	
Description				Description			
Hilton Foods business strength is affected by our ability to maintain a wide and flexible global food supply base operating at standards that can continuously achieve the specifications set by ourselves and our customers. Increasing volatility within the upstream supply chain places additional pressure on our ability to source raw material.				Contamination within the supply chain including outbreaks of disease and feed contaminants affecting livestock and fish.			
Its potential impact				Its potential impact			
Hilton Foods is reliant on its upstream suppliers to provide sufficient volume of products, to the agreed specifications, on time. The Group has both local and global sourcing models and efficient supply chain management is a key business attribute. Current or future tariffs, quotas or trade barriers imposed by supplier countries and other global trade developments, could materially affect the Group's international procurement ability and, therefore, potentially impact our ability to meet agreed customer service levels.				This will potentially affect Hilton Foods ability to procure sufficient quantities of safe raw material.			
Risk mitigation measures and strategies adopted				Risk mitigation measures and strategies adopted			
Hilton Foods maintains a flexible global and local food supply base, which is progressively widening as it expands and is continuously audited to ensure standards are maintained, providing a wide range of options should supply disruptions occur.				Hilton Foods sources its food from a trusted raw material supply base, all components of which meet stringent national, international and customer standards. We are subject to demanding standards, which are independently monitored in every country and reliable product traceability and high welfare standards from the farm to the consumer are integral to our business model. Full traceability from source to packed product is ensured across our suppliers, supported by a comprehensive ongoing audit programme. Within our factories, Global Food Safety Initiative (GFSI) benchmarked food safety standards and our own factory standard assessments ensure that the risk of contamination throughout the processing, packing and distribution stages is mitigated.			
We have also developed partnerships with key strategic suppliers who share our commitment to quality, food safety, animal welfare and sustainability.							
We engage with our suppliers through our supplier management platform, Foods Connected, where we track supply chain compliance, internal quality procedures and manage the buying, planning and selling of our raw materials. We are implementing a third party risk management platform to flag potential risk exposures relating to financial and political sanctions, cyber security and ethical and sustainability related risks. We also use media monitoring and horizon scanning for real time awareness of emerging supply chain risks to provide further assurance through strengthening supply chain robustness and transparency.							
Further detail on supplier engagement can be found in the Stakeholder Engagement section.							

Risk management and principal risks continued

Risk 7	No movement	Risk 8	Upwards movement
Description Significant incidents such as fire, flood, pandemic, a breach of site security or interruption of supply of key utilities could impact the Group's business continuity. Its potential impact Such incidents could result in systems or manufacturing process stoppages with consequent disruption and loss of efficiency, which could impact the Group's sales. Risk mitigation measures and strategies adopted Hilton Foods has robust business continuity plans in place, including sister site support protocols enabling other sites to step in with manufacturing and distribution of key product lines where necessary. Continuity management systems and plans are suitably maintained and adequately tested including building risk assessments and emergency power solutions. Mitigation measures to ensure site security include prevention of unauthorised access through biometrics and authentication measures, perimeter controls and monitoring of access points. There are appropriate insurance arrangements in place to mitigate against any associated financial loss.		Description Hilton Foods IT systems could be subject to cyber attacks, including ransomware and fraudulent external email activity. Such attacks are rapidly increasing in frequency and sophistication, especially with the progression of artificial intelligence. Its potential impact Hilton Foods operations are underpinned by a variety of IT systems. Loss or disruption to those IT systems or extended times to recover data or functionality could disrupt our operations and affect our sales and reputation. Unauthorised access to systems, both within our own network and in our supply chains, could lead to loss of sensitive information. The risk of cyber attack is exacerbated by increasing geopolitical uncertainties. Risk mitigation measures and strategies adopted Our robust IT control framework, including our information security programme is aligned with the National Institute of Standards and Technology (NIST) Cybersecurity and ISO Frameworks. We proactively identify and assess vulnerabilities in our systems through simulated attacks, annual penetration testing and weekly vulnerability scans. Remediation procedures allow us to correct potential weaknesses promptly. Testing is conducted by both internal staff and specialist external bodies. We continuously improve our IT control framework, which is applied consistently throughout the business and ensures that our defences remain resilient in the face of evolving cyber threats. Our information security programme places a strong emphasis on incident reporting and response. Employees are encouraged to promptly report any potential security incidents, fostering a culture of transparency and accountability. In the event of an incident, our response protocols enable us to swiftly and effectively contain, eradicate, and recover from security breaches. Cyber awareness training plays a vital role in empowering our workforce to recognise and report potential incidents. Frequent testing and simulations help bolster the resilience of the organisation. The Board and Risk Management Committee are regularly updated on cyber security risk and mitigations. IT risk is considered when assessing new ventures, new sites are required to comply with our minimum standards and operating models. IT forms part of site business continuity exercises, which test and help develop the capacity to respond to possible crises or incidents. Regular IT security reviews ensure compliance with expected levels of updates to applications, servers and data centres.	

Risk management and principal risks continued

Risk 9	Upwards movement	Risk 10	No movement
Description A significant breach of health and safety resulting in any harm to people from negligence or management oversight. The complexity of this risk increases as the Group expands both geographically and into new product groups. Its potential impact Failure to maintain appropriate health and safety across the Group could result in significant harm or fatality leading to a reputational, regulatory and/or financial impact on our business. Risk mitigation measures and strategies adopted The safety and health of our employees is the number one priority for the business. Hilton Foods has established robust health and safety processes and procedures across its operations, including a Group oversight function, which provides key guidance and support necessary to strengthen monitoring, best practice and compliance. The Group has also rolled out an enhanced standardised safety framework. Health and safety performance is reviewed at every meeting by the Board. We are in the process of rolling out a health and safety auditing platform to support the strengthening of our current health and safety framework.		Description Hilton Foods business and supply chain is affected by climate change risks comprising both physical and transition risks. Physical risks include long-term rises in temperature and sea levels as well as changes to the frequency and severity of extreme weather events. Transition risks include policy changes, reputational impacts, and shifts in market preferences and technology. Its potential impact Potential physical impacts from climate change could include a higher incidence of extreme weather events such as flooding, drought and forest fires that could disrupt our supply chains and potentially impact production capabilities, increase costs and add complexity. Action taken by societies could reduce the severity of these impacts. Governmental efforts to mitigate climate change may lead to policy and regulatory changes as well as shifts in consumer demand. The potential transitional impacts include additional costs of low greenhouse gas emission farming systems, and the potential of carbon price regulation aimed at shifting consumers to lower-carbon foods, which may reduce the profitability of some of our products. Additionally, is increased stakeholder focus on climate change issues. Our reputation could be impacted if we are not active in reducing the climate impacts of our operations and supply chains, resulting in lower demand for our products. Risk mitigation measures and strategies adopted We continue to develop our approach to climate change risk mitigation. We have submitted more ambitious science-based targets across Scope 1, 2 and 3 emissions aligned to the 1.5°C pathway, to decarbonise our own operations and supply chains. We have set energy and water efficiency targets for our sites and continue to engage in global collaborative action for decarbonisation of our key raw materials. We have targets in place to deliver net zero emissions from our operations and supply chain before 2050. Shifts in consumer demand are an opportunity for growth in our portfolio of plant-based and seafood products. Additionally, we are ensuring we have the flexibility to adapt our supply chains over time to mitigate physical disruption. We continue to review and develop our assessment of the key physical and transition risks impacting our business in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Our full assessment of climate risks and opportunities in line with the TCFD framework is described within the Sustainability section of this report.	

Stakeholder engagement (Section 172)

Our people are at the heart of our success and the delivery of our strategy. A business that is built around people needs to help every colleague develop to the best of their potential.

Image removed

Our people

Why we engage

Our people are at the heart of our success and ensuring their health and safety, wellbeing and fair treatment is essential to the delivery of our strategy. With over 7,500 employees across 20 markets, our business is built around our people and helping every colleague develop to the best of their potential.

Areas of focus for our stakeholders

- Health and safety
- Engagement
- Recognition and reward
- Opportunity for skills and career development
- Wellbeing
- Equity and respect

→ Further detail on how we engage with our people can be found on [pages 48 to 52](#).

Engagement: What we learned and our actions

► **Health and Safety:**

What we learned: A proactive approach to health and safety significantly reduces risks.

Our actions: We developed a Global Health and Safety framework to minimise risks and raise awareness. We ran campaigns across the business to promote safe behaviour. We have safety programmes at all sites to ensure a safe environment is maintained at all times and working groups to deliver on health and safety initiatives such as the development of an image-based safety guide for all our colleagues.

► **Mental Health and Wellbeing:**

What we learned: Maintaining employee wellbeing is crucial for a healthy and supportive workplace.

Our actions: We enhanced access to mental health services across the company and introduced mental health first aiders at every site. We ran initiatives like the 'It's OK not to be OK' campaign at Fairfax Meadow, to encourage openness around mental health. Our Inclusion Network delivered webinars focused on discussing relevant issues, such as wellbeing and reducing stress.

► **Diversity and Inclusion:**

What we learned: Creating an inclusive workplace helps everyone reach their full potential.

Our actions: In 2024, we rebranded our Inclusion Network to support more employees. We also partnered with Meat Business Women to offer mentorship programmes and workshops aimed at empowering women. As a result, in 2024, 34% of senior leadership roles were held by women, highlighting our commitment to professional growth for all.

► **Training and Development:**

What we learned: Continuous development leads to more engaged, skilled employees who can drive business success.

Our actions: We rolled out our Learning Academy, now available at multiple sites, providing tailored development opportunities. We expanded our Manufacturing Excellence Programme, which launched in Australia after strong results in 2024. The Emerging Leaders Programme nurtured 190 high-potential employees, with 51% of participants being women.

► **Investing in the Next Generation:**

What we learned: Fresh perspectives bring innovation and positive change.

Our actions: We launched the APAC Internship Programme in 2024, giving young talent exposure to different departments. Building on this success, we are launching the Graduate Scheme at our Huntingdon Head Office in September 2025 to develop the next generation of leaders. We are building a more engaged, diverse, and capable workforce at Hilton Foods, and we remain committed to continuous improvement in these areas.

How the Board has oversight

The Board understands its employees are the driving force behind the long-term sustainable success of Hilton Foods. Sarah Perry is the designated H&S champion for the Board and H&S is discussed at every Board meeting first. There are deep-dive reviews and the Board members participate in H&S training.

The Directors engage with employees to understand their priorities and concerns, and to identify and develop talent within the Group. The Board oversees the continued investment and prioritisation of employee training and development.

Angus Porter is the designated Non-Executive Director for workforce engagement. He works closely with colleagues to oversee our employee engagement practices and reports back to the Board on his findings. He also has regular meetings with our Chief People and Culture Officer and is engaged in the development of the employee engagement survey.

All reports to our whistleblower service are reviewed by the Board.

The Board travelled to our Hilton Foods Sweden and Fairfax Meadow sites in 2024 where they had the opportunity to meet with employees. Directors also participate in the Hilton Foods Leadership conference.

Townhall meetings were held at all Hilton Foods sites in 2024 and attended by members of the Executive Leadership Team to update colleagues on Group strategy and provide engagement opportunities through Q&A sessions.

Stakeholder engagement (Section 172)
continued

Image removed Our communities Why we engage Our communities play a vital role within our business. We believe in building a fairer society and food system for all and seek to be a good neighbour in all of our locations. Areas of focus for our stakeholders ► Sustainability ► Social value ► Opportunities and careers for local people → More detail available in our Sustainability Report on pages 37 to 81.	Engagement: What we learned and our actions ► Global Heart, Local Response: What we learned: Different causes resonate with our colleagues, and contributing to the community creates a sense of shared purpose. Our actions: In 2024, we raised over £130,000 through global charitable initiatives and fundraising efforts. We prioritise local charities that matter to our colleagues and the communities they live in. For instance, our colleagues in Ireland collected goods during Christmas to donate to local homeless centres and women's refuges. This reflects our commitment to making a positive impact wherever we operate. ► Reducing Waste and Supporting Local Communities: What we learned: Addressing food waste is key to supporting both the environment and local communities. Our actions: Hilton Foods Seachill UK has partnered with The Rock Foundation, a local food bank charity, to provide meals to those in need. So far, we have donated over 30,000 meals for the Grimsby community. ► Engaging the Next Generation: What we learned: Educating young people about healthy food options and the food sector fosters future interest and awareness. Our actions: At Hilton Foods Central Europe, we partnered with a local school to host interactive cooking workshops. Through hands-on activities, students learned practical cooking skills, explored nutritious meal options, and gained insights into food production. The overwhelmingly positive feedback showed that we were able to inspire and educate the next generation about food and nutrition. ► Innovating Packaging to Tackle Waste: What we learned: Packaging innovation plays a critical role in reducing food waste and improving sustainability. Our actions: In 2024, we collaborated with strategic partners to implement a circular economy for packaging. We adopted Flowrap packaging over traditional MAP, reducing plastic usage by over 70% and extending product shelf life. This innovation supports our ongoing efforts to reduce waste and minimise our environmental footprint. ► Respecting Human Rights: What we learned: Understanding and addressing human rights risks in our value chain is of the upmost priority to Hilton Foods and is essential to supporting thriving communities. Our actions: We remain aligned with the UN Guiding Principles on Business and Human Rights. In 2024, we conducted a comprehensive human rights risk assessment through detailed data collection and analysis, as outlined in the GRI section of the Sustainability Report. We also reviewed and strengthened our modern slavery risk management practices to ensure fair and respectful treatment of workers throughout our value chain.
--	---

How the Board has oversight

The Board has overseen the integration of our Human Rights Policy into our core business functions through the implementation of Our Global Supplier Social Responsibility Code of Conduct Compliance Requirements.

The Directors participate in Human Rights training to understand how best to support our colleagues, communities and the workers in our value chain. They also receive updates on the outputs and progress from our supply chain transparency platform to monitor labour standards.

The Board works to build relationships with our communities and legitimate public interest groups.

The Board is kept informed of our engagement with our local communities through regular updates from the Sustainability Committee and from local sites.

Stakeholder engagement (Section 172)

continued

Image removed

Our customers and consumers

Why we engage

Our customers and consumers are at the heart of our business and they expect us to produce products of the highest food safety and quality. We focus on helping consumers make ethical and sustainable choices for both their health and the health of the planet.

Areas of focus for our stakeholders

Product quality

Product sustainability

Social responsibility

Healthy and balanced diets

→ See pages 40 to 42 for more detail on our Sustainable Protein Plan.

Engagement: What we learned and our actions

Product Innovation – Affordable, Healthy and Sustainable:

What we learned:

Our consumers desire food that is affordable, healthy and sustainable, without having to compromise on their expectations due to rising living costs.

Our actions:

We focus on innovation to deliver cost-effective food options, enabling consumers to make healthy, sustainable choices despite living costs. We benchmark all our products against nutritional standards and have reformulated recipes to reduce salt and fat, while increasing fibre content. In 2024, Hilton Foods Holland launched an affordable range of blended chicken and beef mince products, which improved the NutriScore rating from D to C, and reduced CO₂ emissions by 40% compared to traditional 100% beef products.

Product Range and Quality:

What we learned:

Through consumer insights, we discovered a growing trend in the demand for slow-cooked products. Consumers are increasingly seeking convenient options that provide a full-flavour experience without the time and effort typically associated with traditional slow cooking methods.

Our actions:

In response, our UK and Ireland teams worked together to create a range of slow-cooked meat products for the Irish market that cater to consumer preferences for ease and flavour. In the UK, we collaborated with Tesco to launch the Steakhouse range of premium, restaurant-quality products at home. The range has received positive feedback, strengthening our relationship with Tesco and supporting them in winning new customers.

Building Expertise to Drive Innovation and Optimise Operations:

What we learned:

To make a positive impact at key stages in the food supply chain, we must develop our expertise as a supply chain partner, focusing on driving product innovation, optimising operations, and reducing risks.

Our actions:

In 2024, we collaborated with Woolworths in Australia and New Zealand to improve availability, service levels, and product range. This partnership resulted in the launch of 49 new products, achieved through better planning, forecasting, and innovation. As a result, Hilton Foods APAC received the Woolworths 2024 Meat and Seafood Trade Partners of the Year award in both territories. We are now better positioned to meet the evolving needs of our customers.

Advancing Sustainability:

What we learned:

Our customers and consumers are placing greater importance on sustainability, and it is crucial that we align with these values to meet evolving expectations and ensure long-term success.

Our actions:

We are committed to having responsible, eco-friendly practices that meet the expectations of our customers and consumers. In 2024, we improved water efficiency across our factories by 10% compared to a 2020 baseline. We updated our science-based targets and Group Transition Plan, outlining clear steps to achieve a 95% reduction in direct emissions by 2030. Additionally, our Fairfax Meadow site introduced electric vans, marking the first step towards electrifying our entire fleet.

How the Board has oversight

Understanding what is important to our customers and consumers is essential to our business strategy, so the Board receives regular updates on market developments, trends and opportunities. These are reported to the Board by the Executive Leadership Team through reports, presentations and site visits.

The Board oversees Hilton Foods commitment to integrity, health, and sustainability, while ensuring that we continue to meet the evolving needs of our customers, consumers and the planet.

The Board also receives updates on Hilton Foods customer and consumer engagement on relating to sustainability and risk management topics via the Sustainability and Risk Committees.

Stakeholder engagement (Section 172)
continued

Image removed Our suppliers Why we engage Our integrated food supply chain enables us to deliver consumer and customer expectations supported by the supply of high quality, safe, sustainable and innovative raw materials. Areas of focus for our stakeholders ► Quality ► Continuous improvement ► Partnership ► Transparency and efficiency → Further details on how we engage with suppliers can be found in the Sustainability report.	Engagement: What we learned and our actions ► Leveraging Data for Supply Chain Excellence: What we learned: Data-driven insights are crucial for optimising the entire supply chain, from farm to fork, and addressing key challenges effectively. Our actions: Foods Connected, provides a software platform to map and assess supply chain challenges, allowing us to work collaboratively across the value chain to manage supplier performance and align with both our own and our customers' priorities. Further projects are planned to strengthen our supply chain operations and the sustainability of our value chain. ► Animal Welfare: What we learned: Ensuring high standards of animal welfare is vital to maintaining trust and meeting customer expectations for sustainable practices. We recognise the growing scientific evidence that crustaceans are sentient and can experience pain and suffering. Reflecting new learnings in animal welfare in our policies can only be achieved through working collaboratively throughout our value chain. Our actions: We are committed to upholding the highest animal welfare standards through our Animal Welfare Policy, which is integral to our business values. We employ a team of trained auditors who conduct audits of our supply base. We conduct bespoke animal welfare training to ensure animal welfare practices are followed throughout the entire value chain. In 2024, we developed and published a Crustacean Policy with the Aquatic Life Institute recognising crustaceans as sentient beings, and we are working closely with our suppliers to implement, strengthening relationships with our suppliers who share our commitment to ethical and sustainable practices. ► Supplier Social Responsibility Code of Conduct What we learned: We recognise the risk of third-party labour exploitation and the importance of strengthening systems to prevent modern slavery in our supply chain. We reinforced our commitment to integrating ethical labour standards across all aspects of our business, particularly within our global supply chain. Our learnings highlighted that effective human rights due diligence goes beyond just audits, it requires continuous monitoring, deeper insights, and proactive engagement with suppliers. Our actions: We aligned our Human Rights Policy with our Supplier Social Responsibility Code of Conduct, ensuring due diligence is part of the supplier approval process. In 2024, we conducted a saliency assessment to identify areas where we need to enhance our due diligence efforts. Our ethical compliance process serves as the first step in our broader human rights due diligence, emphasising the need to go beyond audits and take a proactive approach to improving practices across our supply chain. We have now included human rights and labour risks in our supplier approval process, and we use Sedex, an internationally recognised platform, to monitor labour standards and gain insights into working conditions at supplier sites.	How the Board has oversight The Board and senior management engage with our suppliers through our established total partnership strategy. We have regular dialogue with suppliers on product quality and payment terms. The Board and senior management collaborate with suppliers to address any concerns, to identify supply chain risks and work together to find solutions, mitigate risks and demonstrate best practice. The Board is updated on supply chain risks, initiatives and opportunities through regional updates and reports from the Risk Management and Sustainability Committees.
--	--	--

Stakeholder engagement (Section 172) continued

Our shareholders

Why we engage

We focus on building shareholder relationships through our strategic engagement plan, based on the principle of continuous engagement, to help us secure ongoing investment and support. By clearly communicating our purpose, strategy, performance and outlook, we ensure shareholders are well-informed, enabling them to make decisions based on a thorough understanding of our business and its direction. We share factual, clear and balanced information to foster transparency and trust.

Areas of focus for our stakeholders

- Business performance
- Forecast and outlook
- Strategy and strategic priorities
- Business model and value chain
- Expertise that delivers our competitive advantage
- ESG
- Medium-term financial guardrails and ambitions
- Strategic capital allocation
- Remuneration

→ The Board's current assessment of the Group's position and prospects are set out in the Strategic report on pages 07 to 81.

Engagement: What we learned and our actions

► Regulatory News, Press Releases and Reports

What we learned: Ongoing updates are vital for keeping our investors informed about business performance, new partnerships and strategic initiatives.

Our actions: We update our shareholders in a number of ways including through trading updates, regulatory news service announcements and relevant articles in the financial press. These updates are actively used to inform investors on our business and financial performance, as well as key strategic and governance developments.

► Annual and Interim Reports, and Investor Presentations

What we learned: Providing accessible, live investor presentations on annual and half-year results is essential for fostering the transparency and engagement that our investors expect.

Our actions: We deliver twice-yearly investor presentations on our results, webcast live, with recordings and supporting slides made available on our corporate website for easy access.

► Shareholder Engagement – Visits, Meetings and the AGM

What we learned: Face-to-face engagement opportunities, such as facility visits, Capital Markets Events, investor conferences, the AGM and other complimentary engagement activities are important for building stronger relationships with our shareholders and ensuring open communication between the Board and stakeholders.

Our actions: In 2024, we attended a strategic programme of investor conferences, hosted a capital markets breakfast event and hosted investors and analysts for one-to-one and smaller group meetings at our facilities in the UK and Sweden. At these events we updated shareholders and analysts on our progress versus our strategic priorities and outlook, shared key business activities and welcomed a Q&A. These events also offered access to key members of the wider leadership team. A further Capital Markets Event is planned for 2025.

At the AGM, we provide all shareholders with the opportunity to ask questions, with all Directors and the Chair of each Board Committee in attendance to respond. Following feedback from shareholders that they would like a more personal and interactive AGM experience, our 2025 AGM will be held in person and all shareholders are encouraged to register their attendance in advance so we can ensure to be able to accommodate them on the day.

► Interface, Accessibility and Governance

What we learned: It is important for shareholders to have access to senior leadership roles and clear governance channels to enable effective communication and engagement with major shareholders.

Our actions: We have a senior role focused on investor relations, enabling direct communication with shareholders. Committee Chairs, including the Remuneration Committee Chair, meet with shareholders and analysts to address questions. The Company Secretary is a key point of contact for shareholder communications, particularly around governance and meetings. We also receive shareholder feedback via our brokers. In 2025, we have started to undertake an independent review of investor perception with a selection of our current shareholders which will inform how we evolve our strategic approach in 2026.

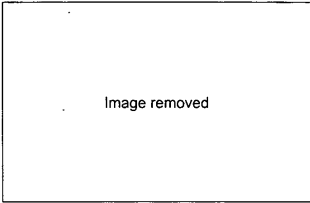
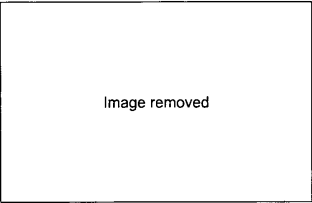
How the Board has oversight

The Board fosters open communication with shareholders. The CEO and CFO, supported by the Investor Relations Director, engage in regular discussions with shareholders and analysts to review the Group's performance, future prospects, and gather insights into shareholder views. These insights are then communicated back to the Board.

Shareholders and analysts have direct access to the Board as requested via face-to-face and video meetings with the Executive Directors, where they get the opportunity to discuss strategy, governance, performance and outlook. Alongside the Chair and Senior Independent Director, they are committed to listening to any concerns shareholders may have, particularly if issues have not been resolved in prior meetings or were deemed inappropriate to address earlier.

The Board are updated on shareholder engagement at every Board meeting.

Our unique position at the centre of the food value chain means we can influence, innovate and collaborate across each stage of the supply chain to drive sustainable change.



Sustainability

CEO introduction	38
Sustainability Committee Chair's statement	39
Our 2025 Sustainability Protein Plan at a glance	40
How we work through the value chain	43
Delivering net zero	44
Areas of the biggest impacts and risk	45
Materiality matrix	46
Governance	47
People	48
Planet	53
Product	58
TCFD	63
Non-financial disclosures	77

CEO introduction to sustainability

Innovating through partnership to make nutritious protein more sustainable



The Hilton Foods Transition Plan is one of the first of its kind in the sector and is fully aligned with the recommendations of the UK Government's Taskforce."

Steve Murrells CBE
Group Chief Executive Officer

Image removed

When I took on the role of Group Chief Executive Officer two years ago, a big part of the decision were the values of Hilton Foods. I had known and worked with the team at Hilton Foods for over 30 years before taking on this position. What always impressed me was the culture and ethos within the Company, and the commitment to doing the right thing.

A clear example of this is the Sustainable Protein Plan. Lots of businesses talk about sustainability, but with Hilton Foods, it is written into the way we work. The Sustainable Protein Plan covers every aspect of what we do and how we operate. It is not just designed to deliver stretching sustainability targets; it is also a reason why our customers choose to work with us, and how we create shared value with our partners across the world.

I am, therefore, very pleased to share this report, setting out our progress during 2024.

As you will see, the work we do, and the targets we have set, continue to reflect our global ambition and our commitment to the UN's Sustainable Development Goals. Our Plan goes much further than mitigating risks; it is designed to leave a lasting and positive impact – helping to make proteins more affordable, accessible and sustainable in every sense of the word.

An excellent example of our approach is reducing food waste. Almost 10 years ago, we signed up to Champions 12.3 – a business coalition dedicated to halving global food waste by 2030. Since then, we have

innovated at every stage of the food chain. In our factories, we have cut the amount of food wasted by 47% since 2021. We are also using our strengths in technology and supply chain management to reduce waste, ensuring more of the animal is consumed by humans. For example, we are making sure that when there is waste, it can be redirected to the places that need it most, like The Rock Foundation in Grimsby, one of the many food donation banks we are partnered with. All of this is hardwired into our commercial plans and leadership behaviours, with targets for reducing food waste written into the Hilton Foods Long-Term Incentive Plan (LTIP).

In these ways and others, our scale, our partnerships, and our supply chain expertise give us a vantage point which helps us to deliver positive change. The progress we have made has been particularly notable in light of rising prices and global instability over the past few years.

We have now reached a point where we are on track to achieve the majority of our original targets, a year ahead of schedule. A big focus of our work this year has, therefore, been looking at how our strategy should develop and how we can go further and do more.

Our decision to publish the inaugural Hilton Foods Transition Plan was front and centre of this ambition. As part of this plan, we have published a road map to becoming a net zero company by 2048 – two years ahead of our original target. The plan sets out five areas where we see opportunities for faster reductions in carbon emissions, from

reducing operational emissions, through to lowering methane from livestock. It builds on the work we are already doing to tackle climate change, as well as our latest science-based targets, which were approved in March 2024. The Transition Plan is one of the first of its kind in the sector and is fully aligned with the recommendations of the UK Government's Transition Plan Taskforce.

During the course of 2025, we will be setting out the next chapter of the Sustainable Protein Plan. It will reflect a changing regulatory landscape. Across many of the markets we operate in, the policies around transparency and disclosure are expanding, and we will make sure that our approach to reporting is market-leading wherever we can.

We are deeply conscious of the scale of the challenges facing the planet, and while we are proud of the positive contribution we make, we know that our efforts are just part of the change needed to help make protein more sustainable across the world. That is why we build impactful partnerships, across all areas of our plan, to scale our work and make an even bigger difference to the big sustainability challenges we face.

Steve Murrells CBE
Group Chief Executive Officer

Sustainability Committee Chair's statement

Delivering on our 2025 Sustainable Protein Plan

“

As we embark on this crucial year, we do so with determination and collaboration, striving to deliver results that matter.”

Rebecca Shelley
Non-Executive Director and
Chair of Sustainability Committee

Image removed

We are entering the final year of the 2025 Sustainable Protein Plan and our priority now is to accelerate our mission to help make protein more sustainable. This report paints a picture of the progress that has been made, and the targets that are being delivered on, made possible through the outstanding contributions of many teams within the business. It reflects a business that does what it says it will do and now we must speed up the action to deliver lasting change.

As Chair of the Sustainability Committee, my role, and the role of my fellow Committee members, is to ensure the next phase of the Plan is well-governed, fairly measured, and reflects the external environment. So, as we develop our thinking, the Committee will be applying three tests of the new initiatives.

The first test is whether the Plan fully reflects our external environment. Over the past few years, we have lived through a period of exceptional uncertainty, with pandemics, wars and the impact of climate change felt across our supply chain. We are also seeing the legal landscape change significantly, with new requirements on businesses to become more sustainable. It is important that our plans have the capacity to adapt to external disruption, whilst also delivering and complying with all relevant regulations and laws.

The second test is about measurement and incentives. Over the past few years, we have given a lot of thought to the way that our sustainability targets are embedded within the business. In 2022, we wrote sustainability targets into the Long Term Incentive Plan for Hilton Foods. It will be important to apply similar rigour and commercial grounding to the next chapter of the Sustainable Protein Plan.

This links to the third test: governance. From the start, we made sure the Plan was appropriately governed by a standalone Committee with a Non-Executive Chair. Over time, we have increased this scrutiny, for example by ensuring that sustainability features on the agenda of the Group Risk Committee. We will continue this oversight to ensure that our work is both achievable and demonstrates the right ambition.

As we carry out this work, my colleagues and I will be engaging with external partners to understand their views on how we work together and where our focus should be. It is important that we continue to bring external perspectives into our thinking.

Rebecca Shelley
Chair, Group Sustainability Committee

Our 2025 Sustainability Protein Plan at a glance

Graphic removed

People

Pillar	2025 targets	Status	Progress
Valuing people	Reduce Lost Time Incidents (LTIs) by 10% (against 2020 baseline across Hilton Foods)	Behind	Whilst we have not met our lost-time incidence target, we have made significant progress in reducing the severity of incidents by 47%. Health and safety is a key area of focus for 2025
	Establish Global Wellbeing Framework to support employee wellbeing	Achieved	Established Group Wellbeing Framework in 2022
	30% of all leadership roles filled by women	Achieved	34% of women in leadership roles
	Employee consultative forums or works councils at all Hilton Foods sites	On track	Employee consultative forums or works councils operational at 15 sites
Protecting human rights	Functioning governance structure in place	Achieved	Integration into key risk processes. Read more on governance structure on page 47 and in the Human Rights section of our GRI Index in the Sustainability Report
	100% of Hilton Foods production facilities ethically audited	Achieved	100% of Hilton Foods production sites have had a third party ethical audit
	Train all Hilton Foods employees on human rights	On track	Training provided in 2024 to the Board and Executive Leadership Team and Site Sustainability Leads. Human Rights training material has been developed for all employees and will be integrated into our induction training in 2025
	Modern slavery awareness training extended to all managerial colleagues	On track	Training materials in development to be accessible on our new online learning system
	100% of labour and service providers audited to Hilton Foods Agency Labour Standard	On track	Our Agency Labour Standard has launched across all sites, and all labour and service providers independently audited as part of our SMETA roll out
	100% of primary suppliers signed up to Hilton Foods Supplier Social Code of Conduct	On track	All Hilton Foods businesses have engaged their primary suppliers on this requirement
	100% of new primary suppliers screened using Hilton Foods Social Criteria	On track	Ethical screening integrated into new supplier approval for protein suppliers
	100% of high-risk primary suppliers audited	On track	SMETA audits for high risk primary suppliers have been initiated
Developing potential	All production colleagues offered the opportunity to participate in 'work conversations' with their manager to discuss performance, development, career aspirations, wellbeing, ideas and feedback	On track	Work Conversations have been rolled out across all our sites
	Development opportunities for all management talent identified as ready for succession through annual review of leadership capability and succession	On track	294 colleagues participated in Manufacturing Excellence programme across our UK and APAC sites
	150 colleagues to go through leadership development programmes by 2025	Achieved	190 colleagues taken part in our Accelerated Development programmes since 2019

Our 2025 Sustainability Protein Plan at a glance continued

Graphic removed

Planet

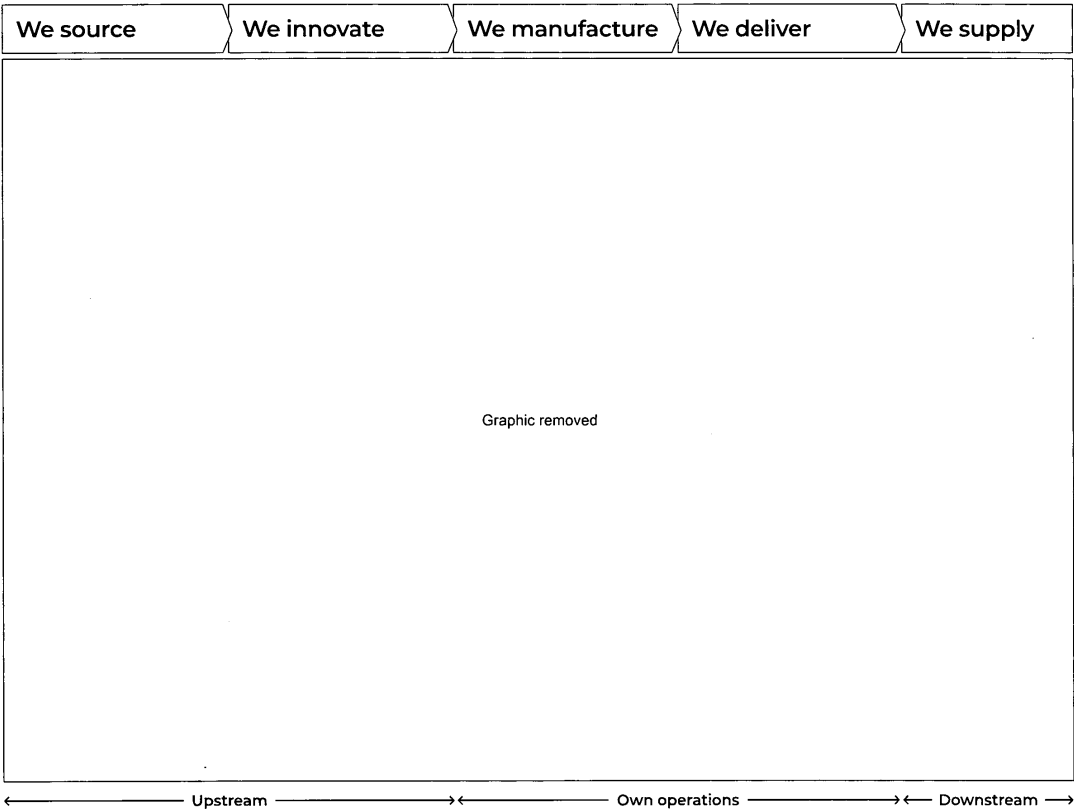
Pillar	2025 targets	Status	Progress
Reducing emissions	100% renewable electricity across all own operations in Europe by end of 2025 and globally by 2027	On track	79% renewable electricity globally, 93% in Europe 100% achieved at all production sites in the UK
	Achieve our science-based targets (SBTs) across Scope 1, 2 and 3 in line with published timelines and publish updated ambitions by 2025	On track	Updated our SBTs in line with 1.5°C and published Transition Plan 32% reduction in absolute Scope 1 and 2 18% reduction in absolute Scope 3
	Intensity reduction of 15% in emissions of cattle in Europe by 2025 (aligned to the ERBS Sustainability objectives)	On track	Detailed Transition Plan focused on decarbonising our beef supply chains
Enhancing animal welfare	More than 90% of livestock from farms in assurance schemes	On track	Actively working with farm assurance schemes to improve standards, more detail in our Animal Welfare Statement
	100% humane slaughter of animals across all our products including aquaculture	On track	100% of animals in our supply chain are stunned prior to slaughter
	Responsible antibiotic use throughout our supply chain	On track	Antibiotic use by our suppliers is recorded and monitored as part of farm assurance schemes, further detailed in our Animal Welfare Statement
Nature positive	Eliminate deforestation from the conversion of natural forests to agriculture or livestock production in our supply chains	On track	Preparing for compliance towards the EUDR, more detail in our 2025 Deforestation Statement
	Maintain 100% of paper and board from certified sources	On track	All paper and board purchased is from a FSC or PEFC-certified chain of custody
	Planning and reporting tools provided to all farmers to support regenerative farming	On track	Rolling out of Chirrup boxes across farms, an artificial intelligence tool to measure biodiversity through bird song. Now verified as effective as experienced ecologists for identifying birds
	100% of seafood responsibly sourced to Hilton Foods standards (aligned to the Sustainable Seafood Coalition code and PAS 1550), and openly reporting supply chains through Ocean Disclosure Project	On track	86% of seafood responsibly sourced to Hilton Foods standards and 100% of seafood reported through the Ocean Disclosure Project
	Hilton Foods Seachill directly sourced wild caught seafood 100% certified to the MSC standard or equivalent (by 2025)	On track	98% of wild caught UK seafood in Hilton Foods Seachill was either MSC certified or in a comprehensive Fishery Improvement Project

Our 2025 Sustainability Protein Plan at a glance continued

Graphic removed		Product	
Pillar	2025 targets	Status	Progress
Balanced healthy diets	Double sales of plant-based, vegetarian and flexitarian products (compared to a 2020 baseline)	On track	52% increase in sales of plant-based and vegetarian products compared to a 2020 baseline
	Assess health and sustainability attributes of all Hilton Foods proteins to provide consumers with information on their role in healthy, sustainable diets	Achieved	All products have been benchmarked against nutritional criteria across Hilton Foods, 65% of products across Europe scored A or B against Nutri-Score nutritional criteria
Circular packaging	Reduce direct packaging waste by 30% (compared to 2021 baseline)	Achieved	36% reduction in equivalent site waste against 2021 baseline*
	Drive demand for circular tray-to-tray recycling and actively prioritise the use of circular material	On track	Tray-to-tray introduced at the majority of sites, 100% tray-to-tray trial at Hilton Foods UK, circa 20% tray-to-tray content in majority of our European sites
	All Hilton Foods retail packaging fully reusable, recyclable or compostable	Behind	77% of total packaging is recyclable
	Achieve minimum of 50% average recycled content across all plastic packaging	Achieved	Achieved 56% average recycled content across our plastic packaging
	Reduce the weight of plastic packaging while ensuring it remains fit for purpose	On track	Introduction of flow wrap technology has reduced plastic packaging weight by 295 tonnes in 2024
Resource efficiency	Improve energy efficiency in Hilton Foods production facilities by at least 10% (compared to 2020 baseline)	Achieved	Used less energy in every site during 2024 compared to 2023 10.2% reduction in total equivalent energy consumption, with 19.6% reduction in thermal energy use*
	Improve water efficiency in Hilton Foods production facilities by at least 10% (compared to a 2020 baseline)	On track	9.5% reduction in total equivalent water consumption*
	Halve Hilton Foods factory generated food waste by 2030 compared to 2019 (in line with the Champions 12.3 commitment to deliver UN SDG 12.3)	On track	47% reduction in food waste compared to a 2021 baseline
* Excludes new acquisitions since 2020, including Fairfax Meadow, Dalco and Foppen.			

How we work through the value chain

At Hilton Foods, we have a crucial position at the centre of the food value chain with the freedom to influence and innovate across each stage of the supply chain.



Supply chain transparency

At Hilton Foods, our partnerships hold the key to our impact. We have a crucial position at the centre of the food value chain with the freedom to influence and innovate across each stage of the supply chain.

We partner with Foods Connected and Evolve4 to maximise our efficiency and provide end-to-end traceability of our supply chain.

Foods Connected

Our partnership with Foods Connected provides us with base traceability, tracking the movement of products through the supply chain. It also allows us to communicate our commitments to suppliers, adding a further level of visibility on:

1. Animal welfare
2. Human rights
- 3 Food safety and quality
4. Carbon emissions
5. Packaging recyclability
6. Sustainable sourcing

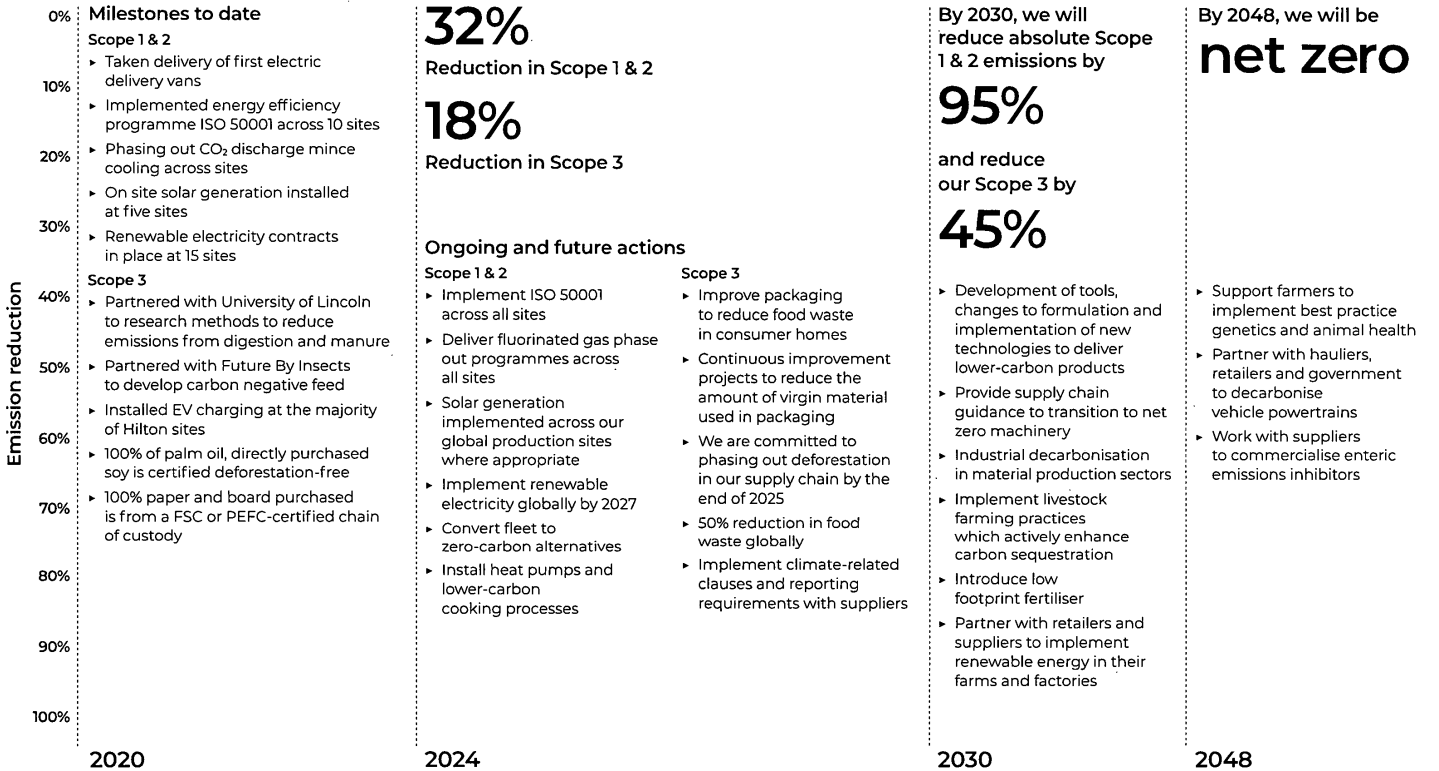
Evolve4

Our partnership with Evolve4, an ERP software provider, gives actionable insights into our production. Providing a system that can increase productivity, reduce waste and support personnel management.

Delivering net zero

The following pages break down our roadmap to achieving net zero by 2048, looking at the actions we've taken so far and our upcoming projects, which ensure we meet this target.

- ☐ Scope 1 & 2
- ☐ Scope 3



Areas of the biggest impacts and risk

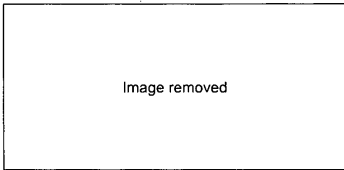
Material issues

The materiality matrix maps the most crucial aspects of sustainability by pinpointing what matters most to our business and the world around us.

In 2024, we embarked on an in-depth reassessment of our material topics and implemented a double materiality scope, to better understand our most material impacts on people and/or the environment, as well as the most material risks and opportunities for our business.

Refreshed material topics, to be published in the 2025 Annual Report, will be material from an impact perspective, a financial perspective, or both. Aligned to both company-specific metrics and Hilton Foods' Sustainable Protein Plan going forward.

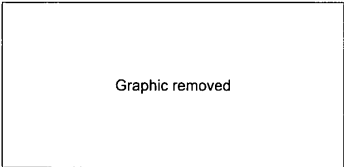
Whilst we are still in the double materiality process, this Annual Report focuses on our previously reported material topics. These topics were determined through consultation with internal and external stakeholders, having recognised expertise across our key risk areas (including NGOs, consultancies, customers, retailers and suppliers) to ensure a holistic and nuanced understanding of the issues that matter most to our business and stakeholders. The current materiality matrix has been reviewed and deemed still relevant for 2024.



Our current material topics of significance are:

Product safety, quality and integrity The safety of our products is our first priority and everyone's responsibility at Hilton Foods. We ensure our factories adhere to rigorous quality standards and we are ever-vigilant to ensure we maintain these standards. As we continue to expand into new markets and grow our customer base, this remains a growing risk for us.
Deforestation Although 100% of our paper and board purchased is from a FSC or PEFC-certified chain of custody and 100% palm oil and directly purchased soy we buy are certified as deforestation free, we are still working to ensure our entire supply chain is deforestation free. We are engaging with emerging legislation in the EU and have updated ambitions to align our science-based targets to 1.5°C and contribute to the elimination of deforestation from our supply chain.
Climate change It is increasingly clear that the global food system contributes to climate change, so we have further increased our internal focus on tackling climate change and mitigating its effects. While we are continuing to improve measurement of our impact both in our operations and throughout the value chain, we are now very much into the delivery of those targets with significant progress being made.
Human rights Ensuring communities and workers across our value chain receive fair treatment and are safeguarded is a moral, regulatory and strategic imperative. Around the world, governments are introducing additional legislation to protect these rights; complying with, and where possible exceeding these legal requirements, is a core part of the Sustainable Protein Plan.
Health and safety A safety-first culture is at the heart of our operations and we recognise that there are risks for our colleagues who work across the sites. We have programmes at all site locations to ensure a safe environment is maintained at all times and through our audit programme, we are working to mitigate any risks that occur and reduce lost time incidents.

Materiality matrix



Governance

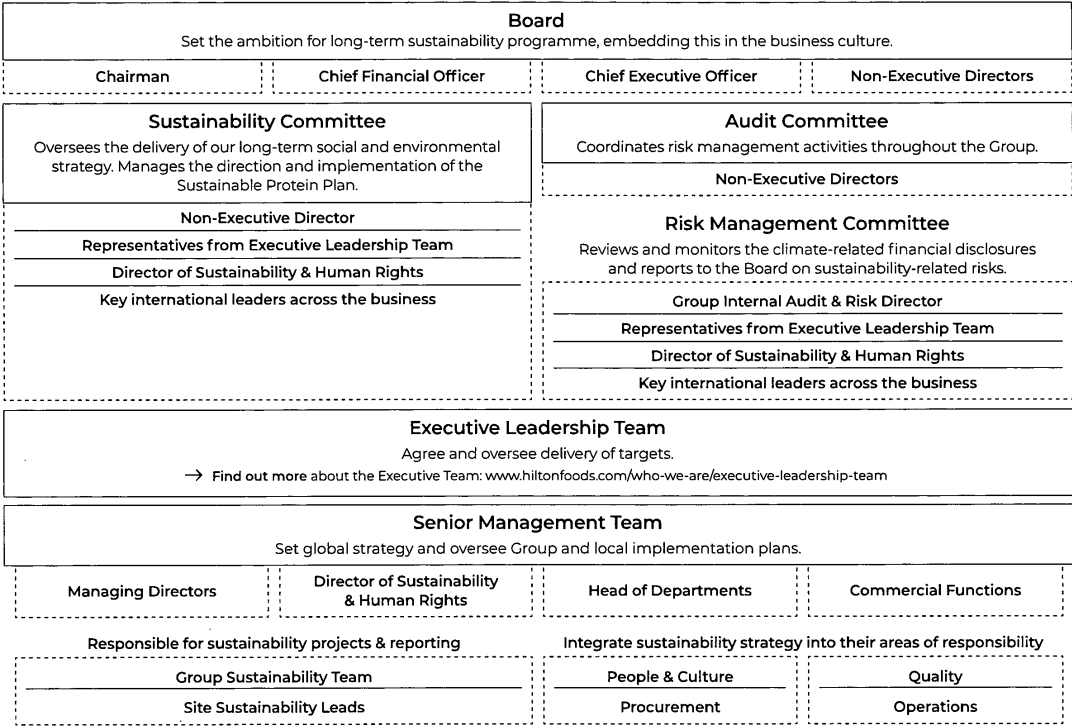
How is sustainability embedded in our business?

Our plans for a better food system require heads to come together, across the business at every level. We have built a governance structure to ensure sustainability is part of every conversation and that everyone has a part to play in achieving our goals and targets within our Sustainable Protein Plan, whilst ensuring accountability and oversight at all levels of the business.

→ Further detail on our sustainability governance structure can be found in our TCFD report on page 63. Our combined TCFD and TNFD report can be found in our standalone Sustainability Report.

In 2022, we announced specific sustainability targets in the Hilton Foods Long-Term Incentive Plan (LTIP) as part of our ambition to embed sustainability within our business strategy. Last year, we further developed the LTIPs to have an increased weighting around our People pillar. To ensure leadership are held accountable, we introduced quantifiable people metrics to drive progress across all three pillars of our strategy.

→ More detail on our ESG embedded LTIPs can be found on page 101.



Sustainability

People

Graphic removed

We believe the work we do as a business is crucial for society and brings value to all our stakeholders, from consumers through to farmers and producers.

But none of this value would be possible without the people who drive Hilton Foods forward each and every day. Ensuring the safety, wellbeing and fair treatment of everyone in our business is at the centre of everything we do, fuelling our progress and shaping our future.

Alignment with the UN SDGs

Graphic removed

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life

Graphic removed

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

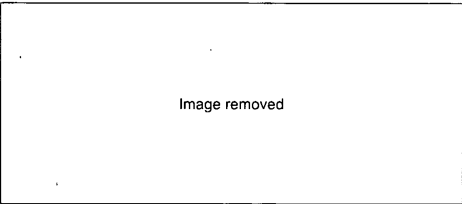


Image removed

“

Ensuring that every worker in the Hilton Foods supply chain is treated fairly, paid properly, and protected from exploitation is a cornerstone of responsible business. Slave-Free Alliance is proud to support Hilton Foods' work on this.”

Robin Trenbath
Senior Advisor, Slave-Free Alliance

Graphic removed

People

Valuing our people

2025 targets

Reduce Lost Time Incidents (LTIs) by 10% (against 2020 baseline across Hilton Foods)

Establish Global Wellbeing Framework to support employee wellbeing

30% of all leadership roles filled by women

Employee consultative forums or works councils at all Hilton Foods sites

People are at the core of Hilton Foods' strategy; they are the essential element of all our operations and businesses. With over 7,500 employees across 10 countries, their innovation, collaboration and care enable us to deliver exceptional products to global customers every day.

The health, safety and wellbeing of our colleagues are our core priority. However, this year, we are reporting a 47% increase in Lost Time Incidents against our 2020 baseline. Measuring against the unprecedented year of 2020, where our factories and offices had less people on site, is challenging. However, it is our duty to robustly address this increase, and we have put in place mitigations across all our manufacturing sites. Health and safety is a key focus area for 2025. It is important to note, however, that our Lost Time Incident Severity Rate, has decreased by 47%.

In 2024, we expanded access to mental health services and enhanced support for wellbeing initiatives with mental health first aiders at every site and campaigns like 'It's OK not to be OK' at our Fairfax Meadow sites.

Diverse and inclusive teams are key to achieving our growth plans. As ongoing strategic partners for Meat Business Women, the platform supports women throughout their careers in the industry, providing mentorship programmes and workshops, ensuring women have the tools they need to thrive professionally.

An ongoing focus of this year has been our impact on local communities. Our sites have shown remarkable care and initiative, fundraising for national and regional charities, such as the Samaritans. Hilton Foods Ireland collected goods over Christmas to donate to their local homeless centre and women's refuge.

Learnings from the last year

The voices of our employees are crucial to the success of the business. Our annual engagement survey collected 6,414 colleagues' responses. Wellbeing, continued opportunities for growth and inclusion came out as key priorities.

Harnessing these insights, sites are able to bring about targeted positive change to our employees from expanding access to mental health services to the launch of our Inclusion Network.

Looking ahead

We are focused on empowering colleagues to share their ideas and thoughts, using processes such as our engagement survey and employee forums to suggest positive changes. We are always looking at innovative ways to encourage a safe working environment that supports employee wellbeing. In 2025, we are looking into stress management and intervention, diving deeper into the impact of stress so that we can ensure the healthy minds of every employee at Hilton Foods.

34%

women in leadership roles

47%

reduction in Lost Time Incident Severity Rate

People

Protecting human rights

2025 targets
Functioning governance structure in place
Train all Hilton Foods employees on human rights
Modern slavery awareness training extended to all managerial colleagues
100% of labour and service providers audited to Hilton Foods Agency Labour Standards
100% of primary suppliers signed up to Hilton Foods Supplier Code of Conduct
100% of new primary suppliers screened using Hilton Foods Social Criteria
100% of high risk primary suppliers audited

Ensuring respect for human rights standards across both our own operations and our global supply chains is central to Hilton Foods' mission. Just as we value the contributions of our employees, we embed what it means to operate as an ethical business at every level.

Informed by Principle 15 of the UN Guiding Principles on Business and Human Rights, which states that companies must 'know and show' their respect for human rights, we have committed to internationally agreed standards. From ethical sourcing of raw materials to safeguarding fair practices across our supply chains.

At Hilton Foods, we protect the rights of workers within our business and supply chains by ensuring fair remuneration, supporting freedom of association and collective bargaining, upholding high health and safety standards, fostering discrimination-free workplaces and ensuring access to effective grievance mechanisms.

We have integrated our Human Rights Policy into core business functions through our global Supplier Social Responsibility Code of Conduct and Compliance Requirements. This has led to a globally aligned appraisal of human rights and labour risks linked to our supplier approval process. In 2024, we improved these processes by gathering data to identify our salient human rights risks, ensuring our human rights due diligence is as effective as possible. This is further detailed in our GRI Human Rights disclosures in our Sustainability Report. As part of this process, we conducted a comprehensive review of our current practices, challenges, and opportunities to strengthen our approach to human rights and modern slavery risk management across our business.

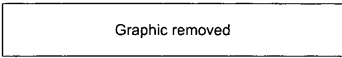
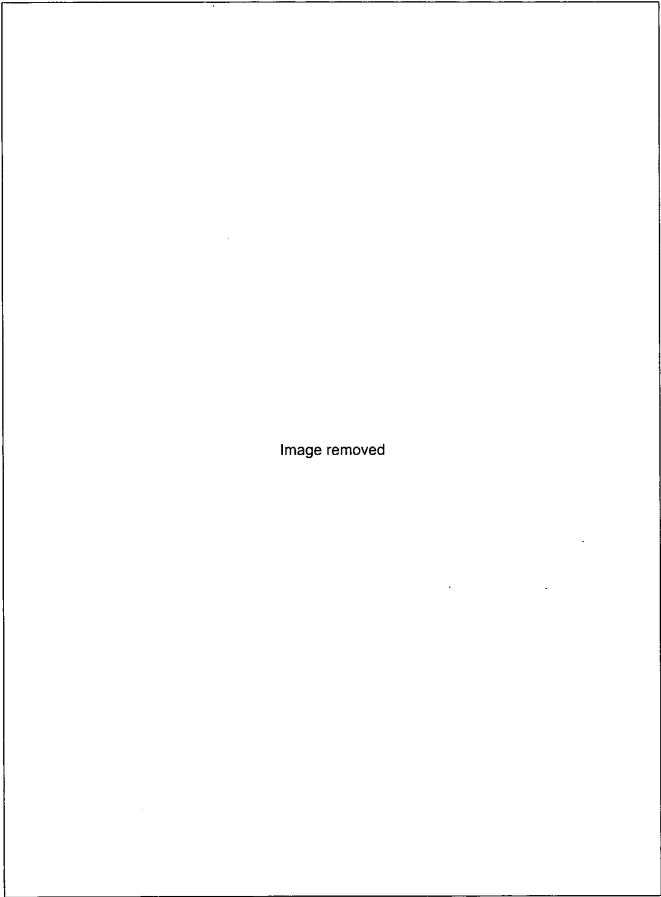
Learnings from the year

Ongoing geopolitical turbulence continues to challenge the protection of human rights in our sector, with third-party labour exploitation continuing to be a risk in many regions where we operate. In 2024, we strengthened our efforts to detect and prevent modern slavery and exploitation within our operations. Our strategy included establishing robust internal systems by integrating a core ethical labour standard across all global manufacturing sites, with all our sites successfully completing SMETA audits in 2024, the world's most recognised ethical labour standard. It is important to us that we hold ourselves and our supply chain to the same standard.

Looking ahead

We continue to work to create a risk management system sensitive to evolving risks, which also incorporates worker feedback. In 2025, we will further develop our human rights due diligence, focusing on supplier collaboration and worker engagement to address emerging risks. By evolving our risk management systems and ensuring they are sensitive to global challenges, we aim to continuously improve working conditions in the food sector.

People
Protecting human rights continued



100% of Hilton Foods manufacturing sites ethically audited

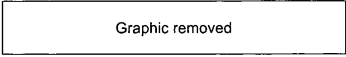
As a major employer, ensuring all workers are treated with dignity and respect, in safe and fair workplaces, is a fundamental priority. Since the launch of our Group Human Rights Policy in 2021, where we committed to the core conventions of the International Labour Organisation and the Ethical Trading Initiative's (ETI) Base Code, we have been working towards a mechanism to demonstrate both our compliance to our own standard and methodology to support continuous improvement.

All our manufacturing sites have now been audited against the ETI Base Code using the SMETA methodology. SMETA, one of the world's leading ethical audit frameworks, comprehensively covers labour standards, health and safety, environmental practices, and business ethics. This achievement underscores our commitment to enabling a fair and safe workplace.

Implementing an ethical audit standard across our own business has helped us understand areas of improvement. It has validated worker contracts, hours and pay across all levels of our workforce, including employees, security services, agency workers, canteen and cleaning staff. Crucially, despite the variations in labour laws across our global operations, we now maintain a consistent, golden thread of standards that all workers at Hilton Foods' sites can expect and rely upon.

The SMETA audit process also includes interviews with a diverse range of workers from each site, offering them a platform to candidly share their experiences with an impartial third party. This has been invaluable for our senior leadership teams across our sites, who have engaged wholeheartedly with implementing their feedback, taking proactive steps to implement necessary changes.

We will continue to run ethical audits as a core element of our human rights programme, ensuring our commitments are met with rigour and transparency.



2021
launch of our Group Human Rights Policy

100%
of Hilton Foods manufacturing sites are ethically audited

People

Developing potential

2025 targets

All production colleagues offered the opportunity to participate in 'work conversations' with their manager to discuss performance, development, career aspirations, wellbeing, ideas and feedback

Development opportunities for all management talent identified as ready for succession through annual review of leadership capability and succession

150 colleagues to go through leadership development programmes by 2025

At Hilton Foods, we believe that a business built around people must empower every colleague to reach their full potential. Supporting career growth and skill development is fundamental to our shared success.

In 2024, we launched our online learning management system at our UK sites, offering employees flexible and accessible opportunities for professional growth. This will be rolled out across all our businesses in 2025 allowing us to drive our culture of continuous improvement across the many areas in which our employees work.

We expanded our Manufacturing Excellence programme, with over 58 global participants in 2024, the highest participation levels to date. This initiative not only enhances knowledge sharing but also builds confidence, fosters collaboration, and delivers practical solutions across our workforce. We also expanded our Emerging and Exploring Leaders programme, with over 103 participants in 2024, 51% of whom were women. More on both programmes can be read in our Sustainability Report.

These efforts reflect our commitment to nurturing talent, championing career development and ensuring every colleague feels valued as part of our team. By investing in our people, we continue to drive progress against our strategy and build a stronger, more innovative business.

Learnings from the year

As we continue to grow, we are building robust systems to recognise and develop internal talent. The successful launch of our online learning management system in key regions has provided access to a wide range of training, supporting improved skillsets in management, organisation and delivery of projects. In 2025, we are excited to expand this rollout, with a focus on delivering training centred around key sustainability topics.

Looking ahead

We are launching our first graduate scheme at our Huntingdon headquarters in September 2025. Previously, we have welcomed apprentices and interns but are excited to take this next step in encouraging young talent into our business. The next generation give a unique perspective that will support and drive our business forward. We are dedicated to creating opportunities for everyone at Hilton Foods to enhance their skills, advance their careers and feel valued within our team.

190
colleagues have taken part in our Accelerated Development Programmes

66,566
total hours of training completed

801
graduates and apprentices

Sustainability

Planet

Graphic removed

Our commitment to protecting the planet begins with our goal of achieving net zero emissions by 2048, but it extends far beyond that.

We strive to build a truly sustainable food system by raising standards in every area, from animal welfare to the responsible stewardship of land and sea. The opportunity to create meaningful impact drives this pillar of our Sustainable Protein Plan, guiding us to act responsibly and push boundaries.

Alignment with the UN SDGs

Graphic removed

2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems

Graphic removed

14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans

Graphic removed

15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

Image removed

“

The new Transition Plan details the actions the business will take to achieve these targets, covering operations, products and services, policies and financial planning.”

Sarah George
Edie Content Editor
on our Transition Plan

Planet

Reducing emissions

2025 targets

100% renewable electricity across all our own operations in Europe by end of 2025 and globally by 2027

Achieve our science-based targets across Scope 1, 2 and 3 and publish updated ambitions

Intensity reduction of 15% in emissions of cattle in Europe by 2025 (aligned to the European Roundtable for Beef Sustainability's (ERBS) sustainability objectives)

Building a resilient, net zero business is at the core of our strategy. Ensuring we deliver this goal requires dynamic collaboration across our business and with the wider industry to ensure enduring decarbonisation.

This is why, in 2024, we launched our updated science-based targets and our first Group Transition Plan. This lays out our plan for delivering a 95% reduction in direct emissions by 2030 and reducing our supply chain emissions by 45% on a journey to reaching net zero by 2048. Our leadership position was recognised this year as we received an A for our CDP Climate disclosure.

On sites we have continued to implement our decarbonisation programme. Our Fairfax Meadow site welcomed the first electric vans as part of a programme to electrify our entire fleet. We also switched on a new 1.8 MW solar panel array at our Truganina plant, and Hilton Foods Holland was the most recent site to switch to 100% renewable electricity, with our remaining European sites set to join them in 2025. Across the Group, we have continued to implement ISO 50001 energy efficiency standard across our sites and have initiated a programme to phase down our use of fluorinated gases in refrigeration.

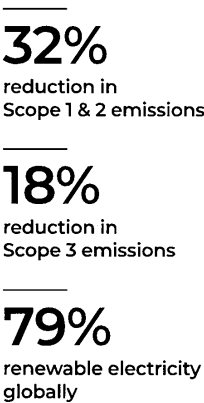
We are also collaborating across the value chain to deliver on our Scope 3 ambitions. In 2024, we continue to partner with Seafish and other processors to develop and align on the use of the Seafood Carbon Emissions Profiling Tool (SCEPT), as well as projects with farms to increase use of byproducts and install renewable electricity.

Learnings from the year

In our Transition Plan, we shared the detail behind our Scope 3 emissions, arguably the most challenging area for emissions reduction for food companies. Category 1 Purchased Goods and Services accounts for 98.6% of Scope 3, and within that beef is most material to our footprint. Improving animal genetics and health to increase animal productivity is among the most effective approaches to greenhouse gas mitigation. Partnership with farmers to deliver this will be crucial to the mitigation of our associated emissions from livestock.

Looking forward

The diffuse nature of farming and fishing, with many small-scale producers, can make engagement challenging, so partnership will be essential. This will include supporting suppliers to deliver the best practices on food waste and energy efficiency, which we have implemented in our own factories, scaling projects like Chirrup from pilot phase to full implementation and working across the industry, through initiatives like the UK Seafood Federation and the ERBS, to embed enduring decarbonisation across our supply chain.



Planet
Reducing emissions continued

Image removed

“

There is huge opportunity for collaboration across the industry to create positive change with our partners and communities to benefit our ecosystems.”

Steve Murrells CBE
Group Chief Executive Officer

Graphic removed

95%
reduction in Scope 1 & 2
emissions by 2030

2048
is when we will reach
net zero

Graphic removed

Leading in sustainable proteins – the launch of our Transition Plan

As part of our journey to becoming a net zero company, we published our first Group Transition Plan in November, 2024. This plan is our commitment to a sustainable future, developed by our expert in-house team in collaboration with suppliers, customers and academia. Our Transition Plan details the actions we will take across the food system to achieve our ambitious science-based targets, while increasing resilience throughout our value chain. To ensure the deliverability of our near-term targets, all measures through to 2030 are fully deliverable with existing commercially available technologies.

As part of the Transition Plan, we have developed site-level decarbonisation plans, which will enable us to cut emissions from our own operations by 95% by 2030. We now have in place programmes to advance efficiency, implement leading production technology, phase out the use of fluorinated refrigerants and implement renewable electricity across our manufacturing sites.

Achieving our Scope 3 targets requires close collaboration with partners to reduce product footprints and strengthen the resilience of the global food system. We have developed credible roadmaps to decarbonise key ingredient supply chains and are actively working with partners to implement them. This effort complements expanded programmes to minimise packaging use and reduce food waste across our value chain.

Hilton Foods is proud to be one of the first food companies to release a Group Transition Plan aligned with the Transition Plan Taskforce's recommendations, now the internationally adopted benchmark. This milestone builds on our data-driven decarbonisation journey. Starting with a clear baseline, we have established a robust roadmap to ensure targeted and effective delivery.

Our Transition Plan will evolve over time, with periodic updates to reflect progress and refine our approach as we advance towards a sustainable future.

Image removed

→ Read more about our plan to reach net zero on the Hilton Foods website.

Planet

Enhancing animal welfare

2025 targets

More than 90% of livestock from farms in assurance schemes

100% humane slaughter of animals across all our products including aquaculture

Responsible antibiotic use throughout our supply chain

Ensuring high animal welfare standards is integral to our business, enabling us to meet our customers' expectations for high quality, sustainably reared livestock and aquaculture. Together with our retailer partners, suppliers and farmers we are committed to the development and implementation of high welfare standards for livestock and farmed fish across our global supply chains, from breeding and rearing to transportation and slaughter.

As a global business, we aim to share learnings across the different markets in which we operate, using our influence to drive progressive improvements in animal welfare that meet and exceed legal requirements.

To achieve our ambitions, we continue to develop the knowledge and skill set of our own auditors. We work in partnership with industry and expert bodies to identify and prioritise areas for research and implementation of innovations in animal care. We are members of the Board of the European Roundtable for Sustainable Beef (ERBS) production and now hold the chair for the ERBS Technical Working Group. Through this group, we have ambitious animal health and welfare targets to ensure that animals in beef production across Europe are provided with an environment in which they can thrive.

Learnings from the year

We recognise the role that our business can play, given our cross species and global reach, in improving animal welfare. In 2024, we published our first Crustacean Policy, recognising crustaceans as sentient beings. We also saw an improvement in the percentage of livestock suppliers achieving a green rating in their animal welfare audits. This continues to demonstrate the value of Hilton Foods' animal welfare audits on driving animal welfare improvements across our global supply chain.

Looking forward

As our business grows, so does our knowledge of animal welfare, we will continue working towards increasing the percentage of animals sourced from certified farm animal welfare assurance schemes, and where possible, utilising higher welfare schemes. As our suppliers continue to report animal welfare outcome measurements, we will explore how we can benchmark this data and provide insights to further drive animal welfare improvements within the supply chain as part of a more sustainable food production system.

70%

of our suppliers achieved a green rating in our animal welfare audits

100%

of animals in our supply chain are stunned prior to slaughter

Planet

Nature positive

2025 targets

Eliminate deforestation from the conversion of natural forests to agriculture or livestock production in our supply chains

Maintain 100% of paper and board from certified sources

Planning and reporting tools provided to all farmers to support regenerative farming

100% of seafood responsibly sourced to Hilton Foods standards (aligned to the Sustainable Seafood Coalition code and PAS 1550), and openly reporting supply chains through Ocean Disclosure Project

Hilton Seachill directly sourced wild caught seafood 100% certified to the MSC standard or equivalent (by 2025)

The unprecedented loss of nature is a major contributor to climate change, and in the same instance, climate change is making it increasingly difficult for nature to recover. As a business, we want to move beyond protecting the natural environment to ensure that we provide valuable nature positive contributions. We are committed to halting and reversing this nature loss and supporting the long-term recovery of nature, while maintaining people's access to sustainable proteins.

We want to enhance the diversity of nature within our farming and production ecosystems. To achieve these aims we continue to develop our understanding and map our own impact on biodiversity with support from the University of Lincoln. We have continued our work with 2025 Earthshot Prize nominee, Chirrup, as they aim to develop a scalable tool for monitoring

biodiversity. We have also continued to support the Ocean Disclosure Project through the sharing of supply chain data. This greater transparency in sourcing will drive improvements in, and reduce the environmental impact of, seafood production.

Learnings from the year

Despite the delay in the implementation of the EU Deforestation Regulations (EUDR), we remain committed to achieving a deforestation-free supply chain. The process of preparing for the EUDR has supported the roll-out of a system that highlights areas of greater risk, ensuring we have the correct due diligence to demonstrate sustainable sourcing. We continue to collaborate with partners through the UK Soy Manifesto to ensure that all physical shipments of soy to the UK are deforestation and conversion free by the end of 2025.

Looking forward

2024 saw the successful validation of Chirrup's birdsong bioacoustics technology reinforcing the role that birdsong can play as a method for monitoring biodiversity. We are looking forward in 2025 to supporting the wider rollout of the Chirrup technology, allowing farmers to establish a baseline of their biodiversity and provide insights to support them in their nature positive initiatives.

In addition, we will look to provide leadership to the industry as we aim to support farmers through a Hilton Foods farmer engagement programme. This will build on existing work to support farms in their transition to regenerative processes; enhancing soil and water resources, increasing biodiversity and having a positive impact on nature.

100%
paper and board purchased is from a FSC or PEFC-certified chain of custody

100%
certified deforestation-free soy in salmon feed and directly purchased soy

100%
of seafood reported through the Ocean Disclosure Project

Sustainability

Product

Producing affordable proteins that put people and planet at the centre of the innovation process, from product development and packaging to the efficiency of our factories.

Every piece plays an important part in ensuring we can deliver high-quality proteins to your plate.

Alignment with the UN SDGs

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Graphic removed

Graphic removed

Graphic removed

Image removed

“

Innovation plays a crucial role in the development of our products. This includes sustainability innovation, for example in partnership Tesco, and Hilton Foods have trialled the development of trays from 100% recycled packaging.”

Kené Umeasiegbu
Responsible Sourcing Director
Tesco

Product

Balanced healthy diets

2025 targets

Double sales of plant-based, vegetarian and flexitarian products (compared to a 2020 baseline)

Assess health and sustainability attributes of all Hilton Foods proteins to provide consumers with information on their role in healthy, sustainable diets

Providing sustainable, affordable and healthy food is at the very heart of the Sustainable Protein Plan. Ensuring households have the facts they need to make informed choices on their diets, aligned to their values.

As part of our commitment to providing consumers with choice, understanding the nutritional value of our products and having the data to both inform future product development and consumers, has been a key focus of this year. We benchmarked our products' nutritional value for all our European sites, with 65% of our products receiving A or B Nutri-Score nutritional values. This benchmarking process is being extended across our entire business to provide a comprehensive overview of our products. More detail on this project is in our Sustainability Report.

With 71% of consumers prioritising both sustainability and health in their purchasing habits (source: Mintel), these remain at the forefront of our strategic decisions. Through in-depth consumer insights research, we can identify emerging trends and adapt our offerings to meet them. For example, to support the rising popularity of the slow-cooked category we

have developed a range of products that give consumers the eating experience of a longer cooking process, without having to dedicate the time and energy use at home. This insight-driven approach ensures we remain attuned to shifting preferences, while delivering sustainable, affordable and accessible choices for all.

Learnings from the year

76% of consumers feel the effects of climate change (source: GlobalScan), but the cost-of-living crisis has had a significant impact on consumer's ability to make sustainable choices, often having to sacrifice for more affordable ones. With affordability acting as a continuous barrier for consumers, we are using our data-driven approach to explore how we can create products that reduce cost both at retail and when cooking at home. We are also diversifying our portfolio to include proteins with lower emissions such as seafood and flexitarian products.

Looking forward

We will continue to use insights to drive new product innovation, in addition to continuing to upskill our colleagues and customers to enable them to educate consumers on the nutritional benefits of red meat in the diet. We are delivering our transition to more sustainable beef, lamb, pork and seafood as outlined in our Transition Plan. Working tirelessly to find solutions at all stages of farming and manufacturing, so that consumers don't have to compromise.

65%
of products across our European sites have an A or B Nutri-Score

52%
increase in sales of plant-based and vegetarian products

Product

Circular packaging

2025 targets
Reduce direct packaging waste by 30% (compared to 2020 baseline)
Drive demand for circular tray-to-tray recycling and actively prioritise the use of circular material
All Hilton Foods retail packaging fully reusable, recyclable or compostable
Achieve minimum of 50% average recycled content across all plastic packaging
Reduce the weight of plastic packaging, while ensuring it remains fit for purpose

Packaging is an essential part of our business, it guarantees the safety of the product, while prolonging shelf-life. But, it is also a key focus for consumers, with 54% saying packaging is the most appealing sustainability claim.* Whilst packaging is required to ensure food safety, we are committed to reducing its use and working towards a fully circular packaging system, reducing the amount of virgin material we use and reducing food waste throughout our value chain.

As part of our continued efforts towards a fully circular system, we successfully launched the first trial of 100% recycled tray packaging with Tesco and Klöckner Pentaplast (kp). Using kp's Tray2Tray® technology, we produced 100% recycled PET (rPET) food trays made from recovered tray material.

We continue to innovate through collaboration with our strategic partners. Flow wrap has been rolled out to sites across Europe, reducing plastic packaging by up to 70%. In addition, we have continued to roll out moisture retaining trays that allow us to phase out the use of soaker pads and improve recyclability.

We are going further to also take packaging out of natural environments that are being polluted. We are partnering to produce packaging from plastic recovered from the seashore. Since we began in 2022, we have removed over 446 tonnes of plastic from the environment.

Learnings from the year

In food manufacturing, balancing sustainability with practicality in packaging is a constant challenge. The lack of national recycling infrastructure limits the effects of even the most innovative packaging solutions. Through collaboration across industries, governments and communities to align efforts, we can improve recycling infrastructure and drive systemic change. Our commitment to the UK, Australian and Canadian Plastic Pacts is an example of this. Providing an industry-wide commitment to 100% of plastic packaging being reusable, recyclable or compostable and 30% recycled content in packaging.

Looking forward

We are thrilled about the strides we are making in sustainable packaging, including trialling trays using 100% recycled PET trays. This milestone reflects our commitment to innovation and reducing environmental impact. Looking ahead, we are eager to continue driving change through cutting-edge solutions, expanding circular packaging systems, and collaborating to address global challenges.

295

tonnes of plastic saved in 2024 by moving to flow wrap

446

tonnes of plastic recovered from the ocean since 2022

56%

average recycled content in plastic packaging

* Source: Mintel.

Product

Circular packaging continued

Graphic removed

100% Tray-to-Tray recycling at Hilton Foods UK

There are a number of reasons to transition to a circular packaging system. It reduces waste by reusing materials and redirecting them from landfill in addition to reducing the energy required to make new plastic. It is also pushing us to find innovative solutions to reduce plastic use. Most importantly, a circular system is needed to build towards a more sustainable future.

At Hilton Foods UK, we partnered with Klöckner Pentaplast (kp) Tray2Tray® and Tesco to pilot a ground-breaking project to recycle trays into new food-safe trays. Tesco's mince was packed in trays made entirely from recycled PET tray and sealed with kp FlexiLid®, a film containing 30% recycled content.

This project aimed to challenge the recycling infrastructure and demonstrate that 100% of a recycled tray can be efficiently processed back into food-grade trays to be used again and again. With one million tonnes of PET trays produced annually in the EU, only 5% are recycled back into food packaging. By establishing a dedicated supply stream for recycled PET tray, this initiative has the potential to significantly increase that percentage, creating a stronger circular economy.

This trailblazing effort marks a significant point in our journey to actively prioritise the use of circular material and discourage plastic going to landfill.



This achievement exemplifies the power of collaboration with our customers and suppliers to deliver market-leading innovation to the shelves. Through these strong, long-standing partnerships, we remain dedicated to creating cutting-edge solutions that align with the goals of our Sustainable Protein Plan and our customers' ambitions, while upholding the highest standards of quality and product shelf life for their consumers."

Andrea Jex
Procurement Director at Hilton Foods

Image removed

©Klöckner Pentaplast

100%

recycled food trays into new food-safe trays

30%

recycled content in kp FlexiLid®

Product

Resource efficiency

2025 targets

Improve energy efficiency in Hilton Foods facilities by at least 10% (compared to a 2020 baseline)

Improve water efficiency in Hilton Foods facilities by at least 10% (compared to a 2020 baseline)

Halve Hilton Foods factory generated food waste by 2030 compared to 2019 (in line with Champions 12.3 commitment to deliver UN SDG 12.3)

The most cost-effective way for any business to reduce its environmental and social impact is to make better use of resources. That is why we continue our laser focus on efficiency, both in our factories and our supply chains. We are constantly innovating to find new markets for food that was historically considered waste and optimise our use of energy, water and other resources, without reducing product quality.

Our team of engineers are constantly driving continuous improvement across the business, with 10 of our sites now certified to ISO 50001. One of the benefits of being a global business is the range of expertise we have within the team with the ability to test innovative solutions in one of our facilities before rolling them out globally. Many of our sites now run yields in excess of 95% and every site is now using less energy than they were in 2020, with some having delivered reductions of more than 70%.

Our expansion into supply chain management, automation and factory design, through Greenchain Solutions, allows us to support supply chain partners to implement the learning we have developed in our own facilities, so they can reduce emissions in their facilities.

Learnings from the year

The biggest challenge in resource efficiency is in costing the less tangible benefits of resource efficiency. Upgrading to more efficient technologies or practices often has benefits in reduced maintenance, increased reliability and reduced insurance costs, all of which bring financial benefit to the business, as well as using less energy, water and materials. Well-implemented, some can even become revenue generators, allowing us to buffer demand to the grid or creating a new market for a product we previously viewed as waste. Understanding the multifaceted benefits of these opportunities will allow us to accelerate resource efficiency and reduce costs, while ensuring we deliver on our decarbonisation goals.

Looking forward

In 2025, we will complete the roll out of site-level decarbonisation plans at all sites, accelerating existing programmes to phase down the use of fluorinated gases on our sites, deliver ISO 50001 across sites and decarbonise heat generation at an asset level, all whilst reducing the amount of energy, water and materials we use.

10.2%

reduction in energy use since 2020*

9.5%

improvement in water efficiency since 2020*

47%

reduction in food waste since 2021

* Excludes new acquisitions since 2020, including Fairfax Meadow, Dalco and Foppen.

TCFD

2025 climate disclosures

Introduction

We recognise that, while climate change presents major challenges to the food sector, meeting those challenges also presents opportunities for our business. Hilton Foods is committed to assessing how these risks impact our business and responding accordingly. In the last year, we have started to analyse the nature-related risks to our

business (published in the TNFD section of our Sustainability Report), updated our science-based targets and released our Group Transition Plan.

In line with the requirement for mandatory climate-related disclosures arising from the Companies (Strategic Report) (Climate-related Financial Disclosure)

Regulations 2022, as well as FCA Listing Rule 6.6.6R, we have provided information to stakeholders on the potential climate-related risks and opportunities for our business to enable them to make informed decisions. We set out in the following sections our climate-related financial disclosures consistent with all of the TCFD recommendations and recommended

disclosures as detailed in 'Recommendations of the Task Force on Climate-related Financial Disclosures', 2017, including the appropriate annexes and supporting guidance. Details on the 11 recommended disclosures can be found on the following pages, in addition to details of where climate-related disclosures outlined in Section 414CB of the Companies Act 2006 are located in the below table.

Recommendation	Recommended disclosures	Reference	CA 414CB
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Describe the Board's oversight of climate-related risks and opportunities	Page 64	(a)
	Describe management's role in assessing and managing climate-related risks and opportunities	Page 64	(a)
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term	Page 66	(d)
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Page 66	(e)
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Page 67	(f)
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks	Page 65	(b)
	Describe the organisation's processes for managing climate-related risks	Page 65	(b)
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Page 65	(c)
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Page 75	(h)
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Page 75	(h)
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Page 75	(g)

TCFD continued

Governance

Our climate change governance structure is set out on page 47.

Board oversight of climate risks and opportunities

The Board, led by our Chair Mark Allen, is responsible for the long-term success of the Group and has ultimate responsibility for climate-related risks and opportunities. The Board meets no less than eight times a year and provides rigorous challenge to management on progress against sustainability and wider business targets and goals.

This year, the Board approved our detailed Group Transition Plan, Sustainability Report and initial proposals for ongoing sustainability strategy, as well as a scheme to improve employee's access to electric vehicles and projects to increase the reusability of secondary packaging across the Group. Our climate KPIs, goals and objectives, as detailed as follows, form part of the Board agenda when appropriate through their oversight of the Sustainable Protein Plan. Climate-related issues form part of the Board's consideration of major strategy decisions, significant projects and wider business planning.

The Board also ensures the Group maintains an effective risk management and internal control system, including over climate-related risks and opportunities. This includes the use of audit and assurance resources. The Board, via the Audit Committee, has an ongoing review process for principal risks, including climate change (see page 31). This is supported by an in-depth annual assessment.

The Board delegates certain sustainability matters to principal committees: the Sustainability Committee has oversight of climate-related strategy, while the Audit Committee supports the Board in relation to climate-related risks. Individual Board members have experience relevant to climate risk management, including financial, supply chain, sustainability and general governance roles across a range of industry sectors including global retailers and their suppliers (see Board of Directors biographies on our website). In addition, the Board receive training on the Group's climate challenge, key and upcoming legislation, regulatory trends and how we are responding as a business on an annual basis.

Sustainability Committee

From a strategic perspective, climate-related issues are discussed within the Sustainability Committee, which is chaired by Non-Executive Director, Rebecca Shelley who has substantial sustainability experience, which helps to inform Board discussions. Rebecca led Tesco's sustainability strategy and delivery programme internationally for four years and was responsible for sustainability programmes for financial services companies including Prudential plc. In her Non-Executive roles on other boards, she chairs the Liontrust Asset Management Sustainability Committee and is a member of the Conduit Re Sustainability Committee.

The Committee meets at least three times per year and monitors the progress and performance of the Group's sustainability strategy (the Sustainable Protein Plan), key initiatives for reducing the business' climate footprint throughout our value chain, as outlined in our Transition Plan, and our performance in reducing our overall environmental impact. The Chair of the Sustainability Committee reports any updates at each Board meeting as part of the standard agenda for each meeting.

The Committee also reviews our reported KPI's as outlined in the 'Metrics and targets' section, through our KPI monitoring system, which tracks Group-level metrics, such as emissions, energy and water use. The Committee Chair informs the Board of our strategy and progress every three months.

The Committee also reviews our reported KPIs as outlined in Metrics and Targets below, through our KPI monitoring system, which tracks Group-level metrics, such as emissions, energy, and water use.

Management's role in assessing and managing climate and nature-related risks and opportunities

Our Chief Executive, Steve Murrells, is a permanent member of the Sustainability Committee and has ultimate management responsibility for climate-related targets, commitments and policies. Steve has extensive sustainability experience having been responsible for sustainability strategy in his previous roles as CEO of Co-op Group and Co-op Retail. At the Co-op Group, he campaigned on climate change issues including serving as a panel member at COP26 and Chair of the British Retail Consortium's Climate Action Roadmap steering group.

As part of our commitment to sustainability, Steve leads our positive response to addressing climate-related risk and opportunities. Day-to-day governance of climate-related issues are delegated to the Executive Leadership Team, which oversees the strategy to meet our climate-related targets, monitors the progress of our transition to a net zero business and aligns our product portfolio to shifts in demand.

The Sustainability Team, led by the Chief Quality and Sustainability Officer, is responsible for identification and mitigation of climate risk, across both our operations and supply chains. This team oversees carbon reduction projects in partnership with customers, suppliers and wider industry. Members of the team hold governance roles within industry collaborative forums, due to the transient nature of these roles they are outlined on our website.

The Executive Leadership Team also monitor progress against a project plan and KPI tracker specific to each site. Climate-related issues are monitored by the Group Sustainability Team and mitigation strategies are developed for approval by the Executive Leadership Team and reported by the Group Sustainability and Human Rights Director to the Sustainability Committee.

TCFD continued

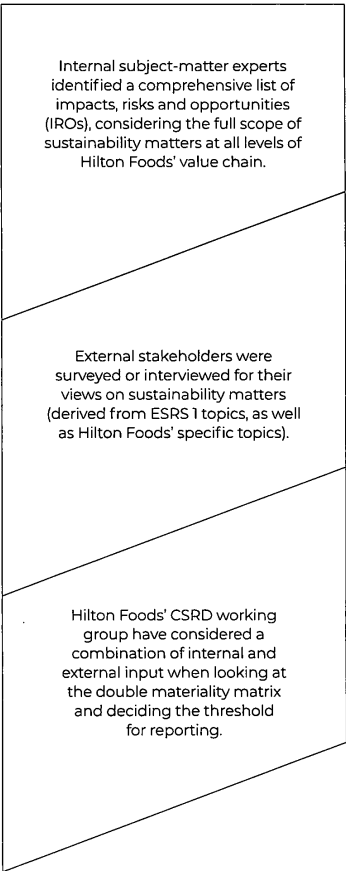
Processes by which management is informed about climate-related issues
In addition to the previous information flow, management is also advised by our internal experts in areas such as energy procurement, sustainable agriculture and supply chain. Management is involved in national, regional and global associations and forums, providing scientific information on relevant risks and mitigations and research with universities. More detail on our collaboration may be found in our standalone Sustainability Report.

Management conduct regular horizon scanning activities to monitor climate and nature-related risks and opportunities. This informs the ongoing review of Group environment policies, which cover climate-related topics. This is in addition to our annual sustainability materiality process detailed further on page 45.

The business also has specific controls in place in purchasing to ensure compliance with our ambitions. We have implemented a requirement for capital goods purchasing to conduct a simplified lifecycle assessment of the project, focused on climate impacts, and have internal guidelines requiring additional sign-off for the purchase of fossil fuel-consuming equipment or equipment containing fluorinated gases. We are also phasing climate-related clauses into contracts with key suppliers. Selected senior colleagues, as well as those in key commercial roles, receive training on climate change. Additionally, a risk assessment is conducted for all protein suppliers on the SEDEX platform, with high-risk suppliers required to conduct a SMETA audit. This includes an evaluation of their environmental management processes.

Risk management
Audit and Risk Management Committees
Climate-related risks are identified, monitored and their mitigation strategies are reviewed within the Internal Audit and Risk management function, which ensures the full integration of climate-related risks into the Group's risk management framework. The Group Internal Audit and Risk Director executes a key role, supported by the Chief Quality and Sustainability Officer, in ensuring that management are identifying, mitigating, monitoring and reporting on all key risks, including those linked to climate change. Our human rights-related risks also include any relevant impacts and dependencies on indigenous communities or local communities. The Risk Management Committee considers the risk appetite and reviews the progress and development of internal controls and their implementation. They then assess the effectiveness of these activities independently to report to the Audit Committee and Board. The Audit Committee determines risk categorisation and mitigation measures before final Board approval. The Risk Management Committee and the Audit Committee both meet four times per year respectively, and climate change is discussed and monitored at all Audit Committee meetings as one of our principal risks.

Our processes to identify, assess and monitor climate and nature-related risks
The assessment of climate-related risks is a collaborative effort across business functions and allows for consideration of a risk's timescale and magnitude of potential impacts. This process determines the categorisation of principal and emerging risks for final approval by the Board. The magnitude of climate-related risks, opportunities, impacts and dependencies are assessed using the criteria on the following page. This was slightly revised in 2024 to align with the upcoming Corporate Sustainability Reporting Directive (CSRD).
Hilton Foods considers climate-related risks and opportunities in all physical and transition risk categories. We consider current and emerging climate-related risks in our operations, upstream and downstream supply chain. Existing and proposed legislation and regulatory requirements are continually monitored to determine changing compliance requirements, such as controls on emissions, deforestation commodities or product environmental labelling. In combination, this information helps in determining how management prioritise resources in managing the most material climate-related risks.
Risks are subject to continual refinement and quantification over time, which assists in any required incorporation of climate-related risks into the Group's overall budgeting, strategy and financial statements. A comprehensive re-evaluation of the Company's climate-related risks was carried out as part of the development of our double materiality matrix to be published next year.



TCFD

continued

Climate-related risk assessment

We assess the relative magnitude of climate-related risks and opportunities using the below scale. This is specific to climate-related risks and distinct from the quantifiable indicators used to define our principal risks. This scale accommodates the significant potential impact of climate-related risks on the Group, differentiates between various high-risk climate issues

that would otherwise be equally weighted under our principal risk matrix, and better reflects their importance relative to other Group risks. Risks are assessed prior to mitigation due to limitations in available data and to enable us to monitor the proportionality of mitigations, however financial assessment of the residual risks include relevant mitigations to enable us to evaluate the residual risks.

Risk	Opportunity impact
Very high - Possible failure of the business and unable to achieve corporate objectives - Loss of ability to operate - Very significant fines or criminal proceedings - International press coverage and irrevocably tarnished reputation	- Very significant financial gains - Widely observed success of the business - Could have international press coverage and thriving reputation
High - Significant impact - Cast significant doubt on the ability to meet objectives - Significant adverse regulatory judgement and/or fines - National press coverage and tarnished reputation	- Significant financial gains - Positive outlook for future of the business - Could have national press coverage
Medium - Considerable issue but short-term - Only relatively minor concern about longer term business prospects - Larger fines and written judgements - Public awareness but limited long-term impact on reputation	- Significant financial gains - Positive outlook for future of the business - Could have national press coverage
Low - Disruption to activities but limited to the immediate term - No longer term impact on ability to achieve objectives - Small fines or written warnings - Customer aware but no press coverage	- Small positive financial impact - Limited public awareness - No impact on reputation
Minimal - Inconvenience, but no impact on ability to achieve objectives - Regulator is aware but no impact - Not in the public domain	- Minimal positive financial impact - No public awareness - No impact on ability to achieve objectives

Strategy

Approach

Hilton Foods recognises that the need to act on climate change presents both risks and opportunities to our business. The management or development of these has been factored into our Transition Plan and wider sustainability strategy through the Sustainable Protein Plan. The Group is impacted by both physical and transition risks which are outlined in detail as follows. Climate change has been a principal risk for the Group since 2020 and we are in the process of evaluating the salience of nature as a risk.

For the purposes of this disclosure, we have used the following time-horizons for our climate risk analysis. The short-term horizon covers our immediate in-year actions, the medium-term horizon includes our near-term business strategy and the long-term time horizon encompasses our actions that contribute to achieving our net zero strategy, our asset life and sufficient time period for climate-related risks to manifest. Certain climate-related risks are unlikely to materialise before the medium or long-term horizon or may have a high degree of unpredictability both in occurrence and severity (e.g. major cyclones).

Time horizon	From (years)	To (years)
Short	0	1
Medium	1	5
Long	+5	

Our approach to climate scenario analysis

In accordance with the TCFD recommendations, we have reviewed the behaviour of certain risks under different climate outcomes to help inform our strategy and financial planning, this is laid out in our Transition Plan and the Physical Risk section of this report. We used three primary public scenarios to better understand our exposure to climate change transition risks and opportunities, in addition to three Intergovernmental Panel on Climate Change (IPCC) scenarios to model the behaviour of physical hazards. The time horizons for scenario analysis extend beyond our overall risk time horizons and are derived from the modelling software used to assess behaviour of risk under different SSP/RCP scenarios. Use of these time frames allows for more comprehensive evaluation of potential risks given their greater likelihood to materialise in the longer term.

Scenarios have been supplemented with additional internal and external sources specific to each risk to inform our assumptions. Scenario analysis involves assumptions and limitations such as:

- Impacts are considered in the context of the current business structure, financial performance and prices
- Impacts are modelled to occur in a linear fashion, when in practice dramatic climate-related impacts may occur suddenly after tipping points are breached
- The analysis considers each risk and scenario in isolation, when in practice, climate-related risks may occur in parallel as part of a wider set of global impacts
- Energy system modelling was conducted on the basis of national average projections
- The Evaluate and Assess analysis parts were conducted by applying a weighting system to intermediary risk slices, representing projections of natural factors at specified years with data availability varying by factor

TCFD continued

- The weights were determined using a decay function based on the Net Present Value (NPV) discount factor, reflecting risk tolerance.
- For a medium-risk tolerance, higher weight was assigned to risks in the near future, while a low-risk tolerance extended more consideration to risks, which are more likely to occur further in the future.

Our overall assessment indicates that the business remains resilient to climate-related risks across all three scenarios. This resilience is attributed to our awareness of these risks, the flexibility of our business model, and our existing and planned mitigation strategies as outlined in our Transition Plan. We have conducted some initial quantification of the impact our climate-related risks and opportunities may have on the Group, using

all available data and relevant modelling where appropriate. However, whilst this work is ongoing as part of our wider double materiality assessment, we have decided not to publish quantification details at this stage due to the very high levels of assumption involved and the potential to mislead stakeholders. We will continue to refine our financial impact analysis, relevant to Strategy (b) with a view to updating the disclosures in the next reporting cycle.

Our Transition Plan is fully integrated and its execution is part of our ongoing business strategy, and this will evolve as we integrate further modelling into our strategy. When evaluating risk time horizons in scenario modelling we align to the weighted average cost of capital for the disclosure year.

Physical risks

We have conducted a number of assessments of the physical risks to our business in previous years. These were largely conducted by external parties working in partnership with our internal Risk, Finance and Sustainability Teams. In 2025, we have brought this capability in house, allowing us to better integrate this work with our strategic functions. Our 2025 assessments will build upon our TCFD work from previous years and expand to look at nature risks in some areas.

North Atlantic

In our 2024 TCFD, we examined the physical risks in our North Atlantic seafood supply chain in response to record temperatures, both on an annual and acute basis, in that region. We have built upon this by conducting a species-level assessment to understand how climate change is likely to impact the ideal sea temperatures for spawning (for wild capture) and growing (for both aquaculture and wild capture) in those existing supply areas.

We assessed temperature-related risks and opportunities for whitefish populations across key areas in the North Atlantic. The analysis used 2040, 2060 and 2100 scenarios under SSP 1-2.6, SSP 2-4.5 and SSP 5-8.5.

Key factors considered included fish habitat areas, habitat depths and temperature ranges for spawning and feeding. Given projected temperature increases under the 2060 SSP 2-4.5 scenario, the analysis indicated a high likelihood of stress on whitefish populations. This stress could drive habitat shifts to deeper waters or less affected areas meaning seafood operations would have to adjust accordingly. Fishing vessels may need to adjust their fishing areas or explore alternative depths, with a wider industry move towards aquaculture to maintain supply. Such shifts may demand investments in new equipment and strategies to align with changing ecological conditions. Increased species diversity and greater use of aquaculture in our product range presents an opportunity to address this challenge.

An additional opportunity was identified in the southern hemisphere, where reductions in ocean temperatures due to planetary precession cycles may enhance fishing conditions. Regions such as the southern coasts of New Zealand, Australia, Africa and the Americas could become increasingly viable for whitefish operations, offering a sustainable solution to Northern challenges.

In the future, we will expand this work to better understand the nature-related impacts, dependencies, opportunities and risks associated with our seafood value chain.

Scenario	Source	Change in global mean surface temperature (°C) by 2100	Notes
Net Zero Emissions by 2050 Scenario (NZE)/RCP2.6/SSP 1	IEA	1.5°C	Greenhouse gas (GHG) emissions are strongly reduced, resulting in a trajectory consistent with limiting the temperature increase to less than 1.5°C in 2100 compared to the pre-industrial period. This provides a below 2°C scenario.
	IPCC		
Stated Policies (STEPS)/RCP4.5/SSP 2	IEA	2.5°C	A combination of physical and transition risk impacts as temperatures rise by around 2.5°C by 2100 with 50% probability. This scenario is used as it represents a base case scenario with the trajectory implied by today's policy settings.
	IPCC		
RCP8.5/SSP 5	IPCC	4.1-4.8°C	GHG emissions continue to grow unmitigated, leading to a best estimate global average temperature rise of 4.3°C by 2100. This scenario is included for its extreme physical climate risk impacts, consistent with likely climate anomalies over an extended timeframe.

TCFD continued

Beef supply chains

In 2023, we conducted a limited assessment of climate risks in our Australian beef supply chain. Further details of this can be found in the 2022 Annual Report, page 76. In 2025, we expanded our focus to include nature and climate risks in our beef supply chains in the UK, Ireland and Australia. A detailed geospatial assessment of the climate-related biodiversity opportunities and risks was conducted by our specialist in-house team.

To estimate our impact on biodiversity, we used the Bioscope tool. This showed that approximately 97% of our in-scope biodiversity impact is concentrated in Australia, mainly due to land use for beef production. We examined various factors to highlight where these impacts were most significant, such as deforestation, regions with a high forest integrity and areas experiencing rapid biodiversity loss.

In Australia, the most sensitive areas were linked to places facing rapid biodiversity decline and regions experiencing high water stress, which has been exacerbated by the impact of climate change. In the UK and Ireland, the most sensitive areas were primarily protected areas and regions with high physical water risks, highlighting key environmental challenges in these regions. While we are still developing the tools to address these issues through cross-sector collaboration, this work will enhance our long-term supply chain resilience by informing our purchasing decisions and business continuity plans.

This assessment has also strengthened our plans for transitioning to a net-zero beef supply chain. It has shown us where the system is vulnerable and where nature-based solutions can support a resilient and sustainable beef sector. This will guide the development of our nature strategy, aligning it with our transition plan and broader environmental goals.

In the coming years, we will expand our assessments to encompass additional species and regions. More details on our nature-related risks can be found in our Sustainability Report.

Physical risk and opportunity tables

1. Extreme weather or chronic climate impacts on upstream supply chains

Risk/Opportunity	Risk		
Type	Rising mean temperatures		
Area	Upstream		
Primary potential financial impact	Disruptions in local supply, regional availability and/or pricing volatility		
Description	Extreme weather and chronic climate change may impact the supply of crop products or have a detrimental impact on livestock production in our supply chain through degradation of pasture, volatility in the supply of animal feed or water, and physical heat stress. For example, under SSP1 it is expected 21.3% of our Australian beef supply chain to be experiencing severe heat stress, 22.6% under SSP2 and 31.7% under SSP5. This considers a net present value aligned to wider financial risk modelling. Sudden regional shocks may increase volatility in food prices in international markets. The impact on beef and whitefish supply chains is discussed in more detail in this year's report. The impact on salmon value chains is discussed in the 2023 Annual Report and further information on our beef supply chains can be found in our 2022 Annual Report.		
Time horizon	Short term	Medium term	Long term
Impact under SSP1	Low-Medium	Low-Medium	Low-Medium
Impact under SSP2	Low-Medium	Low-Medium	Low-Medium
Impact under SSP5	Medium	Medium	Medium
Areas impacted	Global		
Response	Long-term regional impacts resulting from climate change would be industry wide and not specific to the Group. We maintain flexibility in regional and global supply chains, and have reduced exposure to local disruptions in comparison to peers as we are not integrated at the farm level. A large proportion of the Group's purchased meat products are sourced from Northern Europe, where we consider climate effects to be manageable admitting some adaptation to changes in precipitation patterns and warming temperatures. In Australia, livestock production will continue to make a significant contribution to food supply globally and for intensive production systems, adaptation strategies are already being implemented.		

TCFD continued

Physical risk and opportunity tables continued

2. Risk of rising sea levels to Grimsby and Netherlands sites

Risk/Opportunity	Risk
Type	Rising sea levels
Area	Own operations
Primary potential financial impact	Disruption to production, increased insurance premiums, loss of inventory
Description	Seven coastal or low-lying sites are determined to be at high or extreme risk from rising sea levels and coastal storm surge under our base case scenario (SSP1) by 2100, representing approximately a third of our total estate. Sites in the Netherlands are in the highest risk zone under all time horizons, but the level of national flood protections is high. The risk score at our Grimsby sites is projected to increase from medium to high under baseline and severe climate scenarios, which highlights risk of flood-related property damage, destruction of products, and increased insurance premiums.
Time horizon	Short termMedium termLong term
Impact under SSP1	LowLowHigh-Very High
Impact under SSP2	LowLowHigh-Very High
Impact under SSP5	LowLowHigh-Very High
Areas impacted	UK, Netherlands
Response	Netherlands sites have very strong standards of regional flood protection. Specifically, our Oosterhout and Zaandam sites are protected against a 1-in-2,000, and 1-in-10,000-year flood respectively. While the standard of protection is lower at our Grimsby and Harderwijk sites, we note that climate-related coastal flooding events are a long-term risk. We anticipate continuous planned investment by the Dutch Government on reinforcement of flood protections. Likewise, bodies such as the UK Environment Agency oversee flood defences on the port of Grimsby, such as concrete wave walls installed between 2013 and 2016. Given the proximity to population centres and critical national infrastructure, we expect this level of investment to be maintained, so quantification of unmitigated risks is likely to be misleading.

3. Storm risk to production facilities

Risk/Opportunity	Risk
Type	Physical (Severe Weather)
Area	Own operations
Primary potential financial impact	Disruption to production, increased insurance premiums, destruction of protections
Description	Flooding in February 2023 in New Zealand has raised awareness of the potential risk to our facilities from storms and flooding. At present, our Auckland facility is categorised as being at medium exposure to flash floods, and our modelling suggests increases in maximum five-day precipitation at the site by 11% and 14% under 1.5°C (SSP1) and 2.6°C (SSP2) scenarios respectively (by 2030). When measuring wind speed severity, the site will remain at a low exposure (142–184km/h) to tropical cyclones, and medium exposure (121–160km/h) to extratropical cyclones under all future time horizons and scenarios. In addition, the Brisbane metropolitan area is prone to flash flooding and is under very high precipitation stress in all future time horizons and scenarios. While our modelling does not indicate a direct impact to our Brisbane facility, severe river flooding may impact local infrastructure, transport links and employees, affecting the normal operation of the site.
Time horizon	Short termMedium termLong term
Impact under SSP1	Medium-HighMedium-HighMedium-High
Impact under SSP2	Medium-HighMedium-HighMedium-High
Impact under SSP5	HighHighHigh
Areas impacted	Auckland, Brisbane
Response	While we project increased precipitation at our Auckland and Brisbane facilities, such storms are challenging to model given their infrequency, high degree of random variability and complex interrelation of underlying small-scale physical processes. We will continue to proactively monitor projected changes to this risk and our business continuity plans at the site. In addition, the Auckland and Brisbane sites have substantial disaster preparedness plans, which can be enacted in the event of physical hazards including storms.

TCFD
continued

Physical risk and opportunity tables continued

4. Drought impacting production facilities

Risk/Opportunity	Risk		
Type	Changes in precipitation patterns, rising mean temperatures, water supply		
Area	Own operations		
Primary potential financial impact	Disruption to production		
Description	Several sites, most notably those in Australia (Truganina and Bunbury), Portugal (SoHi) and Greece (Preveza), operate in locations where water scarcity is a present reality, and where the risk is expected to rise under all scenarios, with more infrequent precipitation events and increased annual maximum temperatures under all scenarios. Analysis indicates our Truganina (7.0% fresh water usage), SOHi (5.2%), Bunbury (2.6%) and Preveza (6.5%) facilities are at high or very high exposure to increased drought stress under warming scenarios.		
Time horizon	Short term	Medium term	Long term
Impact under SSP1	Medium	Medium	Medium
Impact under SSP2	Medium	Medium	Medium
Impact under SSP5	Medium	Medium	Medium
Areas impacted	Truganina, Bunbury, Preveza, SoHi		
Response	Water scarcity is already a feature of operating in Australia, and we are focused on improving the efficiency of water use on site; this year installing rainwater capture, treatment and use, and cleaning optimization at all four sites across Australia and New Zealand. Additionally, individual states have well developed drought preparedness plans and comprehensive water grids. Our Preveza and SoHi facilities have access to both municipal and groundwater sources, allowing them to manage periods of shortage from the municipal network without compromising hygiene. This already occurs at peak season for tourism in Preveza. In the event of severe drought conditions, we have strong relationships with all relevant authorities to minimise impacts and have the ability at Truganina to connect tankers to supply water.		

5. Decline in availability of wild capture species due to the impacts of climate change

Risk/Opportunity	Risk		
Type	Impacts on the state of species, rising mean temperatures		
Area	Upstream		
Primary potential financial impact	Fall in stock/volume available, damage to trophic structure, increased cost of ingredients		
Description	In June 2023, temperatures in the Northeast Atlantic peaked at 1.6°C above preindustrial average, double any historic anomaly. Research suggests that rising water temperatures and changes to global weather patterns may impact seafood growth rates in the North Atlantic. Rising sea temperatures are likely to result in altered salinity, pH and nutrient availability, which can impact fish growth rates. This is likely to impact aquaculture, wild capture for aquaculture feed and wild capture for human consumption. The impact on salmon value chains is discussed in the 2023 Annual Report. Additionally, overfishing and inadequate management of seafood stocks is likely to have a compounding effect in certain geographies as climate change causes greater fluctuations in sustainable catching levels.		
Time horizon	Short term	Medium term	Long term
Impact under SSP1	Low	Low	Medium
Impact under SSP2	Low	Low	Medium-High
Impact under SSP5	Low	Medium	High
Areas impacted	North Atlantic, Canada		
Response	The dependence of yields in aquaculture on water conditions means the seafood industry has a well-established understanding of potential impacts of changing conditions and undertakes proactive research and planning in order to respond. This includes genetic selection adapt to new conditions, alternative farming techniques and taking preventative actions. Novel feeds, such as those derived from algae and insects, are being used in our supply chain to reduce the dependence on wild capture fish in aquaculture feed. By increasing species diversity in our product development and allowing for flexible production capacity, we are better equipped to respond to climate- and nature- related challenges in wild capture fisheries.		

TCFD continued

Physical risk and opportunity tables continued

6. Improved yields of ingredients due to warmer temperatures or increased rainfall and higher yields			
Risk/Opportunity	Opportunity		
Type	Changes in precipitation patterns, rising mean temperatures		
Area	Upstream		
Primary potential financial impact	Lower costs for ingredients		
Description	Our climatic modelling suggests that it is likely areas of Northern Europe will become more productive for agriculture due to increased temperatures or increased rainfall, or in some cases a combination of both. The trend of warming in the last 20 years in the UK and Ireland for example has led to increased rainfall and warmer temperatures further leading to an increase in Net Difference Vegetation Index (NDVI), used to model biomass volume and quality. This is likely to increase the availability of key feed crops for livestock, increasing growth rates and reducing costs to farmers and duly reducing ingredient costs. Modelling suggests the region is not likely to reach a tipping point towards negative outcomes before 2100 under any modelled scenarios, however this does not consider the compounding impacts of extreme anomalies. This is likely to increase the availability of key feed crops for livestock, increasing growth rates and reducing costs to farmers and duly reducing ingredient costs.		
Time horizon	Short term	Medium term	Long term
Impact under SSP1	Low	Medium	Medium
Impact under SSP2	Low	Medium	Medium
Impact under SSP5	Low	Medium	Medium
Areas impacted	Northern Europe, Canada		
Response	We constantly evaluate our supply chains to ensure their resilience and secure the most competitive pricing in line with our supplier guidance.		

Transition risks

Hilton Foods released our detailed Transition Plan in November 2024, one of the first in the food sector aligned to the Transition Plan Taskforce (TPT) with a global scope. This details our roadmap to achieve our Science Based Targets, ensuring we strengthen the resilience of our entire value chain. All measures in the plan, up to 2030, are achievable using current, commercially available technologies.

As we developed our Group Transition Plan the business' interaction with nature was carefully considered throughout, both as an enabler of decarbonisation and a dependency. Nature-based-solutions, such as improving soil carbon, managing manure decomposition, silvopasture and multitrophic aquaculture are considered in our decarbonisation strategies.

Core to our Transition Plan is strengthening the resilience of our supply chain to reduce the impact of the physical impacts on climate change. Many of the nature-based solutions mentioned therein will help make our systems more resilient, while the genetic and health improvements detailed in the Transition Plan will enable our livestock to better adapt to adverse weather. Interventions which improve management of fertiliser and manure, as well as adjustments to the food basket, will also improve system resilience.

Delivery of our Group Transition Plan requires working closely with partners in our value chain, across industry and with local communities. This collaboration will have both positive and negative impacts on stakeholders. We are conducting detailed work to understand human rights risks in our Transition Plan and in 2025 we will be conducting research with the University of Lincoln to study these issues further.

The likely impact of transition risks and opportunities have not been analysed on a scenario basis due to the level of uncertainty projecting policies robustly into the future.

TCFD continued

Transition risk and opportunity tables

1. Changing consumer purchasing preferences to lower emission alternatives

Risk/Opportunity	Risk
Type	Market
Area	Downstream
Primary potential financial impact	Reduced revenues of higher emission foods
Description	There is a risk that we fail to take full advantage of changing purchasing preferences for lower-emission proteins, resulting in loss of market share and reduced revenues.
Time horizon	Short-medium
Impact	Medium
Areas impacted	Developed markets
Response	Our mitigation strategy includes creating a diversified portfolio of proteins that aligns with consumer demand including expanding our seafood and plant-based offerings, as well as achieving significant reductions in the emission intensity of beef and lamb supplied to Hilton Foods. In addition, we are diversifying our business model, including through our Greenchain Solutions platform. We are working to reduce the footprint of our higher carbon products. Our Transition Plan provides a credible roadmap for reducing the footprint of red meat. We are now in the delivery phase, collaborating with value chain partners to implement it. Further details can be found in our Group Transition Plan.

2. Carbon pricing introduced to incentivise purchase of lower-carbon foods

Risk/Opportunity	Risk
Type	Emerging regulation
Area	Downstream
Primary potential financial impact	Price increases of higher emission products affecting balance of consumer demand
Description	If product pricing is adjusted to reflect its carbon footprint there may be a reduction in consumer demand, leading to reduced profits from foods where the footprints have not been mitigated. Modelling suggests that beef and lamb products would receive the largest increase in pricing, with some regional variation. This is detailed in our 2021 Annual Report.
Time horizon	Medium-long
Impact	Medium
Areas impacted	Global
Response	Our Transition Plan sets us apart as leaders in decarbonisation. To progress our objective for reducing emissions intensity by 2025, we have engaged in leadership of collaborative action to address the footprint of cattle farming with the European Round Table in Beef Sustainability (ERBS) and the UK Cattle Sustainability Platform (UKCSP). Further details can be found in our Group Transition Plan.

TCFD continued

Transition risk and opportunity tables continued

3. Reliance on third parties for achievement of emissions targets

Risk/Opportunity	Risk
Type	Market and reputation
Area	Upstream/own operations
Primary potential financial impact	Higher costs, higher cost of capital
Description	Delivery against the Group's net zero plan is in part reliant on third parties, and beyond 2030, it is dependent on technologies that are not yet fully available. Upstream, we are not integrated at the farm level so rely on farmers and other stakeholders to drive reductions of beef-related emissions. Reductions to Scope 2 emissions may be constrained by rates of grid decarbonisation and the ability of local grids to support renewable energy tariffs.
Time horizon	Long
Impact	High
Areas impacted	Global
Response	Seek to influence third parties' decarbonisation, through working collaboratively with retailers and engaging with governmental, farm assurance and industry bodies to shape supply chain decarbonisation policy. Continue to work with Foods Connected to develop the tools to effectively monitor and accelerate this transition and we are involved in academic research to better understand our upstream emissions. As described in our Transition Plan, we are beginning to introduce climate clauses into contracts, and are developing data reporting requirements for suppliers. This is supported by our work to promote supply chain sustainability, including implementing renewable energy in our Vietnamese seafood supply chain.

4. Decarbonisation of our operations including food and packaging waste, energy, and water efficiency

Risk/Opportunity	Opportunity
Type	Energy source, resource efficiency
Area	Own operations
Primary potential financial impact	Reduced cost and lower price volatility from self-generation, reduced energy use, packaging and water efficiency
Description	In our operations, electrification, energy efficiencies, investment in self-generation (solar/wind) and long-term contracts for renewable electricity sources may reduce outgoing costs, improve resilience, and mitigate against the cost of future carbon pricing. Improved packaging recyclability, reducing plastic content and reductions in weight may result in lower packaging costs and less waste.
Time horizon	Short-medium
Impact	Medium-high
Areas impacted	Global
Response	See key emissions reduction drivers. Further details can be found in our Group Transition Plan. We continue to seek grants and subsidies to facilitate facility upgrades as they become increasingly available.

TCFD continued

Transition risk and opportunity tables continued

5. Expand offering of supply chain systems, automation

Risk/Opportunity	Opportunity
Type	Products and services
Area	Upstream
Primary potential financial impact	Increased revenue
Description	By leveraging our IT and automation solutions for supply chain management, we have an opportunity to add a strategic growth driver in the sale of technology and services to other companies to enable them to become more efficient and reduce operating emissions. Through Greenchain Solutions, an industry-leading technology platform providing end-to-end supply chain solutions, the Group is at the forefront of technology and physical architecture design, which improves internal logistics.
Time horizon	Medium
Impact	High
Areas impacted	Global
Response	We continue to work with customers and suppliers to incentivise uptake of our technology and supply chain solutions. We can also lead in environmental data collection and traceability across multi-tier supply chains and capitalise on growing requirements for transparency across value chains to prevent negative environmental impacts.

6. Meeting consumer demand for foods with demonstrably lower footprints

Risk/Opportunity	Opportunity
Type	Markets
Area	Downstream
Primary potential financial impact	Increased revenues from sales of profitable low climate-impact products
Description	Demand is growing for a balanced portfolio of meat and fish products that have significantly reduced environmental impacts. Overall protein demand is expected to grow in the coming decades, presenting a significant opportunity for increased revenue if we successfully anticipate changing consumer preferences and meet that demand with lower footprint products.
Time horizon	Medium
Impact	Medium
Areas impacted	Global
Response	Our Transition Plan offers a credible path to reduce the carbon footprint of our products, particularly beef, and in recent years, we have diversified our portfolio into a wider range of proteins. As we do not farm or slaughter animals, our infrastructure can react quickly to emerging consumer behaviour. Hilton Foods is well-placed to respond to consumer preferences through the adaptability of our factories and operations, allowing us to quickly upscale production of lower-carbon products such as fish or plant-based as required. In addition, our investment in Cellular Agriculture, a leading UK cultured meat technology venture, offers the opportunity to further diversify our future product portfolio.

TCFD

continued

Metrics and targets

Physical risks and opportunities	Metrics & targets
1. Extreme weather or chronic climate impacts on upstream supply chains	Supply chain conditions are monitored at a Group level through our in-house spatial modelling capability and ongoing market analysis.
2. Risk of rising sea levels to Grimsby and Netherlands sites.	Local flood defence capability is monitored at a site level.
3. Storm risk to production facilities	Local weather conditions are monitored at a site level and appropriate business continuity plans are in place.
4. Drought impacting production facilities	We have a target to improve water efficiency in Hilton Foods production facilities by at least 10% (compared to a 2020 baseline). We monitor total water withdrawals by source as well as the percentage withdrawn from high risk areas. This is further detailed in our standalone Sustainability Report and CDP.
5. Decline in availability of wild capture species due to the impacts of climate change	We have a target for 100% of seafood to be responsibly sourced to Hilton Foods standards (aligned to the Sustainable Seafood Coalition code and PAS 1550) and 100% of directly sourced wild caught seafood to our UK facility to be sourced to MSC standard. This is further disclosed to the Ocean Disclosure Project and performance against these targets can be found on page 57.
6. Improved yields of ingredients due to warmer temperatures or increased rainfall and higher yields	Supply chain conditions are monitored at a Group level through our in-house spatial modelling capability and ongoing market analysis.

Climate-related metrics

Hilton Foods reports carbon dioxide equivalent (CO₂e) emissions across a 100-year timescale (GWP100) aligned to the IPCC's sixth Assessment Report and the recommendations of the Greenhouse Gas Protocol and the Science Based Target initiative. Our emissions are reported across Scope 1 and 2 (both location and market-based) and all relevant Scope 3 categories. Since 2020, our emissions data has been

independently verified by GEP Environmental (now Arthian) across all three Scopes to a 'limited level of assurance', which is in line with ISO 14064:3.

In addition, we report on GHG emissions intensity, total consumption of electricity, energy intensity, renewable electricity, gas and water, as well as emissions from fluorinated gases.

Transition risks and opportunities	Metrics & targets
1. Changing consumer purchasing preferences to lower emission alternatives	Hilton Foods has outlined Science Based Targets covering our key product commodities, and have a target to double sales of plant-based, vegetarian, and flexitarian products compared to a 2020 baseline. Performance against these targets is detailed on page 59. This risk is additionally monitored through external ESG ratings.
2. Changing consumer purchasing preferences to lower emission alternatives	Our Science Based Targets and Transition Plan are aligned to the Paris Agreement's goal to keep global temperature rise to 1.5°C above pre-industrial levels, which is likely to be the highest level of ambition to which carbon pricing regimes are aligned. These are further detailed in the Metrics section.
3. Reliance on third parties for achievement of emissions targets	Our Science Based Targets and Transition Plan are in place to support our supply chain in the delivery of these goals. These are detailed below.
4. Decarbonisation of our operations including food and packaging waste, energy, and water efficiency	To deliver our Transition Plan, we have established decarbonisation programmes at all sites. Our associated targets are to improve energy efficiency in our facilities by at least 10% by the end of 2025 compared to 2020 levels, and to use 100% renewable electricity across all our operations in Europe by the end of 2025, and globally by 2027. Details of our progress is detailed on page 54 of the report.
5. Expand offering of supply chain systems, automation	N/A
6. Meeting consumer demand for foods with demonstrably lower footprints	As part of the delivery of our Transition Plan, Hilton Foods has outlined Science Based Targets to reduce the emissions of our key product commodities. This is detailed on page 54.

When calculating our Scope 1, 2 and 3 emissions we take an equity share approach and use the most appropriate public data for our supply chains combined with supplier specific emission factors where available. In 2023 we added Agito, Sphere, Cellular Agriculture and Evolve4 to our reporting boundary, including backward calculations. Foppen has been included since our acquisition in 2022, just as Fairfax Meadow and Dalco were added in 2021.

There were no acquisitions in 2024 so the boundary has remained unchanged, however some equity shares have been adjusted, including the divestment of Sphere. This report includes backward calculated emissions across Scope 1, 2 and 3 allowing for consistent comparison within the report. Original calculations can be found in prior reports.

TCFD

continued

At Hilton Foods, we are constantly improving how we measure and report our Scope 3 emissions. In 2021, we moved from a financial accounting approach to an inventory approach and in 2022, we further refined this to use more regional and supply chain specific data. This has led to a change in our estimated emissions compared to what was reported in prior years. In 2024, there has been no major change to methodology, with the exception of 'Category 02. Capital Goods' and '05. Waste'. For Category 02 we have transitioned from a financial accounting approach using the WRI tool, which has been retired, and from 2024 will use an inventory-based approach. Emissions from IT purchases are calculated by allocating the number of units to the appropriate lifecycle assessment data for similar equipment, while other capital purchases are allocated to an appropriate emission factor, calculated from actual purchased equipment derived from the equipment purchased. Emissions from waste are now entirely based on actual measured disposal data, rather than some elements being based on extrapolation. Homeworking and use phase emissions have been reported separately as these are indirect Scope 3 emissions outside the boundary of our Science Based Targets.

In 2024, 73.7% of our combined market-based Scope 1 and 2 and 5.4% of our Scope 3 footprint was calculated using primary emissions factor data, with an additional 8.3% of Scope 1 and 2 emissions calculated from intrinsic emissions factors. We are working to increase this percentage. This year, we launched the Seafood Emission Profiling Tool with Seafish and the UK Seafood Federation with our supply chain, this is detailed further in our standalone Sustainability Report. We are also working as part of the DEFRA Food Data Transparency Partnership to define clear methodologies for our other supply chains. This will improve our visibility of the supply chain's work to reduce emissions.

We will also be reporting an estimate of our Scope 3 emissions by greenhouse gas for the last five years to better understand future warming impacts. These are not included in the verification of our Scope 3 by Arthian. We have piloted the use of an internal carbon price but this is not yet widely used within the business.

Hilton Foods is actively involved in projects to enhance how the food sector measures its climate footprint. We are doing this through our engagement with the Seafood Carbon Collaboration and Seafish, as well as by sponsoring a DPhil at Oxford University. Our goal is to integrate these improved measurement methods into our decision-making processes.

To assess the impact on Land-Use and Land-Use Change (LULUCF) within the supply chain, we examined ecosystems supporting cattle grazing using MODIS 2022 land classification data. Additionally, WRI agricultural-linked deforestation data from 2020 onwards was analysed to gauge the deforestation impact of our operations. Further information on our deforestation metrics can be found in our Deforestation Statement. Full detail of our purchasing of high-risk natural commodities will be included in our CDP disclosure later in the year.

In 2022, we announced sustainability targets would form part of the Hilton Foods Long-Term Incentive Plan (LTIP) as part of our ambition to embed sustainability within our business strategy. Since then we have refined our targets to align more closely with our Sustainable Protein Plan, 10% of the metrics in our LTIP directly align with our climate ambitions, covering our Scope 1, 2 and 3 emissions respectively. Further to this, the target to have 100% of high-risk suppliers with a SMETA audit includes evaluation of environmental risks. This is further detailed in the Directors Remuneration report, page 116.

Our specialist internal team monitor multiple metrics to assess our physical risk exposure, to ensure business resilience. To evaluate dependencies and impacts on water we used WRI Aqueduct's physical risks data. Coastal and riverine flooding risks of varying intensities were also assessed using historical and forecasted data, providing a detailed understanding of potential water-related vulnerabilities. On land, we also monitor areas of rapid intactness decline, regions with a high Biodiversity Integrity Index and net change in the Normalised Difference Vegetation Index (NDVI) to identify where ecosystem services are influenced by climate change.

We are developing modelling capability to effectively monitor risks in marine environments. The primary metric used to evaluate this is sea temperature at relevant species depths.

Climate-related targets

In order to align with updated guidance and the ambition of the Paris Agreement, Hilton Foods revised its science-based targets in 2024.

The business commits to reach net zero greenhouse gas emissions across the value chain by 2048.

In the near term, Hilton Foods commits to reduce absolute energy and industrial Scope 1 and 2 GHG emissions by 95% by 2030 from a 2020 base year. Hilton Foods also commits to reduce absolute energy and industrial Scope 3 GHG emissions from purchased goods and services, waste generated in operations and downstream transportation and distribution by 45% within the same timeframe. Hilton Foods commits to reduce absolute Scope 3 GHG emissions from forestry, land use and agriculture (FLAG) by 45% by 2030 from a 2020 base year. This target includes FLAG emissions and removals. Additionally, Hilton Foods

also commits to no deforestation across its primary deforestation-linked commodities, with a target date of 31 December, 2025.

In the long term, Hilton Foods commits to reduce absolute energy and industrial Scope 1 and 2 GHG emissions by 98% by 2048 from a 2020 base year. Hilton Foods also commits to reduce absolute energy and industrial Scope 3 emissions by 90% within the same timeframe. Hilton Foods commits to reduce absolute Scope 3 FLAG GHG emissions by 100% by 2048 from a 2020 base year. This target includes FLAG emissions and removals.

To ensure we meet these targets, we have developed a Group Transition Plan summarised on page 44 and available in full on our website. This includes detailed site-level decarbonisation plans for each of our operations and commodity-level trajectories, which have been developed by our team in collaboration with our customers, suppliers and specialists. All our climate-related goals and objectives, detailed above, are monitored as KPIs through the year and are reported to, and reviewed by, the Board.

We have incorporated nature-based-solutions and nature restoration into the development of our Climate Transition Plan to ensure it builds long-term resilience and are working to further integrate nature into our Transition Plan. As part of our Sustainable Protein Plan, Hilton Foods has set nature-related targets within our Nature Positive goal to maintain business resilience in line with the physical risks evaluated in this report. These are detailed on pages 41 to 42, monitored throughout the year and scrutinised by the Board through their assessment of the Sustainable Protein Plan.

Non-financial disclosures

Carbon footprint (tCO₂e)

	2024			2023			2022			2021			2020 (SBT base year ²)		
	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total
Scope 1 – Total	5,075	8,420	13,495	6,485	11,109	17,594	6,437	11,105	17,542	6,093	14,015	20,108	6,283	12,739	19,022
Scope 1 – Emissions from refrigerants	1,194	3,078	4,272	1,129	2,947	4,071	1,537	1,638	3,175	493	1,748	2,241	848	249	1,097
Scope 2 – Location-based	8,313	43,902	52,214	8,199	52,147	60,346	6,603	47,941	54,544	8,754	56,004	64,758	8,915	66,815	75,730
Scope 2 – Market-based	2	31,199	37,846	2	48,285	48,286	7	41,661	41,669	1,185	47,088	48,273	1,474	55,083	56,557
Scope 3															
– 01. Purchased goods and services	2,460,125	9,485,460	11,945,585	2,764,584	9,914,777	12,679,362	3,138,700	9,423,085	12,561,785	3,011,947	10,199,534	13,229,866	3,653,411	10,720,381	14,373,792 ³
– 02. Capital goods	514	1,043	1,557	1,257	2,321	3,578	2,253	7,582	9,835	2,004	5,950	7,954	3,578	102,644	106,221
– 03. Fuel and energy-related activities	3,237	14,061	17,298	1,755	13,541	15,296	3,134	13,824	16,958	3,275	12,955	16,230	4,066	13,132	17,198
– 04. Upstream transportation and distribution	3,502	37,812	41,313	2,823	39,510	42,333	3,526	33,426	36,952	2,478	75,189	77,666	3,040	75,673	78,713
– 05. Waste	205	1,781	1,986	2,118	2,565	4,684	2,764	7,581	10,345	18,004	11,195	29,199	6,062	6,970	13,032
– 06. Business travel	1,429	485	1,915	697	620	1,317	322	609	931	39	141	180	2	3	5
– 07. Employee commuting	838	1,727	2,565	784	1,723	2,506	1,354	1,985	3,339	898	1,425	2,323	917	1,081	1,998
– 08. Upstream leased assets	Out of Scope						Out of Scope								
– 09. Downstream transportation and distribution	3,115	45,795	48,910	3,655	13,741	17,396	3,961	15,302	19,263	5,734	117,057	122,791	5,478	121,520	126,999
– 10. Processing of sold products	Out of Scope						Out of Scope								
– 11. Use of sold products	Out of Scope						Out of Scope								
– 12. End-of-life treatment of sold products	6,746	15,521	22,267	5,490	20,786	26,276	7,384	54,651	62,035	6,357	17,032	23,389	6,432	23,471	29,904
– 13. Downstream leased assets	Out of Scope						Out of Scope								
– 14. Franchises	Out of Scope						Out of Scope								
– 15. Investments	Out of Scope						Out of Scope								
Scope 3 – Total ¹	2,479,712	9,603,685	12,083,397	2,783,163	10,009,584	12,792,747	3,163,399	9,558,044 ³	12,721,442 ³	3,050,736 ³	10,440,477 ³	13,491,213 ³	3,682,986 ³	11,064,876 ³	14,747,862 ³
Scope 3 – Upstream	2,469,850	9,542,369	12,012,219	2,774,018	9,975,057	12,749,076	3,152,054	9,488,091	12,640,145	3,038,645	10,306,388	13,363,418	3,671,076	10,919,884	14,590,960 ³
– Downstream	9,862	61,315	71,177	9,145	34,526	43,671	11,345	69,953	81,297	12,091	134,089	146,180	11,911	144,991	156,903
Scope 3 – Forestry, Land Use and Agriculture (FLAG)	2,335,628	9,046,599	11,382,227	2,624,001	9,453,007	12,077,008	2,948,178 ³	9,019,435 ³	11,967,613 ³	2,818,439 ³	9,691,354 ³	12,509,803 ³	3,500,553 ³	10,312,633 ³	13,813,186 ³
– Non-FLAG	144,084	557,085	701,169	159,162	556,577	715,739	215,221 ³	538,609 ³	753,829 ³	232,297 ³	749,113 ³	999,795 ³	182,433 ³	752,243 ³	934,677 ³
Total Scope 1, 2 & 3 – Location-based	2,493,099	9,656,006	12,149,105	2,797,847	10,072,840	12,870,688	3,176,439	9,644,804	12,823,803	3,073,704	10,594,760	13,686,849	3,706,682	11,249,351	14,974,419
Total Scope 1, 2 & 3 – Market-based	2,484,789	9,649,948	12,123,737	2,789,650	10,068,977	12,858,628	3,169,843	9,638,524	12,810,927	3,066,135	10,585,844	13,670,364	3,699,241	11,237,619	14,955,246
Intensity ratio Scope 1 & 2 – Market-based (tCO ₂ e per tonne product)	0.04	0.11	0.10	0.09	0.11	0.11	0.10	0.14	0.13	0.03	0.19	0.12	0.03	0.12	0.10
Intensity ratio Scope 1 & 2 – Market-based (kg CO ₂ e per square metre)	0.04	0.12	0.10	0.06	0.15	0.13									

Notes:

Our calculation model is aligned to ISO 14044 and the Greenhouse Gas Protocol. For more information, see the Metrics and Targets section of our TCFD Report on page 75.

1 Scope 3 total includes direct emissions only, in line with the Science Based Targets initiative.

2 Base year: 2020, as this was the first year detailed data was available. An assessment was conducted at sites where data was available for prior years to understand the impact of COVID-19, but it was determined that there was no significant anomaly.

3 Restatements in prior year figures are due to printing errors. The effect is not material.

Non-financial disclosures

continued

Energy (kWh)

	2024			2023			2022			2021			2020		
	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total	UK	Global (excl. UK)	Total
Renewable fuel consumption	16,905	32,866	49,771	19,515	51,435	70,950	–	–	–	–	–	–	–	–	–
Non-renewable fuel consumption	12,395,347	38,304,097	51,699,444	35,347,841	52,873,940	88,221,781	24,103,086	43,371,368	67,474,454	21,122,071	29,639,383	50,761,453	21,332,658	32,199,827	53,532,485
– Transport Fuel	831,857	124,073	955,930	17,588,170	3,404,391	20,992,561	8,417,671	4,456,096	12,873,767	5,584,948	1,044,790	6,629,737	–	–	–
– LPG	114,816	2,902,169	3,016,985	283,632	12,342,448	12,626,080	172,210	6,461,190	6,633,400	–	3,717,606	3,717,606	–	1,981,079	1,981,079
– Natural Gas	12,448,674	35,277,855	47,726,529	17,476,039	37,127,101	54,603,140	15,513,205	32,454,081	47,967,286	15,537,123	24,876,987	40,414,110	21,332,658	30,218,747	51,551,406
Total fuel consumption	13,412,252	38,336,963	51,749,215	35,367,356	52,925,375	88,292,731	24,103,086	43,371,368	67,474,454	35,367,356	35,367,356	35,367,356	21,332,658	32,199,827	53,532,485
Renewable electricity consumption	40,543,649	83,570,660	124,114,309	39,998,107	73,683,564	113,681,670	34,120,813	56,669,613	90,790,426	38,510,862	35,573,856	74,084,718	243,000	25,984,033	26,227,033
% renewable electricity consumption	100%	71%	79%	100%	59%	69%	100%	50%	62%	91%	36%	52%			
Non-renewable electricity consumption ²	8,085	33,442,748	33,450,833	9,587	50,738,088	50,747,675	10,554	56,041,891	56,052,445	3,784,729	63,979,808	67,764,537	37,526,233	71,445,071	108,971,304
Total electricity consumption	40,551,734	117,013,407	157,565,142	40,007,694	124,421,651	164,429,345	34,131,367	112,711,505	146,842,871	42,295,591	99,553,665	141,849,256	37,769,233	97,429,104	135,198,337
– Grid purchased	40,277,278	112,427,044	152,704,323												
– Solar generation on site	274,456	4,586,363	4,860,819	231,758	4,178,221	4,409,979	303,297	2,667,753	2,971,050	223,291	2,926,408	3,149,699	243,000	2,260,000	2,503,000
– % of electricity from local generation	1%	4%	3%	1%	3%	3%	1%	2%	2%	1%	3%	2%	1%	2%	2%
Renewable other energy consumption ¹	–	4,471,381	4,471,381	–	6,500,348	6,500,348	–	5,345,664	5,345,664	–	–	–	–	–	–
Non-renewable other energy consumption ¹	–	996,297	996,297	–	1,288,804	1,288,804	–	2,000,553	2,000,553	–	7,106,611	7,106,611	–	1,392,196	1,392,196
Total other energy consumption	–	5,467,678	5,467,678	–	7,789,152	7,789,152	–	7,346,217	7,346,217	–	7,106,611	7,106,611	–	1,392,196	1,392,196
Total renewable energy consumption	40,560,554	88,074,907	128,635,461	39,998,107	80,183,912	120,182,019	34,120,813	62,015,277	96,136,090	38,510,862	35,573,856	74,084,718	243,000	25,984,033	26,227,033
Total non-renewable energy consumption	13,403,432	72,743,142	86,146,574	35,357,428	104,900,831	140,258,260	24,113,640	101,413,813	125,527,452	24,906,799	100,725,802	125,632,601	58,858,891	105,037,094	163,895,985
Total energy consumption	53,963,986	160,818,049	214,782,035	75,355,535	185,084,743	260,440,278	58,234,453	163,429,090	221,663,542	63,417,662	136,299,658	199,717,320	59,101,892	131,021,126	190,123,018
Energy consumption (kWh used per tonne of volume produced)	421	366	378	522	414	440	487	451	460	293	513	405	447	397	411

Notes:

- 1 Other energy consumption includes district heat. We do not consume or sell any cooling or steam, nor do we sell electricity or heat.
- 2 After 2021, residual non-renewable electricity consumption in the UK is at JV offices only.

Non-financial disclosures continued

Water withdrawal, by country (ML)

	2024	2023 ⁶	2022	2021	2020
UK ¹	439	333	391	290	330
Ireland	26	22	27	39	45
The Netherlands ²	187	269	285	173	165
Sweden	70	59	57	62	58
Denmark	42	48	48	45	46
Poland	106	101	98	89	96
Greece ³	89	143	97	–	–
Portugal ⁴	36	36	32	29	32
Australia	262	271	254	265	249
New Zealand	62	102	106	21	–
Other ⁵	–	–	–	–	–
Total Withdrawal	1,318	1,383	1,395	1,014	1,021
Intensity (megalitres per tonne of product produced)	2.32	2.34	2.90	2.03	

Notes:

All water withdrawal is freshwater (≤1,000 mg/L Total Dissolved Solids).

Reporting units have changed from m³ in 2023, to ML in 2024.

1 Inclusion of Fairfax Meadow sites from 2022. Due to water meter failure, 2022 2023, and much of 2024 usage at Laforey Road is based on estimated billing.

2 Inclusion of 100% of Dalco from 2021 and Foppen from 2022.

3 Inclusion of Foppen from 2022.

4 Adjusted to JV holding.

5 International sales offices.

6 We have made a slight restatement to the reported 2023 figure for Greece, due to improved metering of water withdrawals. There is no material effect of this restatement.

Non-financial disclosures continued

Workforce

	2024				2023				2022				2021				2020
	Male	Female	Other/not disclosed	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Board	4	3	–	7	4	3	7	4	3	7	5	2	7	5	2	7	
	57%	43%	–		57%	43%		57%	43%		71%	29%		71%	29%		
Executive Management	6	3	–	9	9	3	12	9	3	12	7	3	10	8	2	10	
	67%	33%	–		75%	25%		75%	25%		70%	30%		80%	20%		
Senior Leadership ¹	34	20	–	54	38	24	62	28	13	41	28	11	39	47	11	58	
	63%	37%	–		64%	36%		68%	32%		72%	28%		81%	19%		
Senior Management ²	250	128	–	378	217	120	337	234	111	345							
	66%	34%	–		64%	36%		68%	32%								
Women in leadership		34%				36%			32%								
Employees – UK & Ireland	2,045	1,257	1	3,303													
– Europe	1,538	1,042	–	2,580													
– APAC	982	953	32	1,967													
– Other	3	3	–	6													
– Total	4,568	3,255	33	7,856	4,091	2,960	7,051	4,358	2,879	7,237	3,395	2,386	5,781	3,185	2,206	5,391	
	58%	41%	0.4%		58%	42%		60%	40%		59%	41%		59%	41%		
% of employees covered by collective bargaining agreements				36%			23%			26%			41%			33%	
Total staff turnover				19%			26%			30%			25%			17%	

Notes:

1 Senior Leadership is defined in line with the FTSE Women Leaders Index, direct reports to Executive Leadership Team.

2 Senior Management is defined in line with Hilton Foods Sustainable Protein Plan (SSP) "30% of women in leadership" target. This is defined as all those who identify as women as Functional Lead, Head of Department or Job Level 5.

Non-financial disclosures

continued

Health and safety

	2024	2023	2022	2021	2020	% Change (2024 vs 2023)	% Change (2024 vs 2020)
Hours Worked	11,816,124	10,966,423	10,238,356	9,559,280	9,143,579	8%	29%
First Aid Incidents	618	694	645	586	677	(11%)	(9%)
Lost Time Incidents ¹	128	115	138	138	87	11%	47%
Lost Time Incident Frequency Rate ²	11	10	13	14	10	3%	14%
Number of Days Lost	1,496	2,787	4,867	3,514	2,198	(46%)	(32%)
Lost Time Incident Severity Rate ²	127	254	475	368	240	(50%)	(47%)
Non Injury Incidents/Hazards	6,644	9,302	6,046	5,191	4,993	(29%)	33%
Fatality Rate	-	-	-	-	-		

Notes:

1 The definition use of a "lost time incident" is when the injured person does not attend work for the start of their next shift not including the day of the incident.

2 Lost-time incident rates cover 100% of Hilton Foods employees. This number excludes contractors.

This year, we are reporting a 47% increase in our Lost Time Incidents (LTIs) compared to 2020. Due to COVID-19, reduced capacity and social distancing, 2020 represents an anomaly year for LTIs. However, the health and safety of our employees is our core priority. Since 2020, we have been implementing a new Safety Framework, driving significant improvements in the accuracy and reporting quality of our data. To further contextualise the year of 2020 within our health and safety reporting, we are additionally reporting on the five-year median of our LTIs. Under this additional measure, we are at the median of the past five years. 2024 also has the lowest lost time incident severity rate over the past five years.

All Hilton Foods manufacturing sites have comprehensive health and safety action plans, working to improve the safety of our sites and wellbeing of our staff. Current initiatives include: a sustained campaign to reduce the total number of incidents, developing a behaviour-based safety programme, and designing a new pictorial Safety Guide that is image based to be issued to all Hilton Foods employees mitigating issues around language and literacy.

Lost Time Incidents over a five-year period

	First Aid Incidents	Lost Time Incidents	Lost Time Incident Frequency Rate	Number of Days Lost	Lost Time Incident Severity Rate	Non Injury Incidents/ Hazards
5-year Median	645	128	11	2,787	254	6,046
% Change in 2024 (vs. 5-year Median)	(4%)	0%	0%	(46%)	(50%)	10%

Approval of the Strategic report

Pages 8 to 81 of this Annual report comprises a Strategic report which has been drawn up and presented in accordance with applicable English company law, in particular Chapter 4A of the Companies Act 2006, and the liabilities of directors in connection with this report shall be subject to the limitations and restrictions provided by such law.

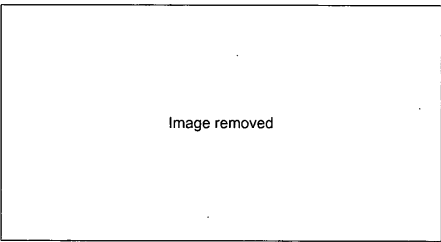
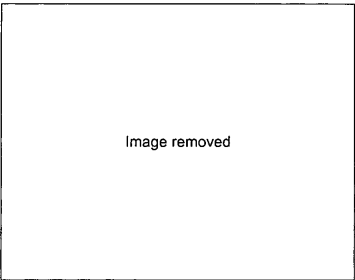
It should be noted that the Strategic report has been prepared for the Group as a whole, and therefore gives greater emphasis to the Company and its subsidiaries when viewed in its entirety.

Approved by order of the Board of Directors

Neil George
Company Secretary

7 April 2025

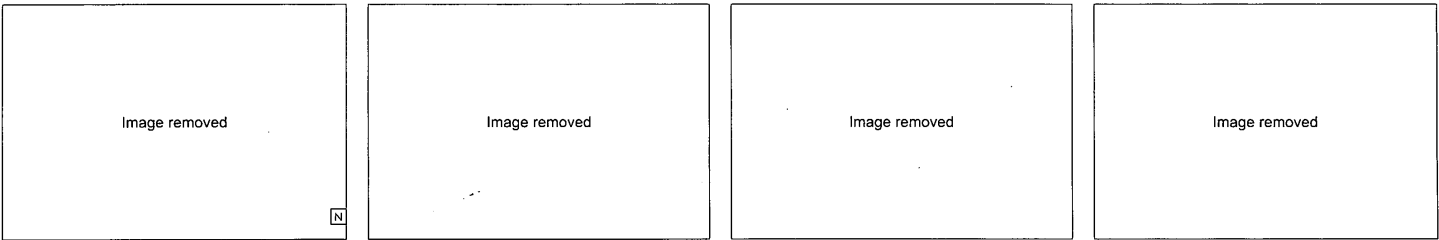
We're working closely with our foodservice and retail customers, drawing on our deep insight and experience to deliver products our customers desire, through our highly efficient facilities as the partner of choice.



Governance

Our Board	83
Governance at a glance	85
Board activities	87
Corporate governance statement	88
Directors' report	92
Report of the Audit Committee	94
Report of the Nomination Committee	97
Directors' remuneration report	99
Statement of Directors' responsibilities	123
Independent auditor's report	124

Our Board



Mark Allen OBE
Non-Executive Chairman

Tenure: New

Independent: Yes

Biography: Mark joined Hilton Foods as a Non-Executive Director on 1 October 2024 and was appointed Chairman of the Board on 1 January 2025.

Mark is also Chair of the Nomination Committee.

Key skills and competencies: Mark has significant public company, consumer goods and food sector experience and was awarded an OBE in the 2019 New Year's Honours list for services to the UK's dairy sector.

Current external appointments: AG Barr plc Chair.

Previous experience: CEO at Dairy Crest Group, Non-Executive Director at Halo Foods, Warburtons, Dairy UK, Howden Joinery Group and Norcros, where he was Chair.

Steve Murrells CBE
Chief Executive Officer

Tenure: 2 years

Independent: No

Biography: Steve joined Hilton Foods as Chief Executive Officer in 2023.

Key skills and competencies: An exceptional business leader with a wealth of experience in the retail and food supply chain sectors in large national and multinational businesses. Steve was appointed CBE for services to the food supply chain.

Current external appointments: Non-Executive Director at Noble Foods and a Trustee on the Royal Countryside Fund.

Previous experience: CEO at Co-op, CEO at Tulip and senior positions at Tesco and Sainsbury's.

Matt Osborne
Chief Financial Officer

Tenure: 3 years

Independent: No

Biography: Matt joined Hilton Foods in 2018 and from 2018 to 2022 served as the Hilton Foods Group Financial Controller. He was promoted to Chief Financial Officer in May 2022.

Key skills and competencies: Matt is a chartered accountant and has a degree in chemistry. He brings a wealth of hands-on experience in UK listed businesses and deep operational and financial insight into Hilton Foods.

Current external appointments: None.

Previous experience: Matt trained with Grant Thornton and joined Greene King in 2007 reaching the position of Group Financial Controller.

Neil George
Company Secretary

Biography: Neil joined Hilton Foods in 2007 as Group Financial Controller and Company Secretary. He began his career in finance qualifying as a Chartered Accountant having trained within a regional practice. Since moving into industry, he has worked in finance and company secretarial roles across a variety of international publicly listed manufacturing businesses including in the packaging machinery and medical device sectors.

- Audit Committee
- Remuneration Committee
- Nomination Committee
- Executive Sustainability Committee
- Committee Chair

Our Board continued

Image removed A R N	Image removed A R N S	Image removed A R N	Image removed A R N
Angus Porter Non-Executive Director Tenure: 6 years Independent: Yes Biography: Angus joined Hilton Foods as an independent Non-Executive Director in 2018. He was the Senior Independent Director during 2024 and is the designated NED for workforce engagement. Key skills and competencies: Angus' extensive knowledge and experience in public companies and the food and retail sectors are valuable to the decisions of the Board. He has an MA in natural sciences and PhD from the University of Cambridge. Current external appointments: Non-Executive Co-Chairman of Direct Wines Ltd. and Non-Executive Director at McColl's Retail Group plc. Previous experience: Angus has held numerous executive and non-executive roles including Mars, BT, Abbey National and WPP. He was Chief Executive of the Professional Cricketers' Association, Non-Executive Director and Senior Independent Director of Punch Taverns plc, Non-Executive Director of TDC A/S (Denmark).	Rebecca Shelley Non-Executive Director Tenure: 5 years Independent: Yes Biography: Rebecca joined Hilton Foods in 2020 as an independent Non-Executive Director. She is Chair of the Remuneration and executive Sustainability Committees. Key skills and competencies: Rebecca has held market-facing investor relations and corporate communications roles at a number of listed companies. She has a BA (Hons) in Philosophy and Literature from the University of Warwick and an MBA in International Business and Marketing from Cass Business School. Current external appointments: Non-Executive Director at Sabre Insurance Group plc, Liontrust Asset Management plc and Conduit Holdings Limited. Previous experience: Rebecca was Group Communications Director and a member of the Executive Committee at Tesco plc and Global Corporate Affairs Director at TP ICAP plc. Other roles include Norwich Union plc, Prudential plc and as a partner at Brunswick LLP. She was also on the Board of the British Retail Consortium, a Trustee of the Institute of Grocery Distribution and formerly Non-Executive Director at Arraco Global Markets Ltd.	Patricia Dimond Non-Executive Director and Senior Independent Director Tenure: 3 years Independent: Yes Biography: Patricia joined Hilton Foods in 2022 as an independent Non-Executive Director. She is Chair of the Audit Committee and from 1 March 2025 was appointed as the Senior Independent Director. Key skills and competencies: Patricia qualified as a Chartered Accountant working with Deloitte in Canada and the UK, is a CFA charter holder and holds an MBA from IMD Switzerland with a 30 year international career in consumer, retail and financial markets. Current external appointments: Non-Executive Director and Chair of Audit at Foresight VCT plc, Aberforth Smaller Companies Trust plc, where she is also Senior Independent Director. She is a Trustee of the Booker Prize Foundation. Previous experience: Executive roles with Storehouse, Mothercare and Value Retail plc, a management consultant with McKinsey & Co and formerly Non-Executive Director at LXi REIT plc. She is formally a trustee of the English National Opera and National Academy for Social Prescribing.	Sarah Perry Non-Executive Director Tenure: 1 year Independent: Yes Biography: Sarah joined Hilton Foods in 2023 as an independent Non-Executive Director. Key skills and competencies: Sarah has 30 years supply chain and logistics experience, with a strong focus on health and safety excellence and driving efficiency. Current external appointments: Vice President for integrated supply chains at Carlsberg Marston's Brewing Company Ltd, a director of Carlsberg UK Holdings Ltd and a director of various companies involved with their SDE Innserve joint venture business with Heineken. Previous experience: Senior executive operations and logistics roles at Coca-Cola European Partners plc, Oxford University Press and DHL UK.
A Audit Committee R Remuneration Committee N Nomination Committee S Executive Sustainability Committee Committee Chair			

Governance at a glance

Growth and success through partnership

Through the creation of efficient, innovative and responsible food manufacturing and supply chain solutions with the ambition to be the international food and supply chain services partner of choice.

Highlights

Successful transition of Mark Allen to Chair

Female Board representation above the 40% FCA target

Continuing low level of whistleblowing reports

Internal Board evaluation in 2024

94%

(2023: 91%)

of employees contributed to the annual engagement survey in 2024

57%

(2023: 57%)

Independent Non-Executive Directors on the Board

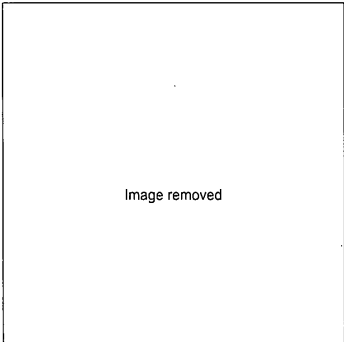
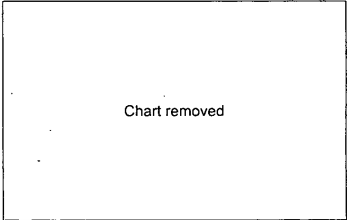
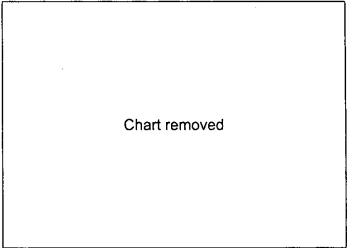
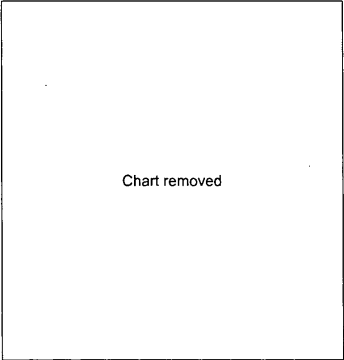
43%

(2023: 43%)

Board female representation

→ Read more on page 89.

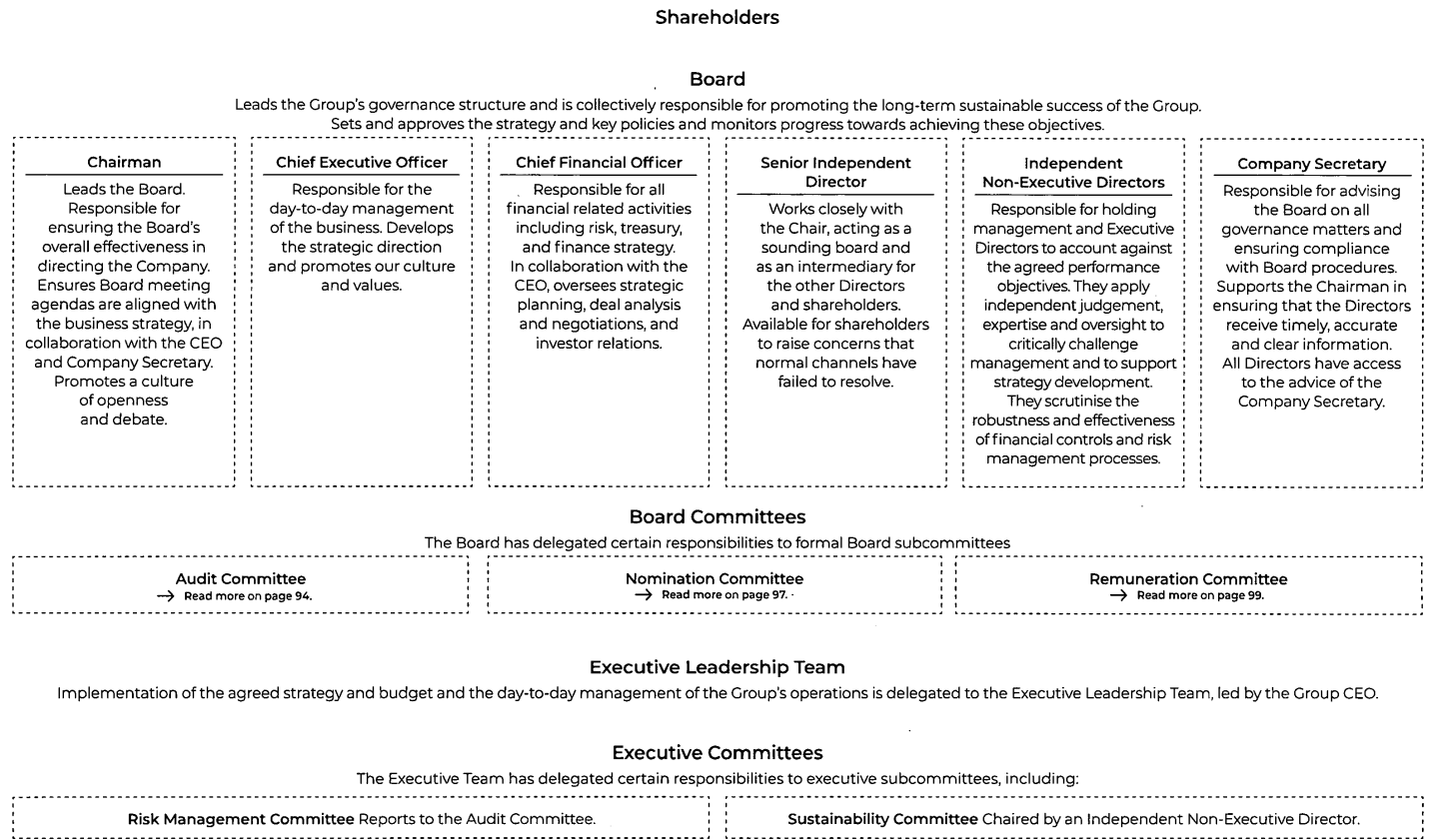
Board composition



Governance at a glance

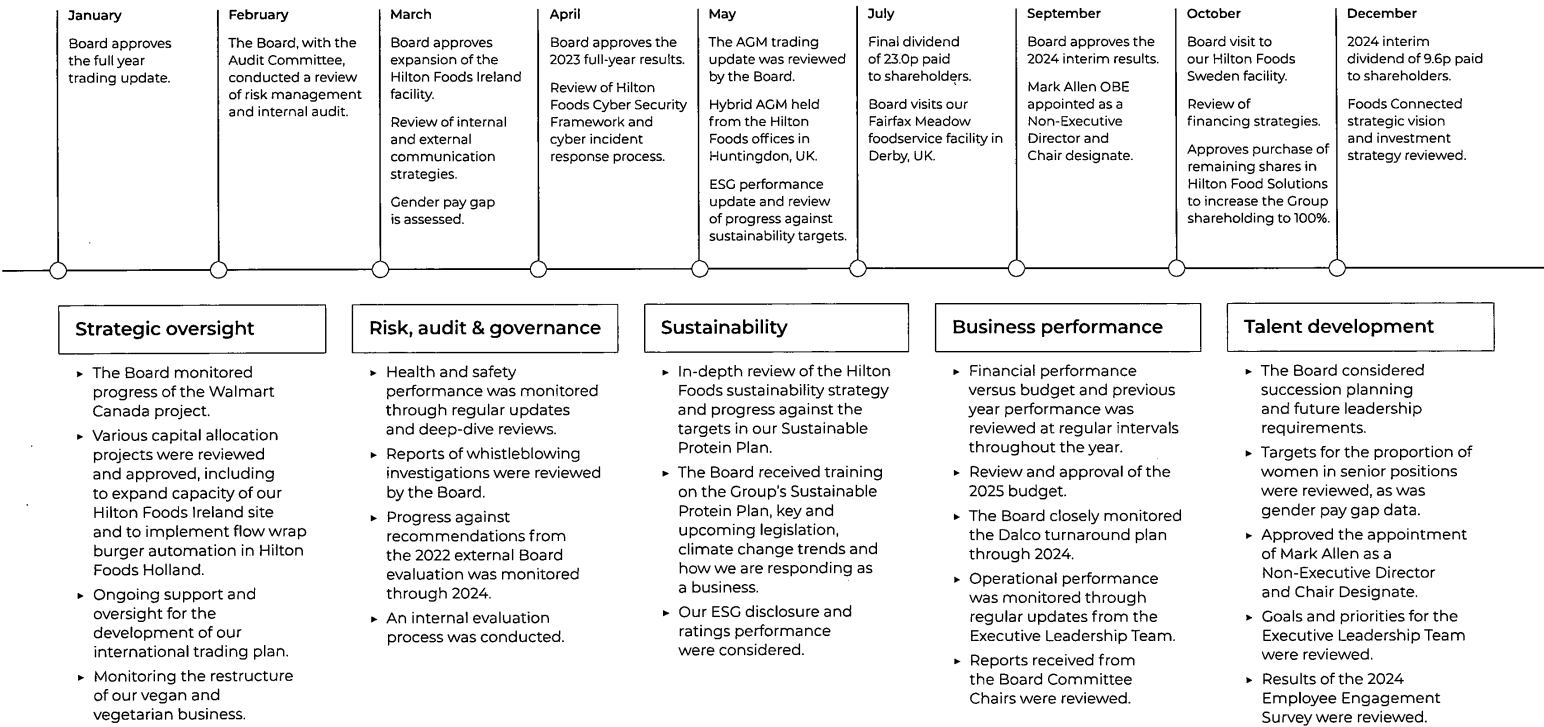
continued

Our governance framework



Board activities

Our activities – 2024 overview



Corporate governance statement

2024 Overview

The Hilton Foods Board is responsible for the long-term success of the Group and establishing its purpose, values and strategy aligned with its desired culture.

Company purpose, values and culture

Our purpose is to create efficiency and flexibility in the food supply chain without compromising quality through innovative and sustainable food manufacturing and supply chain solutions, with the ambition to be the first choice partner for food retailers seeking excellence, insight and growth. The Hilton Foods model of 'growth through total partnership' creates value for its stakeholders as well as contributing to wider society.

Our core values guide us in delivering a sustainable future for all our stakeholders. We have five key values:

- ▶ Collaborative – Working together across functions and geographies is core to our DNA. We collaborate internally, as well as with our network of external partners, advisors and suppliers to deliver rigorous solutions that work.
- ▶ Innovative – Our innovative approach keeps us ahead of our competitors and fuels our own, and our partners', growth.
- ▶ Agile – We take it as a given that the world, the market and the needs of customers,

consumers and our people are constantly changing. We therefore build facilities, systems and processes with agility top of mind. We react quickly to change to keep us, and our partners, ahead of the pack.

- ▶ Ambitious – We set challenging goals for ourselves as individuals and for the services that we offer our customers. And we achieve these goals together.
- ▶ Responsible – We believe that all businesses should be a force for good in their communities and beyond. We care about each other, about the planet and about the generations yet to come.

These values are integral to our strategic compass, which navigates us. Our strong values-based culture supports us in achieving good governance.

At Hilton Foods we believe that our culture is reflected in every aspect of our business. Our culture is global, modern, vibrant, diverse and with a passion for food, service and growth. We believe that our employees are the driving force behind our success. Their commitment is at the centre of everything we do, fuelling our progress and shaping our future. The Board understands its employees are the driving force behind the long-term sustainable success of Hilton Foods and so proactively assesses and monitors culture through the annual employee engagement survey, direct engagement with employees and continued focus on employee training and investment. More information on how we embed our values-based culture is available in the Stakeholder Engagement section of the Strategic report.

The Board aims to enhance shareholder value by providing entrepreneurial leadership for the Group, while ensuring there is an appropriate framework of checks and balances in place.

Further information including our business model can be found on pages 12 and 13.

Governance code and compliance

We evaluate our governance against principles and provisions contained in the 2018 UK Corporate Governance Code (Code) issued by the Financial Reporting Council, which can be obtained from www.frc.org.uk/corporate/ukcgcode.cfm. This Corporate governance statement together with the Board Committee reports and the Directors' remuneration report on pages 94 to 122 detail, how the Board applies the principles of good governance and best practice as set out in this Code.

The Directors consider that the Company has complied with the provisions of the Code during 2024 except for two provisions relating to Hilton's former Chairman who served throughout 2024, and stepped down from the Board at the end of the year. Robert Watson is one of the Hilton Foods founders, joining the Board as Chief Executive in 2002. In 2018 he transitioned to Executive Chairman and from 1 January 2021 moved into a non-executive capacity. Provision 9 of the Code states that a Chair should be independent on appointment and that a Chief Executive should not go on to become Chair of the same company although the Code does recognise that this can happen in exceptional circumstances.

Additionally, Provision 19 of the Code states that the Chair should not remain in post beyond nine years from the date of their first appointment to the Board. While Robert's situation does not comply with these provisions, the Directors are of the strong view that there are valid exceptional circumstances, which are in the best interests of the Company and its stakeholders and these are detailed on page 89.

The Board

Board responsibilities

The Board has specific powers reserved to it contained in a schedule of matters reserved for decision by the Board. These powers include changes to capital structure, acquisitions and disposals, major trading agreements, major capital expenditure projects, dividends, treasury and risk management policies, approval of budgets and financial reports, and the giving of any guarantees or letters of comfort. The Board also has responsibility for setting policy and monitoring matters including financial and risk control, health and safety policy, management succession and planning and environmental issues.

There is a clear written division of responsibilities between the Chairman and the Chief Executive, agreed by the Board, split between running the Board and the business. They maintain a close working relationship, speaking regularly between Board meetings to ensure a full understanding of evolving issues and to facilitate swift decision making.

Corporate governance statement continued

Membership

At the date of this report, the Board consists of the Chairman, two Executive Directors and four Non-Executive Directors whose names, responsibilities, brief biographies and membership of Board Committees are set out on pages 83 to 84. The Directors bring strong judgement and expertise to the Board's deliberations and with diversity achieves a balance of skills and experience appropriate for the requirements of the business.

Mark Allen joined the Board as a Non-Executive Director 1 October 2024, and on 1 January 2025, was appointed as Board Chair replacing Robert Watson who stepped down from the Board on 31 December 2024.

All Directors are reappointed annually under the Company's Articles and for FTSE 350 companies under the Code. All new Directors are subject to reappointment by shareholders at the first opportunity following their appointment.

Chairman

Robert Watson is one of the Hilton Foods founders, and as such, has an intimate knowledge of the business as well as having relationships with key decision makers at supermarket retailing businesses around the world. He held senior Hilton Foods Board positions since 2002 and during that time guided the Group to significant continuous and sustainable growth, including a successful flotation in 2007. This success is illustrated by the graph on page 119, which charts Hilton Foods total shareholder return over the past 10 years showing average compound annual growth of 12.0%, which compares with 5.0% achieved by the FTSE 250 Index. A further indicator of Hilton Foods enduring success is the average compound annual growth in Hilton Foods adjusted operating profit which, over the 18 years since flotation, is 11.3%.

Robert joined Hilton Foods, initially as Chief Executive, transitioning during 2018 to Executive Chairman and in 2021 he moved into a Non-Executive capacity. This transition path had been discussed with our major shareholders over a number of years to ensure both openness and transparency and to gauge their views. They had been supportive of these changes.

Robert was instrumental in Hilton Foods success over a prolonged period and the Board believes that he demonstrated objective judgement in the best interests of the Group. The 2022 external Board evaluation supported the Board's view that, under Robert's leadership, Hilton Foods grew to be a successful FTSE 250 company.

While Robert could not be designated as independent under the Code, the Board believes that, since moving to Non-Executive Chairman, he distinguished himself by critically scrutinising decisions purely on the basis of his extensive knowledge of the Group, its history, the industry in which it operates and its stakeholders. He showed that he was able to chair and monitor the Group without prejudice and was impartial in his judgement and voting behaviour. He was also supported in this by a strong Senior Independent Director.

In view of the above, the Board believes that, in 2024, there continued to be valid exceptional circumstances envisaged by the Code, which were in the best interests of the Group and its stakeholders, for Robert to be the Hilton Foods Chairman. At the end of the year, Robert stepped down as a Hilton Director and Chairman. He was replaced by Mark Allen who has no previous connection with the business and was thus independent on appointment.

Non-Executive Directors

The Non-Executive Directors, excluding the Chairman in 2024 but including the Senior Independent Director, were considered to be independent as none of the circumstances detailed in the UK Corporate Governance Code apply and no other relevant circumstances apply, all having served on the Board for eight years or less. While all the Non-Executive Directors hold other directorships outside of Hilton Foods, it is considered that they are all able to devote sufficient time to meet their Hilton Foods Board responsibilities. The Non-Executive Directors do not participate in any of the Group's pension arrangements or in any of the Group's bonus or share option schemes.

The Non-Executive Directors met during the year specifically to scrutinise the performance of the executive management. A further meeting was held without the Chairman present to assess his performance.

Shareholder engagement

The Chairman seeks regular engagement with major shareholders in order to understand their views on governance and performance against the strategy. Board Committee Chairs seek engagement with shareholders on significant matters related to their areas of responsibility. Angus Porter, the Senior Independent Director, is available to shareholders as an alternative to the Chairman, CEO and CFO. Following all conversations or meetings he reports any relevant findings to the Board.

Board balance and diversity

Tables for reporting on gender identity or sex and ethnic background as at 29 December 2024 are set out below. The data was collected on a voluntary basis via self-reporting methods including questionnaires.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Table for reporting on gender identity or sex					
Men	4	57.1%	4	9	75.0%
Women	3	42.9%	–	3	25.0%
Table for reporting on ethnic background					
White British or other					
White (including minority-White groups)	7	100.0%	4	11	91.7%
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	–	–	–	1	8.3%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Corporate governance statement continued

The Hilton Foods policy and commitment is to promote diversity on its Board, Executive Committee and its direct reports including implementing FCA targets for female representation and persons of colour. Further diversity information on Executive Committee direct reports and all employees can be found on page 80.

During the year, the balance of independent Non-Executive Directors on the Board was 57.1% and female representation on the Board was 42.9%, thereby meeting the Board female FCA target. On 1 February 2025, Patricia Dimond became the Senior Independent Director. Other FCA targets relating to senior positions on the Board held by women and Board positions held by those from a minority ethnic background have not yet been met. It is a key ambition of the Board to achieve greater diversity in its composition and it is recognised that there is still work to be done. We believe that broadening our diversity will not only strengthen our governance but also enhance our ability to innovate and serve our customer base more effectively. The Board is fully committed to giving strong consideration to candidates of diverse ethnic backgrounds. The UK Corporate Governance Code allows Non-Executive Directors to serve for up to years, and on this basis, the next change will be due in 2027. This means that achieving greater diversity on the Board is not something that can be resolved quickly; rather, it is a long-term strategic endeavour. We believe that this approach will ensure that any changes made are sustainable and in the best interests of the business.

Directors' conflicts of interest

Under the Companies Act 2006, the Group's Directors have an obligation to avoid any situation where they have a conflict of interest. The Group has in place procedures that require all Directors to notify the Group of any conflicts of interest and, for any such conflicts of interest to be authorised by non-interested Directors, which is permitted under the Company's Articles. The Board considers that the Directors' powers of authorisation of conflicts have operated effectively and that the procedures set out above have been followed properly. No conflicts of interest during 2024 were identified.

Information and support provided to Board members

Members of the Board and its Committees are given appropriate documentation in advance of each Board and Committee meeting. For regular Board meetings these include, a detailed period report on current and forecast trading, with comparisons against both budget and prior years. For all meetings appropriate explanatory papers are circulated well in advance on matters, which the Board or Committee will be required to approve or provide responses.

The Board operates both formally through Board and Committee meetings and informally through regular contact between Directors. To assist them in carrying out their responsibilities, the Directors have, in addition to full and timely access to all relevant information from management in advance of Board meetings, the right to obtain independent professional advice at the Company's expense and the advice and services of the Company Secretary to enable them to perform their duties as Directors. The Company Secretary is responsible to the Board, through the Chairman, for all governance matters. The appointment and removal of the Company Secretary is determined by the Board as a whole.

Attendance at Board meetings

The Board meets not less than eight times a year to direct and control the strategy and operating performance of the Group. Hilton Foods is satisfied with the time commitment of our Directors, none of whom have excessive external commitments, as demonstrated in the high level of attendance at Board and Committee meetings and the actions of the Board detailed on page 87 and in the Stakeholder Engagement section on pages 32 to 36. The following table sets out the Board meeting attendance by Board members together with the percentage attended. Attendance at Board Committee meetings is set out in each Committee report.

	Number attended	Percentage attended
Robert Watson	9	100%
Steve Murrells	9	100%
Matt Osborne	9	100%
Angus Porter	9	100%
Rebecca Shelley	9	100%
Patricia Dimond	9	100%
Sarah Perry ¹	7	78%
Mark Allen (appointed 1 October 2024)	3	100%

¹ Sarah Perry's absence from one meeting during the year was due to a family bereavement.

Other governance

Training

Training is available to the Board to develop their knowledge and understanding of the business and to enable them to perform their duties as Directors. Regular updates on regulatory, governance and legal matters is provided as part of the Board pack prior to each meeting and where relevant throughout the year. The Directors have access to the Board portal, which is used as a source

of reference materials including a range of articles and reports on relevant topics. Expert internal and external speakers deliver tailored training as required.

During the year, the Board received specialist sessions on ESG matters including the upcoming Corporate Sustainability Reporting Directive and IFRS sustainability disclosure standards, changes to the UK Corporate Governance Code, cyber security, climate change and human rights.

The Board visited our Hilton Foods Sweden facilities in Västerås, Sweden and Fairfax Meadow facility in Derby, UK, which included factory tours, meetings with colleagues and an opportunity to discuss future strategy in their respective sectors and regions.

Performance evaluation

The last external performance evaluation of the Board took place in 2022. The next external evaluation is scheduled for 2025, in line with our three-year rolling evaluation process. The 2024 internal evaluation focused on 'What we do' and 'How we do it' whereby each Director completed a short questionnaire with the opportunity to add comments. This feedback identified core strengths to be protected and also priority areas for development. The general assessment was that the Board and Board Committees are working well with areas for development including giving the Non-Executive Directors more opportunities to informally hear the views of the workforce and maintaining the right mix of expertise, perspectives and personalities, both for now and the future.

Corporate governance statement continued

Annual General Meeting

Our 2025 AGM will revert to an in-person only physical meeting format at which shareholders will be asked to vote on 19 resolutions dealing with key governance matters, including the reappointment of all Directors, approval of the Directors' remuneration report and Remuneration Policy, and the reappointment of the external auditors.

Risk management and internal control

The Board of Directors has overall responsibility for the Group's systems of internal control including financial, operational and compliance controls and risk management, which operate to safeguard the shareholders' investments and the Group's assets, and for reviewing their continuing effectiveness. Such an internal control system can only provide reasonable and not absolute assurance against material misstatement or loss as it is designed to manage rather than eliminate risk and failure to meet business objectives.

The Board has carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity, which are summarised in the Risk management section on pages 24 to 31.

The Group operates within a clearly defined organisational structure with established responsibilities, authorities and reporting lines to the Board. The organisational structure is designed to plan, execute, monitor and control the Group's objectives effectively and ensure internal control becomes integral to all the Group's operations. The Board confirms that the Group's internal risk-based control systems have been fully operative up to the date of the Annual Report being approved, key ongoing processes and features of which are set out as follows:

- ▶ appropriate mechanisms to identify and evaluate business risk;
- ▶ a Group Internal Audit function, which is involved in the review and testing of the internal control systems and of key risks across the Group in accordance with an annual programme agreed with the Audit Committee;
- ▶ a strong control environment;
- ▶ an information and communication process; and
- ▶ a monitoring system and regular Board reviews for effectiveness.

The Group's planning and financial reporting procedures include detailed budgets and a three-year strategic plan, which are approved by the Board. Periodic management accounts report performance compared to the budget and, additionally, forecasts are updated through the year. These management accounts together with half-yearly and annual accounts are reviewed. All financial information published by the Group is approved by the Board and Audit Committee.

The Chief Financial Officer and Group Financial Controller are responsible for overseeing the Group's internal controls. The management of the Group's businesses has identified the key business risks within its operations. These have been reviewed and discussed through the Risk Management Committee and by the Audit Committee, and their financial implications and the effectiveness of the control processes in place to mitigate these risks have been assessed. The Board has reviewed a summary of these findings and this, together with its direct involvement in the strategies of the business, investment appraisal and budgeting processes, has enabled the Board to report on the effectiveness of the Group's internal control systems.

Whistleblowing policy

Hilton Foods is committed to a free and open culture in dealings between its officers, employees, customers, suppliers and all people with whom the Group engages in business relations. We seek to conduct our business honestly and with integrity at all times. The Board has, therefore, established a whistleblowing policy, which covers all our employees and operations so that any suspected business misconduct can be reported via a 24/7/365 telephone and web-based reporting service available in all local languages. The policy allows anonymised reporting and that reports are treated confidentially. More information on this policy can be found on our website. The Board receives reports on any communications reported via this mechanism and regularly reviews the whistleblowing arrangements. During the year, eight whistleblowing reports were received and investigated, all relating to human resource matters. Of the grievances raised, six related to work relations and unfair treatment and two to bullying and harassment.

Anti-bribery and anti-corruption policy

Hilton Foods has a zero-tolerance approach to bribery and corruption and, accordingly, the Board has established an anti-bribery and anti-corruption policy. The recently updated policy, which is available in local languages, covers all our employees and operations and also applies to third parties such as suppliers, contractors and other business partners. The policy defines and prohibits bribes and facilitation payments and covers all corporate hospitality including gifts, entertaining and charitable donations, which must be authorised. The Hilton Foods gift policy was updated in 2023. Hilton Foods does not make contributions to political parties. Training was reviewed in 2024 and includes guidance on gifts and hospitality, dealing with third parties

and best practice. It is provided to all relevant colleagues including those in leadership, finance, commercial and procurement roles and is repeated annually to maintain awareness of these policies and processes.

Preventing the facilitation of tax evasion policy

Hilton Foods has a zero-tolerance approach to preventing the facilitation of tax evasion, either by Hilton Foods employees, our associates, our representatives or third parties. In 2023, the Board established a dedicated policy that upholds our zero tolerance to preventing tax evasion in all the jurisdictions in which we operate. The policy defines our governance, guiding principles, risk assessment process, risk-based prevention and due diligence procedures. It also confirms our top-level commitment, led by the Board and Audit Committee to preventing the facilitation of tax evasion. Mandatory training was rolled out in 2024.

By order of the Board

Neil George
Company Secretary
7 April 2025

Directors’ report

2024 Directors’ report

The Directors present their report, together with the audited consolidated financial statements for the 52 weeks ended 29 December 2024. Reference to other relevant information incorporated into this report is below.

Strategic report

The Strategic report on pages 7 to 81 sets out the development and performance of the Group’s business during the financial year, the position of the Group at the end of the year, future developments and a description of the principal risks and uncertainties facing the Group. The Group’s financial instruments risk management objectives and policy are discussed in the treasury risk management policies section of the Performance and financial review on page 22.

This Strategic report also includes the Sustainability report on pages 37 to 81, which contains details of the Group’s employment practices and greenhouse gas emissions.

A statement, which sets out how the Directors have had regard to the matters under Section 172 of the Companies Act 2006, is also included in the Strategic report.

Corporate governance and other statutory disclosures

The Corporate governance statement, Board Committee reports and Directors’ remuneration report on pages 88 to 122 includes information required by DTR 7.2.

Details of Hilton Foods Long Term Incentive Plan (LTIP) is included in the Directors’ Remuneration Report on pages 99 to 122. The Hilton Food Group plc Employee Benefit Trust, which operates in connection with that Plan, elected to waive its right to receive dividends on shares held by it. During the year, the value of dividends waived was £14,714 (2023: £36,102). There is no further information required to be disclosed under LR 9.8.4R.

Non-financial and sustainability information statement

The following table sets out where stakeholders can find further information relating to non-financial matters including on the key areas of disclosure required by sections 414CA and 414CB of the Companies Act. The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amend these sections of the Companies Act 2006, to require inclusion of climate disclosures in the Annual Report. We believe these have been addressed within this year’s climate-related disclosures on page 63.

Information requirement	Where to read more	Page
Business model and future developments	Our business model	12 to 13
Principal risks	Risk management and principal risks	24 to 31
Financial risk management	Performance and financial review	20 to 23
Non-financial KPIs	Key performance indicators	21
Environment	Sustainability report	37 to 81
Employees		80
Human rights		37 to 81
Social matters		37 to 81
Anti-bribery and corruption	Corporate governance statement	88 to 91

Principal activities

The Group is the international food and supply chain services partner of choice.

Results and dividends

The profit before income tax is £61.0m (2023: £48.6m).

An interim dividend of 9.6p per ordinary share was paid in November 2024. The Directors recommend the payment of a final dividend for the period, which is not reflected in these financial statements, of 24.9p per ordinary share totalling £22.4m, which, together with the interim dividend, represents 34.5p per ordinary share for the year. Subject to approval at the Annual General Meeting, the final dividend will be paid on 27 June 2025 to members on the register at the close of business on 30 May 2025. Shares will be ex dividend on 29 May 2025.

Directors and their interests

The Directors of the Company in office throughout 2024, together with their biographical details, are set out on pages 83 to 84. All the Directors served for the whole of the year under review except Mark Allen who joined the Board on 1 October 2024. Details of Directors’ interests in shares are provided in the Directors’ remuneration report on page 117.

Directors are subject to reappointment at the Company’s AGM following the year in which they are appointed. Under its Articles, all Directors will retire and stand for election or re-election, as appropriate, at each Annual General Meeting.

Directors’ indemnities

As permitted by law and its Articles of Association, the Company has in place appropriate directors’ and officers’ liability insurance cover during the year and up to the date of signing this report.

Directors' report continued

Substantial shareholdings

As at the date of this report, the Company is aware, or has been notified of, the following interests of 3% or more of the voting rights of the Company:

	Number of ordinary shares	Percentage of issued share capital	Nature of holding
Aberdeen	6,154,416	6.85%	Indirect
Blackrock	4,679,741	5.21%	Indirect
Vanguard Asset Management	4,421,370	4.92%	Indirect
Quantum Partners LP	4,400,273	4.90%	Indirect
P. Heffer	4,262,155	4.74%	Direct
Montanaro Investment Managers	3,925,000	4.37%	Indirect
Janus Henderson	3,094,810	3.45%	Indirect
Aberforth Partners	2,985,561	3.32%	Indirect
R. Heffer	2,872,352	3.20%	Direct
Liontrust Asset Management	2,736,853	3.05%	Direct

There are robust safeguard controls in place to monitor transactions between major shareholders of the Company. These include share register analysis on at least a quarterly basis and weekly share transaction reporting.

As a policy, Hilton Foods does not have any devices which would limit the ability to perform a takeover of Hilton Food Group plc. This includes devices which would limit share ownership and/or issue new capital for the purpose of limiting or stopping a takeover.

Political donations

No donations for political purposes were made during the year (2023: £nil). The practice of making political donations would require authority from shareholders and Hilton Foods has never sought such authority.

Employment of people with disabilities

We are building a more engaged, diverse, and capable workforce at Hilton Foods where all individuals have equal opportunity to succeed. Job applications from people

with disabilities are always fully and fairly considered, including their individual skills and capabilities. If an employee becomes disabled during their employment with Hilton Foods, wherever possible measures are taken to ensure their employment continues. We offer equal opportunities for training, career advancement, and promotion to individuals with disabilities.

Share capital and control

The following information is given pursuant to Section 992 of the Companies Act 2006:

- ▶ The Company has one class of share being ordinary shares of 10p each, which have no special rights. The holders of ordinary shares rank equally and are entitled to receive dividends and return of capital as declared, and to vote at general meetings. With minor exceptions, there are no restrictions on transfers of ordinary shares.
- ▶ There are no restrictions on voting rights of ordinary shares.
- ▶ Rights over ordinary shares issued under employee share schemes are exercisable directly by the employees. The Company is

not aware of any agreements between shareholders that may result in restrictions on the transfer of its shares or on voting rights.

- ▶ The Company may appoint or remove a Director by an ordinary resolution of the shareholders. Additionally, the Board may appoint a Director who must retire from office at the following Annual General Meeting, and if eligible, then stand for re-election. The Company's Articles may be amended by a special resolution of the shareholders.
- ▶ The Directors have general powers to manage the business and affairs of the Company. Additionally, the following specific authorities were passed as resolutions at the Company's Annual General Meeting held on 20 May 2024:
 - Directors have authority to resolve that the Company shall purchase up to 10% of its own shares subject to certain conditions.
 - Directors have authority, within limits, to exercise the powers of the Company to allot shares and limited authority to disapply shareholder pre-emption rights. Both these authorities expire on the earlier of the date of 20 August 2025 or the next Annual General Meeting at which renewal of these authorities will be sought.
- ▶ The Company has significant long-term supply agreements with customers, which the customer may terminate in the event that ownership of the Company, following a takeover, passes to a third party, which is not reasonably acceptable to that customer. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Companies Act 2006 also allows that Hilton Food Group plc shareholders representing at least 5% of paid-up capital with voting rights of the Company can

require that the Directors call a general meeting to include the text of a resolution that may properly be moved at that meeting. Additionally, shareholders have the right under the Company's Articles to vote on resolutions to reappoint every Director annually at each Annual General Meeting.

Directors' statement as to disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Directors' report are listed on pages 83 and 84. Having made enquiries of fellow Directors and the Company's auditors, each of these Directors confirm that:

- ▶ to the best of each Director's knowledge and belief, there is no information relevant to the audit of which the Company's auditors are unaware; and
- ▶ each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

Deloitte LLP have expressed their willingness to continue in office and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

Annual General Meeting

The Notice convening the Annual General Meeting can be found in the separate Notice of Annual General Meeting accompanying this Annual Report and financial statements, and can also be found on the Company's website at www.hiltonfoods.com/investors/shareholder-information/.

By order of the Board

Neil George
Company Secretary

7 April 2025

Report of the Audit Committee

Chair’s introduction

I am pleased to report on the activities of the Audit Committee for the 52 weeks ended 29 December 2024.

Role of the Committee

The Audit Committee is established by the Board of Directors. Terms of Reference formalise the roles, tasks and responsibilities of the Committee to comply with the UK Corporate Governance Code and to achieve best practice. The Committee Terms of Reference are available and can be found on the Company’s website at www.hiltonfoods.com.

The Committee meets no less than three times per year.

Membership of the Committee

Members of the Committee are appointed by the Board on the recommendation of the Nomination Committee. In 2024, the Committee comprised the independent Non-Executive Directors Patricia Dimond (Chair), Angus Porter, Rebecca Shelley, Sarah Perry and Mark Allen (from 1 October 2024 to 31 December 2024). The Committee is comprised 100% of independent -Executive Directors. Other individuals such as the Chair, Chief Executive Officer, Chief Financial Officer, Group Internal Audit and Risk Director, Group Financial Controller and the external auditors are invited to attend meetings as appropriate.

I have recent and relevant financial experience and, together with other Committee members, have a wide experience of the food industry and commerce in general. The external auditors and the Group Internal Audit and Risk Director have the opportunity for direct access to the Committee without the Executive Directors being present.

Responsibilities of the Committee

The main responsibilities of the Audit Committee, which are contained in the UK Corporate Governance Code and also in the Committee’s Terms of Reference are the reviewing and monitoring of:

- ▶ the integrity of the financial statements of the Company, any formal announcements relating to the Company’s financial performance and significant financial reporting judgements contained in them;
- ▶ the Annual Report and financial statements, and to determine whether taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company’s position and performance, business model and strategy;
- ▶ the Company’s internal financial controls and internal control and risk management systems and their effectiveness;
- ▶ the work completed, and the effectiveness of, the Company’s internal audit function;



Key areas of focus included cyber security, an impairment review and the internal controls programme.”

Patricia Dimond
Chair

Highlights

Oversight of successful transition to Deloitte LLP as external auditors

Review of cyber security risk mitigation activities

Monitoring implementation of enhancements to the Internal Control Framework ahead of Provision 29 of the UK Corporate Governance Code

Dalco impairment review

Attendance at meetings of the Audit Committee

	Number attended	Percentage attended
Patricia Dimond	5	100%
Angus Porter	5	100%
Rebecca Shelley	5	100%
Sarah Perry ¹	4	80%
Mark Allen (appointed 1 October 2024)	1	100%

¹ Sarah Perry’s absence from one meeting during the year was due to a family bereavement.

Report of the Audit Committee continued

- ▶ the scope and effectiveness of the external auditors including recommendations to the Board regarding the appointment, reappointment and removal of the external auditors, and approval of their remuneration and terms of engagement;
- ▶ the external auditor's independence and objectivity including the policy on engagement of the external auditors to supply non-audit services, giving consideration to the impact this may have on their independence;
- ▶ the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements; and
- ▶ the adequacy of the Company's whistle blowing, anti-bribery and anti-facilitation of tax evasion arrangements.

As part of its responsibilities, the Committee meets with the external auditors and the Group Internal Audit and Risk Director at least once a year without management present. In addition, it reports to the Board on how it has discharged its responsibilities.

How the Committee has discharged its responsibilities

During 2024, the Committee met five times at appropriate intervals in the financial reporting and audit cycles. The work of the Committee during the year focused on the key areas set out as follows.

Monitoring the integrity of the financial statements including significant judgments

The Committee reviewed the half and full year financial reports including the application of accounting policies, estimates and judgements in their preparation and, the clarity and completeness of the disclosures. The Committee also held discussions with management and the external auditors and reviewed supporting papers in respect of these matters.

The key areas of focus and significant issues considered during the year were:

- ▶ exceptional items including a reorganisation cost of £4.2m recognised for ongoing efficiency and restructuring programmes;
- ▶ implementation of a new model for monitoring goodwill at a segmental level;
- ▶ an impairment review was conducted at the half year in response to structural changes in the vegan and vegetarian market, indicating that no impairment was required at this stage. A further review was conducted at the year end which identified an impairment of £9.8m on the value of Dalco's goodwill. Other acquired intangible assets were reviewed for impairment with no impairments identified;
- ▶ a review of the control environment across the business including financial controls and IT systems and access controls;
- ▶ regular updates on upcoming changes in governance and financial reporting requirements, including Provision 29 introduced into the 2024 UK Corporate Governance Code relating to risk management and internal control frameworks, and the disclosure requirements relating to the Corporate Sustainability Reporting Directive;

- ▶ settlement of the insurance claim and ongoing impacts relating to the fire at Hilton's facility in Belgium during 2021 and the related disclosures;
- ▶ disclosure requirements under the Task Force on Climate-related Financial Disclosure (TCFD) framework including the reasonableness of the metrics and targets outlined in the Annual Report. The Committee was satisfied with the disclosures made (see pages 63 to 76); and
- ▶ the impact of potential sensitivities on the Group's cash flow. The Committee concurred that the statements made in relation to going concern and the Group's viability were appropriate.

The Committee was satisfied that the Annual Report and financial statements were, taken as a whole, considered to be fair, balanced and understandable and provide the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

The Committee reviewed a paper prepared by the Chief Financial Officer relating to going concern and the Group's longer-term viability and concluded that the Group should be considered as a going concern. The proposed disclosures relating to the Group's longer-term viability were agreed.

Thereafter, the Committee recommended that the Board approve these financial reports for publication and that the letter of representation to the external auditors be signed.

Internal audit, risk management and internal controls

During the year, the Group Internal Audit and Risk Director reported to the Committee on the delivery of the Internal Audit Plan and the work performed across key areas. The 2024 Internal Audit Plan focused on IT access and resilience, key financial controls, risk management and advisory support. The Committee received regular updates on the progress of the Internal Controls programme, which included a review of existing controls, a gap analysis of operational and compliance processes with the implementation of required mitigations.

The Committee monitored the progress of enhancements to the internal controls in readiness for compliance with Provision 29 of the 2024 UK Corporate Governance Code, relating to internal controls. The Committee noted the findings from this and other assurance work carried out and agreed the Internal Audit Plan for the year ahead. A review of the effectiveness of the Internal Audit process was conducted, and the scope and resourcing of the function reviewed. The Committee was satisfied that the internal audit function had been effective in its work during the year.

Hilton Foods continues to identify cyber security as a principal risk. We recognise the ever-increasing threats in this area, and as such, have extensive mitigation plans in place. During 2024, the Committee received cyber security updates from the Group Internal Audit and Risk Director, the Chief Information Officer and Head of IT Security regarding risk mitigation activities and the development of the cyber risk awareness and training programme. The internal audit plan for 2024 included specific reviews on IT access governance and cyber security resilience. The Committee monitored progress against our cyber security roadmap.

Report of the Audit Committee continued

The Committee received regular updates on risk management including changes to the assessments of risks and consideration of emerging risks. The Committee also reviewed the work done by the Risk Management Committee. The principal risks were reviewed at every Audit Committee meeting and updated as required. Key risk areas reviewed included geopolitical and macroeconomic risks, management of property and site security risk, strategic capital project management, data governance and cyber risk. The Committee reviewed Hilton's current risk appetite and attitude with regards to the principal risks. At the end of the year, the Committee considered a report from the Group Internal Audit and Risk Director on the effectiveness of the risk management and internal control framework. Based on the report, and the work done by Internal Audit during the year, the Committee concluded that the Group's internal control and risk management frameworks were operating effectively and reported accordingly to the Board.

The Committee also received updates on any alleged bribery and fraud in the business at every meeting together with individual updates as required to be able to be satisfied that the arrangements are adequate. Any whistleblowing reports received are reviewed at Board level.

External audit

The Committee oversees the relationship with, and the performance of, the external independent auditors. UK law sets the maximum duration for an audit firm to conduct the statutory audit of a public interest entity as 10 years, although it can be extended up to 20 years where a public tendering process is conducted every 10 years.

The Committee has complied with the Competition and Markets Authority 'The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014'.

In 2022, Deloitte LLP (Deloitte) was selected to replace PricewaterhouseCoopers LLP as external auditors following a public audit tender process. Deloitte shadowed the work of the existing external auditors during the FY 2023 audit and were formally appointed as the Group's external auditors for the FY 2024 audit at the 2024 Annual General Meeting.

The current audit partner, Lee Welham, took over responsibility for the audit in 2024. In accordance with Deloitte's policy, the lead partner is rotated every five years to ensure continued objectivity and independence, Lee is scheduled to rotate in 2029. The engagement partners on key components are also required to rotate every five years.

During the year, meetings were held with the external auditors before the audit to agree their audit plan and fees and after their half-year review and year-end audit work to discuss their key findings. The Committee considered issues raised by Deloitte in their audit management letter ensuring that they were discussed locally with an action plan to resolve.

Deloitte annually confirm their compliance with UK regulatory and professional requirements including ethical standards and that their objectivity is not compromised. Their work is subject to independent audit engagement quality control processes. Potential independence threats through the provision of non-audit services are mitigated through various safeguards.

After the 2023 audit, the Committee reviewed the effectiveness of the external audit including PwC's performance and concluded that the audit was effective, with PwC demonstrating independence and satisfactory performance. To support in the evaluation process of the external auditors, a questionnaire is circulated to key internal stakeholders, as identified by their level of interaction with the external auditors, and the collected data is compiled into a scorecard to assess the auditors' strengths and weaknesses.

Non-audit services and fees

Hilton Foods policy on the use of the external auditors for non-audit services, designed to preserve the independence of the external auditors, was reviewed and updated during the year. This policy categorises non-audit services into (i) continuing services, which the Committee permits the external auditors to undertake subject to a price cap; (ii) irregular or significant services requiring Committee approval on a case-by-case basis; and (iii) non-permitted services.

The level of non-audit fees was reviewed. In 2024, the fees were £168,000 (including £130,000 for work in connection with the half-year review), which represent 10% of audit fees in the year compared with a 70% cap and an average of 9% over three years. Excluding items required by EU or national legislation, the three year average of non-audit fees was 2% of audit fees. Further details of audit and non-audit costs can be found in note 6 on page 155. The Committee believes that the level of non-audit fees does not affect the independence of the external auditors.

Other

The Anti-bribery and anti-corruption and Prevention of the facilitation of tax evasion policies were reviewed during the annual cycle. Meetings were held with both the external and internal auditors without management present.

Conclusion

The Committee considers that the work performed as detailed demonstrates that the Committee continues to operate effectively and discharges its responsibilities.

I will be available to shareholders at the forthcoming Annual General Meeting to respond to any questions relating to the work of the Committee.

Patricia Dimond
Chair

7 April 2025

Report of the Nomination Committee

Chair’s introduction

I am pleased to report on the activities of the Nomination Committee for the 52 weeks ended 29 December 2024.

Role of the Committee

The Nomination Committee is established by the Board of Directors to lead the process for Board appointments. Terms of Reference formalise the roles, tasks and responsibilities of the Committee to comply with the UK Corporate Governance Code and to achieve best practice. The Committee Terms of Reference are available and can be found on the Company's website at www.hiltonfoods.com.

The Committee meets on an as required basis.

Membership of the Committee

The Committee is chaired by the Chairman of the Board. The independent Non-Executive Directors are the other members of the Committee who, therefore, comprise a majority of at least 80%. Mark Allen joined the Committee following his appointment as a Non-Executive Director on 1 October 2024, and from 1 January 2025, became its Chair when Robert Watson stepped down.

Responsibilities of the Committee

The main responsibilities of the Nomination Committee, which are contained in the UK Corporate Governance Code and also in the Committee's Terms of Reference are:

- ▶ to review the structure, size and composition of the Board and its Committees, which should have a combination of skills, experience and knowledge;
- ▶ to promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths;
- ▶ to give consideration to succession planning for Directors and other senior executives and identify appropriate candidates for the approval of the Board;
- ▶ to make recommendations to the Board with regard to any changes and oversee new appointments to the Board;
- ▶ to review the results of the Board performance evaluation relating to the composition of the Board; and
- ▶ to review the time requirements of Non-Executive Directors.

“

The Committee considered the continuing evolution and composition of the Board with particular focus on the Board Chair position.”

Mark Allen
Chair

Image removed

Highlights

Board Chair succession plan completed with the appointment of Mark Allen

Further consideration given to size and diversity of the Board

Attendance at meetings of the Nomination Committee

	Number attended	Percentage attended
Robert Watson	2	100%
Angus Porter	2	100%
Rebecca Shelley	2	100%
Patricia Dimond	2	100%
Sarah Perry	2	100%

Report of the Nomination Committee continued

How the Committee has discharged its responsibilities

During 2024, the Committee met twice and considered a range of topics including resource, succession planning and reviewing time commitments.

The Committee considered the continuing evolution and composition of the Board in order to maintain a strong, well-balanced and diverse Board with particular focus in the year on the Board Chair position.

The Committee noted the intention of Robert Watson to step down from the Board, after more than 20 years with the business, anticipated to be by the end of 2024. A process to find his replacement commenced led by the Senior Independent Director, supported by two independent Non-Executive Directors and the CEO.

This was considered to be an important appointment as there would no longer be a founder on the board, at a key point in the Group's evolution, with the new Chair playing a critical role in shaping and managing the culture of the Boardroom, challenging managements' thinking, promoting open and constructive debate and supporting the organisation through the next exciting phase of development. Required previous experience included:

- ▶ extensive current or previous Non-Executive Director experience, ideally as Chair, on the Board of an international publicly listed business of appropriate scale and complexity;
- ▶ exposure to automation, technology-led supply chain operations and FMCG (preferably food or drink);
- ▶ successful M&A activity;

- ▶ a track record of adding real commercial value and demonstrating impartiality, objectivity and independence;
- ▶ pragmatism, commerciality and financial astuteness;
- ▶ a track record of excellent stakeholder management; and
- ▶ evidence of successfully developing relationships and mentoring other directors and/or executives in their roles.

Additionally, personal qualities include possessing the necessary gravitas, credibility and sound judgement, being an excellent communicator, networker, and ambassador and the ability to attract and retain the best non-executives for the Board and know how to mould them into a team to get the maximum value from each member.

A search was conducted by Sam Allen Associates who have no other connections with the Company or individual Directors. A long list of candidates was produced from which four candidates meeting the criteria were selected for interviews. The Committee also considered the diversity of the Board, including gender, and also difference in thinking as well as the ability to inspire confidence among the Hilton Foods shareholders including founders. The Committee agreed that Mark Allen was the right successor to Robert and recommended that he be offered the Board Chair position. Mark was initially appointed as a Non-Executive Director on 1 October 2024. An induction programme was arranged for Mark including multiple site visits as well as having a three-month handover period with Robert ensuring a smooth transition. Robert stepped down from the Board on 31 December 2024, replaced as Board Chair by Mark, although is staying within the business in an advisory capacity.

After these changes, the balance of the Board's independence was maintained at 57% and Board gender diversity maintained at 43%, above the FCA target. Additionally, Patricia Dimond became the Senior Independent Director with effect from 1 March 2025. It is a key ambition of the Board to achieve greater diversity in its composition and it is recognised that there is still work to be done. We believe that broadening our diversity will not only strengthen our governance but also enhance our ability to innovate and serve our customer base more effectively. The Board is fully committed to giving strong consideration to candidates of diverse ethnic backgrounds. The UK Corporate Governance Code allows Non-Executive Directors to serve for up to nine years and, accordingly, the next enforced change will be no later than 2027. Additionally, the size of the Board remains under review. The Committee is committed, and is proactively working towards achieving greater diversity at the earliest opportunity. We believe that this approach will ensure that any changes made are sustainable and in the best interests of the business.

Hilton Foods is an inclusive business and we ensure that we give equal access to all opportunities. Our approach supports diversity, which is overseen by the Committee. The gender balance of those in senior management and their direct reports continues to improve, increasing from 33.3% in 2023 to 34.7% in 2024. We continue to develop management structures to promote our talent pipeline as part of a succession planning process covering the Directors and senior management positions to enable, where possible, recruitment of vacant positions from internal candidates. Accordingly, processes are in place to assess the current management population against criteria for larger management roles they could potentially fill in the future and put in place individual development plans.

Given the growth in business categories and geographies, the Committee continues to monitor the planning of resource implications. The Chairman has discussions with each Director to review and agree their training and development needs.

Conclusion

The Committee considers that the work performed, as detailed, demonstrates that the Committee continues to operate effectively and discharges its responsibilities.

I will be available to shareholders at the forthcoming Annual General Meeting to respond to any questions relating to the work of the Committee.

On behalf of the Nomination Committee

Mark Allen
Chair

7 April 2025

Directors' remuneration report

Remuneration
at a glance

2024 outcomes

Adjusted profit before tax

£76.1m

4% ahead of the budget target

Adjusted free cash flow

£45.4m

6% behind of the budget target

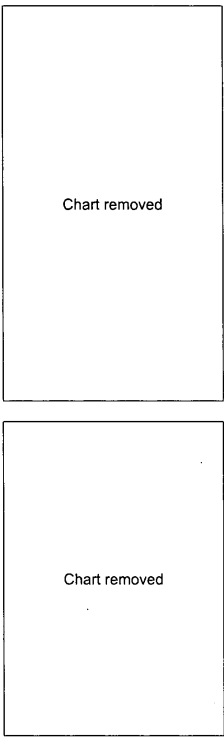
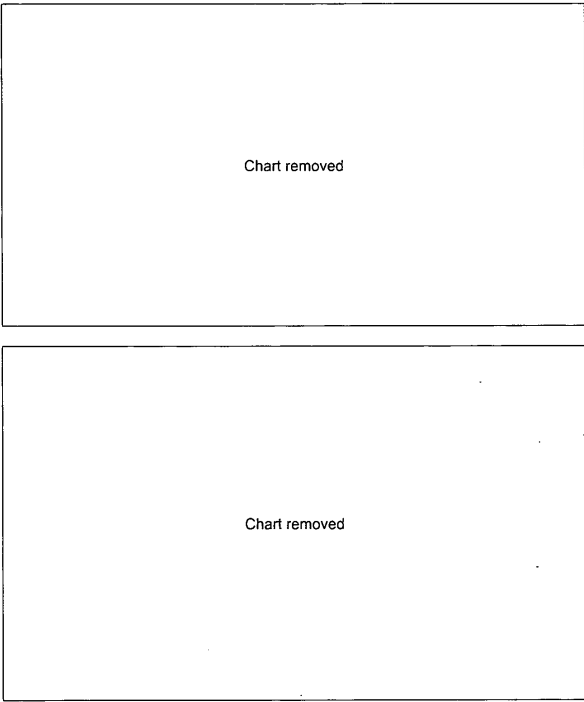
Bonus overall outcome

124.1% CEO
(max 150%)

105.0% CFO
(max 125%)

LTIP overall vesting outcome

8.56%
of maximum



2025 salaries/fees

£850k

CEO 2025 salary of £850k, removal of travel allowance following shareholder feedback

£418k

CFO 2025 salary increase to £418k

£230k

New Chair from 1 January 2025 with fee of £230k

Remuneration report and policy

>96%

Remuneration Report 2024 AGM vote >96% in favour

225%

New Remuneration Policy to be put to 2025 AGM – LTIP potential increase for CEO from 175% to 225% and CFO from 150% to 175%

Directors' remuneration report continued

Annual statement

Dear shareholder,

I am pleased to present the Directors' remuneration report for the 52 weeks ended 29 December 2024. This report sets out the Company's policy on Directors' remuneration as well as information on remuneration paid to Directors during the year.

The report complies with the requirements of The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and has been prepared in line with the provisions of the 2018 UK Corporate Governance Code (the Code) and the Financial Conduct Authority Listing Rules (the Listing Rules).

2024 saw continued volume growth across the Group. Our UK seafood business continued to recover although there are challenges impacting our vegetarian/vegan business and we continue with preparation to build our new facility in Canada, which is due to open in 2027.

The size and complexity of Hilton Foods increased further during 2024 including a focus on the Asian market growth opportunity and unlocking the multi-category

offer potential, commercialising our Foods Connected, Evolve4 and Line Control tech stack businesses, developing the Cellular Agriculture lab-grown meat business and delivering the ESG agenda including our Sustainable Protein Plan and Group Transition Plan.

Performance and 2024 pay outcomes

Hilton Foods has continued to make significant strategic progress, increasing in both size and complexity. Trading volumes increased with the continued recovery in the UK seafood business, although there were challenges in the vegetarian and vegan Dalco business. The overall financial result for 2024 was good with adjusted pre-tax profit ending 4% above the budget target and a further recovery in the share price.

The financial element of the annual bonus was based on the Group's underlying adjusted profit before tax and adjusted free cash flow. The actual performance was adjusted profit before tax of £76.1m and adjusted free cash flow of £45.4m, resulting in awards for the CEO and CFO of 104.1% and 85.0% of salary respectively for the financial element of the bonus.

The personal element of the bonus for the Executive Directors was based on performance objectives set in respect of delivering shareholder value and platform for growth, achieving Dalco recovery, overseeing new projects, enabling a fit for future business and continuously improving culture. Following the Committee's assessment of

these targets, the CEO and CFO earned maximum annual bonuses (20% of salary) for the personal element of the annual bonus. The Committee's assessment of the performance of the Executive Directors is detailed on pages 113 to 115.

The LTIP award granted in 2022 is due to vest in 2025 based on 60% EPS, 25% relative TSR and 15% ESG metrics. Following the end of the three-year performance period to 29 December 2024, EPS growth was below the threshold target and relative TSR was below median and, therefore, there will be no vesting in respect of these metrics. There will be 57% vesting in respect of the ESG metrics and, accordingly, the overall vesting in May 2025 for the 2022 LTIP awards will be 8.56%.

The remuneration policy operated as intended in terms of Company performance and quantum, and no changes were therefore considered to be necessary and no discretion was exercised. There were no payments to Directors during the year outside of the approved Policy.

Chair recruitment

It was anticipated that Robert Watson would step down from his role as Board Chair by the end of 2024. Following a thorough process to find his successor, we were delighted to appoint Mark Allen initially as a Non-Executive Director from 1 October 2024 with an annual fee of £58k, and then as Board Chair from 1 January 2025 with a fee of £230k.



Performance objectives in 2024 related to shareholder value growth, business success, project delivery, fit for future and culture."

Rebecca Shelley
Chair

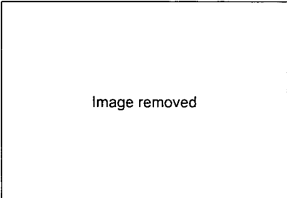


Image removed

Directors' remuneration report continued

Policy review

Following a review of the Remuneration Policy, which was reaching the end of its three-year life, the Committee concluded that the existing approach to Executive Director remuneration (i.e. fixed pay in addition to an annual bonus and an annual grant of performance-based long-term incentives) remains broadly appropriate. However, since the last Policy review circa three years ago, Hilton Foods has continued to make significant strategic progress, increasing in both size and complexity. The continuing growth of, and challenges faced by, the business include:

- ▶ building a new facility in a new country, Canada, with a new retailer partner, Walmart due to open in 2027;
- ▶ continuing to grow the business's international footprint through managing a pipeline of potential new opportunities, including focusing on the Asian market growth opportunity and unlocking the multi-category offer potential;
- ▶ building further expertise as a supply chain partner and commercialising the tech stack comprising Foods Connected, Evolve 4 (acquired 2023), Agito JV (invested in 2023) and Omega line control businesses;
- ▶ developing the Cellular Agriculture lab-grown meat business (first investment in 2022);
- ▶ managing a challenging structural market reset in our vegan and vegetarian market and optimising into a single operating site; and
- ▶ delivering the ESG agenda including Hilton's Sustainable Protein Plan and Transition Plan.

Reflecting the above, shareholder feedback received since our last AGM and as our CFO continues to grow into the role, we are proposing three changes to the Policy and its implementation for 2025 being: (i) a change to the CEO's fixed pay in response to shareholder feedback received in the run up to the 2024 AGM; (ii) an increase to the CEO's LTIP provision to ensure the package appropriately retains and incentivises him and reflects the size and complexity of Hilton Foods; and (iii) to continue to move the CFO's package towards market levels. Reflecting the proposals, which are explained in detail below, one change will be required to the individual limits contained in both the Policy and LTIP rules. In reaching its conclusions, the Committee carried out a benchmarking exercise with regard to the CEO and CFO packages against the sector and FTSE 250 more generally.

CEO remuneration

Two changes are being proposed in respect of Steve Murrells' remuneration being: (i) the removal of the separate travel allowance, which was part of his recruitment arrangements; and (ii) an increase to Steve's annual LTIP award from 175% to 225% of salary as explained below.

(i) Travel allowance

Steve Murrells was appointed CEO in July 2023 and to secure the appointment, Hilton Foods was required to match his previous base salary of £750k and offer a £100k travel allowance (increased by 5% from 1 January 2025 to £787.5k and £105k respectively in line with the workforce) to recognise the disturbance to his family life given his home in the North West of England. Annual bonus potential (150% of salary) and annual LTIP awards (175% of salary) were set at levels consistent with that offered to our previous CEO, Philip Heffer.

However, while our major shareholders were very supportive of Steve's recruitment, there was a strong preference from some of our major shareholders to consolidate the travel allowance into salary on a cost neutral basis going forward.

As such, from 1 January 2025, Steve's salary was increased from £787.5k to £850k and the travel allowance was removed. The partial consolidation of £62.5k of the £105k travel allowance into salary was cost neutral from an on-target and total remuneration basis. Steve's benefits going forward will be limited to private healthcare, the provision of a company car, driver and fuel.

(ii) LTIP potential

The Committee wishes to increase Steve's LTIP award from 175% to 225% of salary to ensure that:

- ▶ Steve remains appropriately retained and aligned to the delivery of the Company's long-term strategy. Since Steve's appointment, it has become clear that the market for executives of his calibre is extremely competitive, both in sector and more broadly, and the Remuneration Committee is keen to reflect this;
- ▶ LTIP provision appropriately reflects the size and complexity of Hilton Foods, noting that award levels have not been increased since 2018, notwithstanding the significant increase in revenues, market capitalisation, numbers of employees, production sites and countries operated as detailed above; and
- ▶ packages are appropriately weighted to the long-term performance of Hilton Foods.

No changes will be made to Steve's shareholding guideline which, at 300% of salary, is considered to be sector and market leading.

Subject to shareholder approval, the Committee intends to grant Steve his normal 175% of salary LTIP in the 42-day window following the announcement of preliminary results, with the additional 50% of salary granted immediately after the 2025 AGM on the same terms as the main award (i.e. performance metrics, targets, vesting date and share price used to determine the number of shares under award). Subsequent awards from 2026 onwards will be granted to Steve at 225% of salary in the 42-day window following the announcement of 2025 preliminary results, and annually thereafter.

Following the partial consolidation of the travel allowance and increase to the annual LTIP award, Steve's package will sit around the upper quartile of the FTSE 250 as a result of an upper quartile salary, median bonus potential and between median and upper quartile LTIP potential. This upper quartile package, which is skewed towards longer-term performance, is considered appropriate for an upper quartile CEO (noting Steve's significant Board and sector experience and his performance in the role) at Hilton Foods (noting the Company's size, complexity and geographical spread as detailed above).

While the Committee recognises that this is a significant increase to Steve's total remuneration package, the additional amounts will be subject to the delivery of long-term performance and amounts will not be realisable for at least five years from grant.

Directors' remuneration report continued

CFO remuneration

Matt Osborne was promoted to the Board as CFO in May 2022 on a remuneration package well below FTSE 250 market levels, albeit the Committee's intention, as communicated in recent Directors' Remuneration Reports, is to move the package towards market as his experience in the role grows.

Matt was originally appointed on a base salary of £270k, which was increased to £320k from 1 January 2023, with a 100% of salary maximum bonus and a 100% of salary LTIP albeit Matt's salary, bonus and LTIP awards were increased to £370k, 125% of salary and 150% of salary respectively from 1 January 2024.

Consistent with Matt's increasing experience and recognising his performance in the role, the Committee wishes to continue to move Matt's package closer to market levels for 2025. As such, the Committee increased his base salary from £370k to £418k from 1 January 2025 and, noting the proposed change to the CEO's LTIP awards, intends to increase Matt's LTIP award level from 150% of salary to 175% of salary for 2025 onwards.

While the Committee recognises that this is a significant increase to Matt's total remuneration package: (i) this has been well signalled since his promotion to the Board; and (ii) the package is now aligned to that of his predecessor at the point he stepped down from the Board over two years ago.

Following the increase to salary and LTIP potential, Matt's package will remain in the lower quartile of the FTSE 250 as a result of a lower quartile salary, lower quartile bonus potential and median LTIP award. Notwithstanding the size, complexity and geographical spread of Hilton Foods as detailed above, this lower quartile positioning, albeit with a skew to the longer term, is considered appropriate at the current time as Matt continues to gain Board level experience.

2025 implementation

Noting the proposed change to the Policy and its implementation detailed above, a summary of how the Committee intends to operate the Policy during 2025 is set out below.

Base salaries

As noted, Steve's salary was increased from £788k to £850k and his travel allowance was removed and Matt Osborne's salary was increased from £370k to £418k taking him to the same base salary as for his predecessor in 2022. Both of these increases, which were effective 1 January 2025, are inclusive of a cost-of-living increase, which was set at 3.5% for the broader UK team.

Pension and benefits

Pension provision will continue to be offered at 7% of salary in line with the broader UK workforce. Following the removal of the travel allowance, Steve Murrells' benefits will be limited to private healthcare, the provision of a company car, driver and fuel. Benefits for Matt Osborne comprise private healthcare, the provision of a company car and fuel.

Variable pay

Maximum annual bonus potential for Steve Murrells and Matt Osborne will remain at 150% of salary and 125% of salary respectively for 2025. Performance targets will comprise personal and strategic objectives for 20% of salary with remainder subject to financial metrics including adjusted profit before tax (80% weighting) and adjusted free cash flow (20% weighting). As the financial targets, which are set with reference to the 2025 budget, and the personal and strategic targets are considered commercially sensitive, the Committee will disclose the targets on a retrospective basis in next year's report. One-third of any bonus awarded over 50% of salary will be deferred into Hilton shares for two years.

As noted, the 2025 LTIP awards will increase to 225% of salary for Steve Murrells (subject to Remuneration Policy approval at AGM) and 175% of salary for Matt Osborne with vesting, once again, determined by stretching EPS (60% weighting), relative TSR (25% weighting) and ESG targets (15% weighting).

For EPS, 10% of this part of an award (noting that the majority of the FTSE 250 sets threshold vesting at 25%) will vest where EPS exceeds 72.3p (equating to 6.3% per annum annual growth) increasing to full vesting for this part of an award where EPS exceeds 82.8p (equating to 11.2% per annum annual growth) measured over the three financial years commencing with the year of grant. The full vesting target represents considerable stretch given market demands. In respect of the TSR targets, 10% of this part of an award (noting that the majority of the FTSE 250 sets threshold vesting at 25%) will vest for median performance against the constituents of the FTSE 250 (excluding investment trusts), increasing pro-rata to full vesting for this part of an award for upper quartile performance. There will be three ESG metrics, with 10% threshold vesting, as detailed in the table below.

In addition, no part of this award may vest unless the Committee is satisfied with the underlying performance of the Company.

Non-Executive Director fees

The Committee approved fees for Mark Allen of £230k from 1 January 2025, a decrease from the previous Chair. The Board Chair and Executive Directors agreed an increase in independent Non-Executive Director fees in line with the UK general workforce for 2025.

Activities of the Committee

The Committee's main activities during 2024 are summarised below and full details are set out in the relevant sections of this report.

- ▶ Agreeing the Executive Director remuneration package increases for 2025 and a review of salary increases for the wider workforce.
- ▶ Agreeing annual bonus award levels for 2023 and setting the targets for 2024.
- ▶ Reviewing the EPS performance targets and vesting levels for the 2021 LTIP awards, which vested in 2024.
- ▶ Approving fees for the incoming Board Chair.
- ▶ Approving the LTIP awards granted in 2024.
- ▶ Approving the issue of the Sharesave scheme for 2024.
- ▶ Approving an incentive proposal in relation to the tech stack businesses.
- ▶ Reviewing the CEO pay ratio and gender pay gap disclosures.
- ▶ Performing an annual evaluation of the Committee's performance and reviewing its Terms of Reference.

2025 LTIP ESG metrics	Threshold vesting over the three-year period	Maximum vesting over the three-year period
Scope 1 and 2 emissions	36.9% reduction	64.9% reduction
Scope 3 emissions	11.3% reduction	14.0% reduction
Women in leadership roles	10.0% increase	23.0% increase

Directors' remuneration report continued

In addition, the Committee considered how the Remuneration Policy and practices are consistent with the six factors set out in Provision 40 of the Code:

Clarity – Our Policy (current and proposed) is understood by our senior executive team and has been clearly articulated to our shareholders and representative bodies. This includes appropriate two-way dialogue with staff, and consideration of their views in respect of remuneration within the Group.

Simplicity – The Committee is mindful of the need to avoid overly complex remuneration structures, which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our executive remuneration policies and practices are straightforward to communicate and operate.

Risk – Our policy (current and proposed) has been designed to ensure that inappropriate risk taking is discouraged and will not be rewarded through: (i) the balanced use of annual and long-term pay, which employ a blend of financial, non-financial and shareholder return targets; (ii) the significant role played by equity in our incentive plans; and (iii) malus/clawback provisions.

Predictability – Our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits.

Proportionality – There is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by performance-related pay, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.

Alignment to culture – Our executive pay policies are aligned to our culture through the use of non-financial metrics in our incentive arrangements.

Workforce engagement

There is appropriate two-way dialogue with staff, and consideration of their views in respect of remuneration within the Group. We ensure that this dialogue is carried out in a variety of ways including engagement surveys to ensure we anonymously receive feedback. Every site has either an employee focus group or collective bargaining is in place where we engage across the year on a number of topics including remuneration with the aim of considering views and amending practice where appropriate. An example of this is in Hilton Foods UK where the workforce were clear that being rewarded if great performance was achieved was important to them. As a result, we introduced a bonus scheme for every employee that rewards with a payout of up to 3% of salary if the factory meets production efficiency goals, while meeting our site profitability and quality targets.

Use of discretion

Under the Code and its Terms of Reference, the Committee has the right to exercise independent judgement and discretion in its assessment of Directors' remuneration, taking account of the performance of the Company, Directors' individual performances and wider circumstances. The Committee was satisfied that no discretion needed to be exercised in respect of the policy or its operation for the 52 weeks ended 29 December 2024.

Looking ahead

The Remuneration Committee is committed to ensuring that the Policy and its implementation remains compliant with prevailing legislative requirements, and is aligned with evolving best practice, while continuing to take account of our overarching remuneration philosophy and delivering value to shareholders.

Transparency and equality of pay across all grades, gender and geographies remains a key focus of the business and is a regular item on the Committee's agenda.

Shareholder consultation and AGM approvals

During the year, I wrote to major shareholders ahead of publication of our 2023 Annual Report and 2024 AGM updating them on a number of decisions made by the Committee in respect of the Executive Directors, and again following the Committee's conclusions from a review of Directors' remuneration in advance of drafting the new Remuneration Policy. Following strong levels of shareholder support during consultation, no changes were made to the proposals and the new Policy will be proposed as a binding resolution for approval by shareholders at our forthcoming 2025 AGM, together with an advisory resolution in respect of the Directors' remuneration report (excluding the Policy).

Thank you to those major shareholders for their engagement in this process. I hope we continue to receive significant levels of shareholder support in respect of our Annual Report at our forthcoming AGM.

Rebecca Shelley
Chair of the Remuneration Committee

Directors' remuneration report continued

Directors' Remuneration Policy

This part of the remuneration report sets out our proposed Remuneration Policy, which will be proposed as a resolution subject to a binding shareholder vote at the Company's 2025 Annual General Meeting.

As detailed in the Annual Statement, only one change is being proposed in respect of the increase in the LTIP potential from 175% to 225% of salary.

The new Policy takes into account the provisions of the 2024 UK Corporate Governance Code and other good practice guidelines from institutional shareholders and shareholder bodies. Subject to approval

by shareholders, it will become effective from the 2025 AGM date and shall be in place for the next three-year period, unless a new policy is presented to shareholders before then. All payments to Directors during the policy period will be consistent with the approved Policy.

Policy scope

The Policy applies to the Board Chair, Executive Directors and Non-Executive Directors.

Overview of Remuneration Policy

The Committee considers that the Group's remuneration policies should encourage a

strong performance culture and emphasise long-term shareholder value creation in order to be aligned with shareholders' interests.

The Policy, developed following a comprehensive remuneration review, has the following objectives:

- ▶ to develop a remuneration structure which supports the Company's strong performance culture and our key objective of creating long-term shareholder value;
- ▶ to enable the Company to recruit and retain executives with the capability to lead the Company on its ambitious growth path;

- ▶ to ensure our remuneration structures are transparent and easily understood both internally and externally;
- ▶ to align the interests of all our stakeholders: the Hilton Foods team, our customers, the communities and environment in which we operate and our shareholders; and
- ▶ to reflect principles of best practice.

Remuneration Policy table

The following table summarises all elements of pay, which make up the total remuneration opportunity for Directors, and details how each element is operated and links to the Company's strategy.

Element	Purpose and link to strategy	Operation	Maximum opportunity
Base salary	To recruit and reward executives of a suitable calibre for the role and duties required	Normally reviewed annually by the Committee with effect from 1 January, taking account of Company size and structural changes, performance, individual performance, changes in responsibility and levels of increase for the broader employee population. Reference is also made to levels within relevant FTSE and industry comparators on a periodic basis, although this is only one factor that is taken into account when determining pay levels and increases. The Committee considers the impact of any base salary increase on the total remuneration package. Pay levels throughout the organisation are also taken into account in order to ensure adequate provision for timely succession.	Normally capped by the increases made to the general workforce. On occasion it may be appropriate for a new Director to be positioned on a below market base salary but then to provide above market increases as the executive gains experience in the role.
Benefits	To provide market competitive benefits to ensure the retention of employees	The Company typically provides: ▶ company car and fuel; ▶ private healthcare; and ▶ other ancillary benefits, including relocation expenses (as required). Any reasonable business-related expenses (including tax thereon) may be reimbursed. Executive Directors are eligible for other benefits, which are introduced for the wider workforce on broadly similar terms.	The value of traditional benefits is based on the cost to the Company and is not predetermined. Relocation expenses or benefits will take into account the nature of the relocation and will be provided on a fair and reasonable basis.
Pension	To provide adequate retirement benefits	Employer contributions are made to money purchase pension schemes or in certain circumstances a salary supplement may be paid in lieu of such pension contributions.	Up to 7% of base salary aligned with the broader UK workforce.

Directors' remuneration report continued

Element	Purpose and link to strategy	Operation	Maximum opportunity
Annual bonus	To encourage and reward delivery of the Company's short-term financial and/or strategic objectives	The Committee will review performance metrics at the start of the year. Performance criteria will be aligned to the Company's strategic objectives at that time. The majority of the bonus will be linked to challenging financial metrics, which will typically include a measure of profit. Strategic or other individual targets may be used to determine a minority of the bonus outcome. For financial measures, typically a sliding scale of targets will be set. Where operated, no more than 20% of that element shall be payable for threshold performance. It may not be possible to set sliding scale targets for individual or strategic measures but full disclosure on the objectives and performance against these will be provided on a retrospective basis. One third of any bonus over 50% of salary will be deferred into shares for two years. Dividend equivalents may be paid on the value of dividends paid during the vesting period on any deferred bonus shares. The payment will be in the form of additional shares and may assume reinvestment. Bonuses are subject to malus and claw-back provisions in circumstances of misstatement, error or gross misconduct, reputational damage and insolvency/corporate failure.	Up to 150% of base salary.
Long-term incentives	To encourage and reward delivery of the Company's medium-term objectives. To provide a way of building up a meaningful shareholding in the Company and providing alignment with shareholders' interests	Under its Long Term Incentive Plan (LTIP) Hilton makes annual awards of conditional shares or nil cost options to selected senior executives. Awards vest subject to continued employment and satisfaction of challenging performance conditions measured over three years to be satisfied by the issue of new shares or through purchasing shares in the market. The performance measures will be based on financial (e.g. EPS), share-price related (e.g. relative TSR) and, when appropriate, strategic and/or ESG performance targets. Performance targets will be determined at the date of grant with up to 10% vesting at threshold performance. The Committee may introduce new, or reweight existing, performance measures so that they are aligned with the Company's strategic objectives at the start of each performance period. Awards are subject to malus and claw-back provisions for three years following vesting in circumstances of material misstatement, error or misconduct, reputational damage and insolvency/corporate failure. A two-year post-vesting holding period will operate for LTIP awards granted to Executive Directors. Dividend equivalents may be paid on the value of dividends paid during the vesting period or any holding period (if applicable). The payment may be in the form of additional shares and may assume reinvestment.	Up to 225% of base salary.
All-employee share schemes	To encourage employee share ownership and thereby increase their alignment with shareholders	All employees are eligible to join any permissible all-employee scheme. Executive Directors will be eligible to participate in any all-employee share plan operated by the Company on the same terms as other eligible employees. Under Hilton's Sharesave Scheme (HMRC-approved for the UK), regular savings over three years is followed by a six month period to exercise the options granted. No performance conditions attach to options granted under the scheme.	The maximum level of participation is subject to the limits imposed by HMRC from time to time (or a lower cap set by the Company).

Directors' remuneration report continued

Element	Purpose and link to strategy	Operation	Maximum opportunity
Shareholding guidelines	To further align Executive Directors' interests with those of long-term shareholders and other stakeholders	Executive Directors are expected to build a holding in the Company's shares equal to a minimum value of 300% of base salary for the Chief Executive Officer and 200% of base salary for all other Executive Directors. To the extent that this guideline has not been achieved, executives are normally required to retain 50% of any vested share awards (after the sale to meet tax obligations). Shareholdings for new executive Board members can be built over a five year period.	N/A
Post-cessation guidelines		100% of the relevant in-employment guideline for two years post-cessation.	N/A
Non-Executive Director fees	To attract and retain a high-calibre Non-Executive Chair and Non-Executive Directors by offering a market competitive fee level	The Non-Executive Directors receive fees for carrying out their duties. Fees are reviewed annually. A base fee is augmented for Committee Chairs or membership to take into account the additional time commitment and responsibilities associated with those Committees. Neither the Chairman nor the Non-Executive Directors are eligible for any performance-related remuneration. Non-Executive Director remuneration is determined by the Board Chair and the Executive Directors. The Board Chair's remuneration is determined by the Remuneration Committee. If there is a temporary, yet material increase, in the time commitments for Non-Executive Directors, the Board may pay extra fees on a pro-rata basis to recognise the additional workload. Additional fees may be payable in relation to extra responsibilities undertaken such as chairing a Board Committee and/or a Senior Independent Director role or being a member of a Committee. Any reasonable business-related expenses (including tax thereon) can be reimbursed if determined to be a taxable benefit.	As for the Executive Directors, there is no prescribed maximum annual increase, although it will normally align to the workforce pay increase. Any increases to fee levels will take into account the general salary increase for the broader UK employee population, the level of time commitment required to undertake the role and the level of fees paid in the general market.

Notes:

- As Hilton Foods operates in a number of geographies, remuneration practices vary across the Group. However, employee remuneration policies are based on the same broad principles and the Remuneration Policy for the Executive Directors is designed with regard to the policy for employees as a whole. For example, the Committee takes into account the general base salary increase for the broader UK employee population when determining the annual salary review for the Executive Directors. There are some differences in the structure of the Remuneration Policy for the Executive Directors and other senior employees, which the Remuneration Committee believes are necessary to reflect the different levels of responsibility of employees across the Company. The key differences in Remuneration Policy between the Executive Directors and employees across the Group are the increased emphasis on performance-related pay and the inclusion of a share-based Long Term Incentive Plan for Executive Directors. There is a lower aggregate incentive quantum at below executive level with levels driven by market comparatives and the impact of the role. Long-term incentives are not provided outside of the most senior executives as they are reserved for those viewed as having the greatest potential to influence Group levels of performance.
- Long-term incentive and Sharesave schemes are operated in accordance with their respective Scheme and other rules under which the Committee has some discretion relating to their administration, which is consistent with market practice. Under the LTIP such discretion covers:
 - participation;
 - the timing of the grant of award and/or payment;
 - treatment of awards in the event of good leavers (including determination of good leaver status), death and intervening events (including variations in capital and change of control), which address vesting date, exercise period and reduction in number of vesting options;
 - minor alterations to benefit the plan administration, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment;
 - where an event has occurred such that it would be appropriate to amend the performance condition so long as the altered performance condition is not materially less difficult to satisfy; and
 - adjusting the long-term incentive vesting outcome if the level of vesting is not considered to be commensurate with performance over the period. The Committee, in using its discretion, would act fairly and reasonably and would seek to consult with shareholders prior to the use of any upwards discretion.
- The Remuneration Committee retains the right to exercise discretion to override formulaic outcomes and ensure that the level of bonus and/or LTIPs payable is appropriate. It may also use its judgement to adjust outcomes to ensure that any payments made reflect overall Company performance and stakeholder experiences more generally. Where discretion is exercised, the rationale for this discretion will be fully disclosed to shareholders in the relevant annual report.

Directors' remuneration report

continued

Other Policy information

Element	Description
Non-UK based Directors and foreign currency translation	Directors may be employed who are based outside of the UK and, therefore, subject to the employment laws and accepted practice for that country, which may be different to those in the UK. The Committee will ensure that any future overseas-based Directors are remunerated on an equivalent basis as in the UK albeit that it may be necessary to satisfy local statutory requirements.
Approach to recruitment	The remuneration package for a new Executive Director would be set in accordance with the terms of the Company's approved Remuneration Policy in force at the time of appointment. For the appointment of a new Board Chair or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time. The salary for a new Executive Director shall take into account the experience and calibre of the individual and the market rate required for recruiting them. The initial salary may be set below the normal market rate, with phased increases over the first few years as the Executive Director gains experience in their new role. Pension provision will be workforce aligned. Depending on the timing of the appointment, the Committee may deem it appropriate to set different annual bonus performance criteria for the remainder of the first performance year of appointment. The bonus would be pro-rated to reflect the portion of the year in employment. In addition, an LTIP award can be made shortly following an appointment (providing that the Company is not in a closed period). The maximum bonus and LTIP grant level will be in accordance with the maxima outlined in the policy table. If an individual is forfeiting remuneration from their previous employer, the Committee may offer additional cash and/or share-based elements when it considers these to be in the best interests of the Company and its shareholders. Such payments would reflect, and be limited to, remuneration relinquished when leaving the former employer and would reflect (as far as possible) the nature and time horizons attaching to that remuneration and the impact of any performance conditions. The aim of any such award would be to ensure that so far as possible, the expected value and structure of the award will be no more generous than the amount being forfeited. Shareholders will be informed of any such payments in the remuneration report. For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role will be allowed to pay out according to its terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. For external and internal Executive Director appointments the Committee has the discretion to pay ongoing relocation costs for a reasonable period, as well as one-off payments (assuming they are fair and reasonable). Any share-based awards referred to in this section will be granted as far as possible under the Company's existing share plans. If necessary, awards may be granted outside of these plans as permitted under the Listing Rules.
Payment for loss of office	Payments for loss of office are made in accordance with the terms of the Directors' service contracts as below. On termination, no bonus is payable unless the Committee determines good leaver circumstances apply where, subject to performance conditions, a pro-rata bonus may be payable at the Company's discretion. LTIP awards will generally lapse on cessation, although they may be capable of vesting in certain good leaver situations. For good leavers, outstanding share awards may vest at the original vesting date, or on the date of cessation if the Committee decides, subject to time pro-rating and the performance conditions being satisfied. In accordance with its Terms of Reference, the Committee ensures that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised. The Committee may pay reasonable outplacement and legal fees where considered appropriate. In addition, the Committee may pay any statutory entitlements or settle or compromise claims in connection with a termination of employment, where considered in the best interests of the Company.

Directors' remuneration report continued

Element	Description
Consideration of shareholder views	The Committee is always interested in shareholder views and is committed to an open dialogue. Accordingly, the Committee will seek to engage with major shareholders on any proposed significant changes to its remuneration policies or in the event of a significant exercise of discretion. The Committee considers shareholder feedback received in relation to each AGM alongside views expressed during the year. In addition, we engage actively with our largest shareholders and consider the range of views expressed.
Consideration of employment conditions elsewhere in the Group	The Committee takes into account the general employment reward packages of employees across the Group when setting policy for Executive Director remuneration and is kept informed of changes in pay across the Group. Non-Executive Directors engage with employees on a number of areas including Group-wide remuneration. These discussions ensure that all employees' views are taken on board.

Director service contract and other relevant information

Provision	Executive Directors	Non-Executive Directors
Term	Steve Murrells appointed on 3 July 2023 with no fixed term. Matt Osborne appointed on 24 May 2022 with no fixed term.	Angus Porter – from 1 July 2018 Rebecca Shelley – from 1 April 2020 Patricia Dimond – from 1 April 2022 Sarah Perry – from 4 December 2023 Mark Allen – from 1 October 2024
Re-election at AGM	Annually under the Company's Articles and for FTSE 350 companies under the UK Corporate Governance Code	Annually under the Company's Articles and for FTSE 350 companies under the UK Corporate Governance Code.
Notice period	Up to 12 months for both the Company and the Director. The service contract policy for new appointments will be on similar terms as existing Directors	Six months for both the Company and the Director.
Termination payment/ payments in lieu of notice	Up to 12 months' salary in lieu of notice. If a claim is made against the Company in relation to a termination (e.g. for unfair dismissal), the Committee retains the right to make an appropriate payment in settlement of such claims as considered in the best interests of the Company. Additional payments in connection with any statutory entitlements (e.g. in relation to redundancy) may be made as required.	None
Change of control	There are no enhanced terms in relation to a change of control.	There are no enhanced terms in relation to a change of control.
External appointments	External appointments can be held and earnings retained from such appointments with the Company's permission.	N/A

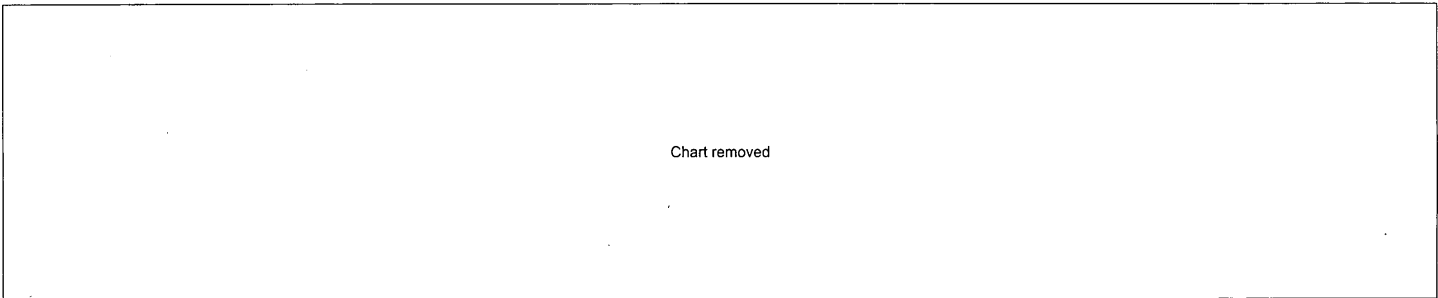
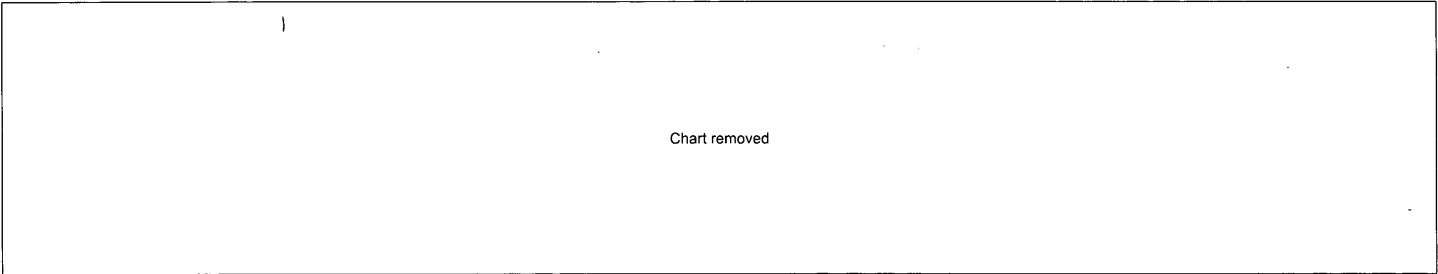
Inspection

Executive Director service agreements and Non-Executive Director appointment letters are available for inspection at the Company's registered office.

Directors' remuneration report
continued

Illustration of future application of remuneration policy

The chart below illustrates 2025 Executive Directors' remuneration at different levels of performance under the Remuneration Policy.



Notes:

1 Fixed elements of pay comprise salary and fees, benefits and pension. Salary and fees include known increases and benefits are included at 2024 levels adjusted for known changes. Pension is included at 7%.

2 One year targets represent the annual bonus. The minimum scenario assumes no bonus on the basis that threshold is not reached, the on-target scenario assumes 50% of the maximum and the maximum scenario assumes the full bonus is awarded (150% of salary bonus for the CEO and 125% of salary for the CFO).

3 Multiple year targets comprise long-term incentives. The minimum scenario assumes that threshold performance is not reached with no awards vesting, the on-target scenario is based on 50% of the awards vesting and the maximum scenario reflects the maximum performance with 100% of the awards vesting (225% of salary bonus for the CEO and 175% of salary for the CFO).

4 The basis of the calculation of the share price appreciation is that the share price embedded in the calculation for the "maximum" bar chart is assumed to increase by 50% across the performance period.

Directors' remuneration report continued

Role of the Committee

Remuneration Policy is delegated by the Board to the Remuneration Committee established by the Board of Directors. Terms of Reference formalise the roles, tasks and responsibilities of the Committee to comply with the Code and to achieve best practice. The Committee's Terms of Reference are available and can be found on the Company's website at www.hiltonfoods.com.

The Committee meets at least twice per year.

Membership of the Committee

Members of the Committee are appointed by the Board on the recommendation of the Nomination Committee and in consultation with the Chair of the Remuneration Committee. In 2024, the Committee comprised the independent Non-Executive Directors Rebecca Shelley (Committee Chair), Angus Porter, Patricia Dimond, Sarah Perry and Mark Allen (from 1 October 2024).

Other individuals such as the Board Chair, Chief Executive and external advisors may be invited by the Committee to attend meetings as and when required. The Company Secretary is in attendance at all meetings.

Responsibilities of the Committee

The main responsibilities of the Remuneration Committee which are contained in the Code and in the Committee's Terms of Reference, are:

- ▶ setting the Remuneration Policy and agreeing payments for the Company's Non-Executive Chair, the Executive Directors and Executive Leadership Team;
- ▶ approving the design of, and determining the targets for, any performance-related pay schemes operated by the Company and approving the aggregate annual payments made under such schemes;
- ▶ reviewing the design of all share incentive plans for approval by the Board and shareholders; and
- ▶ reviewing all elements of workforce remuneration and associated policies.

Attendance at meetings of the Remuneration Committee

	Number attended	Percentage attended
Rebecca Shelley	4	100%
Angus Porter	4	100%
Patricia Dimond	4	100%
Sarah Perry ¹	3	75%
Mark Allen (appointed 1 October 2024)	2	100%

Note:

1 Sarah Perry's absence from one meeting during the year was due to a family bereavement.

External advisors

The Committee recognise the complexity and technical nature of remuneration issues and have therefore appointed independent experts, FIT Remuneration Consultants LLP, on remuneration matters. FIT's fees, on a time and expense basis, for advice provided to the Remuneration Committee during the year were £42,160 (excluding VAT) which included advising on the new Remuneration Policy. FIT does not provide any other services to the Group and the Committee is satisfied that it provides independent and objective remuneration advice. FIT is a signatory to the Code of Conduct for Remuneration Consultants in the UK, details of which can be found on the Remuneration Consultants Group's website at www.remunerationconsultantsgroup.com.

Share scheme dilution limits

The Company applies established good governance restrictions over the issue of new shares under all its share schemes of 10% in 10 years and 5% in 10 years for discretionary schemes. As at 29 December 2024, the headroom available under these limits was 1.3% and 0% respectively.

Directors' remuneration report continued

Statement of voting at Annual General Meeting

The following table shows the voting results in respect of the 2023 Directors' remuneration report (other than the Directors' Remuneration Policy) approved at the 2024 AGM and the Directors' Remuneration Policy, which was last approved by shareholders at the 2022 AGM:

	Approve Directors' remuneration report	Approve Directors' remuneration policy
AGM year	2024	2022
Resolution type	Advisory	Binding
Votes for	53,368,817	76,038,800
%	96.45%	99.05%
Votes against	1,966,853	733,039
%	3.55%	0.95%
Votes withheld	4,403,131	3,750

Single total figure table of remuneration

The remuneration of individual Directors is set out below.

	Salary and fees (note 1) £'000	Benefits (note 2) £'000	Pension (note 3) £'000	Total fixed pay £'000	Annual bonus (note 4) £'000	Long-term incentive (note 5) £'000	Total variable pay £'000	Total £'000
52 weeks to 29 December 2024								
Executive Directors								
Steve Murrells	788	141	55	984	977	–	977	1,961
Matt Osborne	370	10	26	406	388	19	407	813
Non-Executive Directors								
Robert Watson	294	–	–	294	–	–	–	294
Angus Porter	68	–	–	68	–	–	–	68
Rebecca Shelley	80	–	–	80	–	–	–	80
Patricia Dimond	70	–	–	70	–	–	–	70
Sarah Perry	58	–	–	58	–	–	–	58
Mark Allen (appointed 1 October 2024)	15	–	–	15	–	–	–	15
Total	1,743	151	81	1,975	1,365	19	1,384	3,359

Directors' remuneration report

continued

52 weeks to 31 December 2023	Salary and fees (note 1) £'000	Benefits (note 2) £'000	Pension (note 3) £'000	Total fixed pay £'000	Annual bonus (note 4) £'000	Long-term incentive (note 5) £'000	Total variable pay £'000	Total £'000
Executive Directors								
Steve Murrells	375	52	26	453	470	–	470	923
Matt Osborne	320	16	22	358	277	–	277	635
Non-Executive Directors								
Robert Watson	280	–	–	280	–	–	–	280
Angus Porter	58	–	–	58	–	–	–	58
Rebecca Shelley	58	–	–	58	–	–	–	58
Patricia Dimond	64	–	–	64	–	–	–	64
Sarah Perry	4	–	–	4	–	–	–	4
Former Directors								
Philip Heffer	310	2	22	334	388	–	388	722
Christine Cross	59	–	–	59	–	–	–	59
Total	1,528	70	70	1,668	1,135	–	1,135	2,803

Notes:

1. Salary and fees

Reflects salaries/fees paid to Directors in respect of 2024 (with 2023 comparatives). In 2024, Non-Executive Directors were paid a basic fee of £58,000 with additional fees of £12,000 paid for chairing Audit and Remuneration Committees and £10,000 for chairing the Sustainability Committee, and for the role of Senior Independent Director combined with the designated NED for workforce engagement.

2. Benefits

Benefits provided comprised CEO travel allowance (totalling £105k), company car, driver, fuel and private healthcare.

3. Pension

Payments were made during 2024 to money purchase pension schemes (£26k) or in lieu as a salary supplement (£55k) at the rate of 7% of salary for all Executive Directors.

Directors' remuneration report continued

4. Annual bonus

The 2024 annual bonus had two elements. The financial element bonus was based on adjusted profit before tax and free cash flow performance against a sliding scale of targets. A strategic element bonus was available based on achievement of personal objectives. No bonus is paid the profit financial metrics achieves threshold performance. The bonus outcome for 2024 for all Executive Directors is summarised below.

Bonus element	Metric	Weighting	Threshold performance	Target performance	Maximum stretch target	2024 achieved
Financial	Adjusted profit before tax	80%	£65.8m	£73.1m	£76.8m	£76.1m
	Adjusted free cash flow	20%	£43.7m	£48.5m	£50.9m	£45.4m
	% of base salary	CEO / CFO	20% / 20%	75% / 50%	130% / 105%	104.1% / 85.0%
Strategic personal	% of base salary	CEO / CFO			20% / 20%	20.0% / 20.0%
Total	% of base salary	CEO / CFO			150% / 125%	124.1% / 105.0%
To be paid in cash						99.4% / 86.7%
To be deferred into Hilton shares for two years subject to continued employment						24.7% / 18.3%

The Executive Directors were set a number of different personal and strategic objectives individually tailored to their role and the needs of the business in the year now under review. The achievements against these objectives were considered carefully by the Committee. A summary of these objectives and achievements for the Executive Directors is set out below together with the assessment and overall outcome.

Steve Murrells

Objectives	Detailed targets	Weighting %	Remuneration Committee assessment
1. Deliver shareholder value and platform for growth	- Deliver the 2024 budget - Deliver a Greenchain investor day that builds investor relationships - Re-set 2025 growth strategy for 2028 to recover and grow PBT and margin alongside revenue - Lead the implementation of a dynamic marketing and communications ESG strategy	Met in full	- Executed a number of initiatives to build a platform of growth and renew confidence in the Hilton Foods model with its shareholders - Achieved a better balance to the share register with three new holders - Executed clearer, transparent comms supported by site visits, professionalised our presentations including participating in breakfast meetings - A transition and comms plan to hit improved SBTIs on sustainability - Increased in number of European shareholders
2. Achieve Dalco recovery and set Foppen up for success	- Ensure service, quality and budget targets are met and exceeded - Conduct strategic view of both businesses to set up for long-term success - Improve on employee engagement scores in Dalco and Foppen	Met in full	- Made available additional resources to support the recovery plan - Started conversations with potential partners - Built relationships at a senior level with key customer - Visited the Dalco site a significant number of times to give confidence to the team - Resolved a significant problem with a major customer - Undertook business reviews across both Foppen operating sites

Directors' remuneration report continued

Steve Murrells continued

Objectives	Detailed targets	Weighting %	Remuneration Committee assessment
3. Oversee delivery plans for new projects	▶ Deliver to budget, timelines and customer satisfaction ▶ Ensure the teams have the resources to deliver ▶ Support customer relationship management at the highest levels during project delivery	Met in full	▶ All milestones achieved on Canada project in first planning year including facility secured and business case ▶ Solid progress made throughout the year on other projects
4. Enable a fit-for-future business	▶ Drive delivery of regional and central cost out programmes ▶ Improve financial and operational performance through simplified KPIs ▶ Ensure robust succession plans and improved talent pipelines	Met in full	▶ Delivered on consensus profit number despite significant Dalco challenges ▶ Shared our 2030 vision with the Board ▶ Started to give middle managers bigger opportunities ▶ Started the conversation on a plan to restructure and rightsize the business
5. Continuously improve culture	▶ Ensure the implementation of an effective internal communications strategy and framework ▶ Embody the ELT ways of working Charter by being connected and supportive to ELT colleagues and setting the right climate for leaders across Hilton Foods measured through 360-degree feedback ▶ Lead the continuous improvement of colleague engagement	Met in full	▶ Engagement results continue to improve across the Group ▶ Signed off the internal communication strategy that has landed well in its first year ▶ Started work on developing the leadership capability of the ELT, which included measuring the progress of how they each lead their teams today, how they problem solve and how they improve coming together through a 360-degree process. Results showed considerable improvement year on year
Outcome of strategic personal objectives, Remuneration Committee assessment: 20% of salary achieved from a total of 20%.			

Matt Osborne

Objectives	Detailed targets	Weighting %	Remuneration Committee assessment
1. Continue step-change in investor relations driving positive market sentiment in line with Board and Group CEO expectations	▶ Maintain positive relationships with investors and analysts ▶ Coordinate capital markets event providing deep dive into Greenchain/other areas of business as agreed ▶ Active engagement with potential US and/or European investors through targeted roadshow(s) by end of Q3	Met in full	▶ Positive dialogue with investors and analysts with extremely good feedback from brokers, analysts and investors ▶ Positive engagement with new investors throughout the year ▶ European investor introductions and non-holder breakfast timetabled supported by brokers ▶ Concerted efforts to increase profile of business through attendance at broker investor conferences

Directors' remuneration report continued

Matt Osborne continued

Objectives	Detailed targets	Weighting %	Remuneration Committee assessment
2. Ensure effective, sustainable funding of core business and support to geographic expansion that meets the 2024 business plan requirements without compromising the long-term strategy	▶ Deliver incremental CAD financing for Canda project, while maintaining Group headroom ▶ Progress funding for potential new projects ▶ Build plan for inclusion of ESG links in incremental financing and re-financing of existing facilities ▶ Deliver step change in working capital visibility and management with more effective reporting and targeted in-year improvements	Met in full	▶ Finance strategy presented to the Board with overall support for the approach proposed ▶ Positive initial engagement with local Canadian partner bank alongside positive feedback from existing key lenders ▶ UK lease financing facility utilised in the UK
3. Provide greater stakeholder insight and understanding through enhanced financial reporting and planning that enables improved decision making in line with Board and Group CEO expectations	▶ KPIs – replace current weekly KPI with more focused insightful measures ▶ Enhance current monthly accounts pack to provide greater insight and understanding for Board and ELT users ▶ Delivery of updated, flexible, 5 year planning model	Met in full	▶ Finance reports improved with additional commentary and insight provided ▶ KPIs reports streamlined and simplified to provide more focused measures. Plan to transition to PowerBI report underway ▶ Strategy plan updated to include more flexibility and ability to scenario plan ▶ Significant work underway regarding roll-out of future tech ERP ▶ Systemised statutory consolidation tool being trialled before full implementation
4. Build the financial leadership team to create and implement the finance strategy ensuring one-team ways of working and robust local delivery in line with the Board and Group CEOs expectations	▶ Deliver meaningful progress in key areas of finance strategy comprising capital allocation, cash management and working capital, KPIs and one finance team ▶ FY 2025 Budget process – lead more effective budget process with early resolution of Group/internal charges	Met in full	▶ Finance leadership team in place to focus on driving change, process improvements and resolving challenges ▶ Good progress on capital allocation prioritisation project ▶ Cash management forecasting processes being enhanced ▶ Good focus across the regions on reporting including more efficient preparation of flash reports ▶ Budget process underway with early start on recharge work
5. Embody the ELT ways of working Charter by being connected and supportive to ELT colleagues and setting the right climate for leaders across Hilton Foods measured through the agreed 360-degree feedback process	▶ Show alignment as a collective ▶ Agree on the messages and decisions made in the room and commit to outcomes as a team ▶ Support other ELT team members ▶ Collaborate and always assume positive intent	Met in full	▶ Diarised regular check ins with regional CEOs to ensure awareness of challenges and provide or offer support as required. Regularly check in with other ELT members and act as sounding board as needed
Outcome of strategic personal objectives, Remuneration Committee assessment: 20% of salary achieved from a total of 20%.			

Directors' remuneration report

continued

5. Long term incentive plan

Awards were granted in 2021 under the Long Term Incentive Plan, which are due to vest in 2025, subject to performance conditions covering the three financial years 2022–2024 with a 60% weighting given to an EPS metric, a 25% weighting to a TSR metric and a 15% weighting to various ESG metrics. The share price at the date the awards were granted was £12.04. The long-term incentive vesting outcome is summarised below.

EPS metric	Threshold performance	Maximum performance	2024 achieved
2022–24 adjusted basic EPS % annual growth	5%	12%	-0.6%
Vesting %	10%	100%	0.0%
TSR metric	Threshold performance	Maximum performance	2024 achieved
2022–24 adjusted basic EPS % annual growth	Median	Upper quartile	81st out of 156 constituents
Vesting %	10%	100%	0.0%
ESG metric	Threshold performance	Maximum performance	2024 achieved
2022–24 Scope 1 & 2 (5% weighting)	6.5% reduction	43.9% reduction	31.9% reduction
2022–24 Recycled packaging (5% weighting)	11.7% increase	28.3% increase	7.0% increase
2022–24 Food waste (5% weighting)	15.0% reduction	30.0% reduction	47.0% reduction
Vesting %	10%	100%	57.1%

The overall vesting is 8.56%, which is not affected by any assumptions over acquisitions.

	Awards granted	Awards expected to vest 8.56%	2024 Q4 average share price £9.025	Amount attributable to share price appreciation
Director	No.	No.	£'000	£'000
Matt Osborne	24,033	2,057	19	(6)

6. Payments to past directors

There were no payments made to former directors in 2024 for services as directors.

7. Payments for loss of office

There were no payments for loss of office made in 2024.

Directors' remuneration report continued

Director shareholding and share interests

Details of Director shareholdings and changes in outstanding share awards were as follows:

Director	Type	At 31 December 2023	Granted (note 4)	Exercised	Lapsed	At 29 December 2024	Exercise price (pence)	Earliest exercise date	Latest exercise date	Notes
Robert Watson	Shares	2,042,292				2,042,292				1
	Nil cost options	24,241	3,634	(27,875)	–	–	nil	21.05.22	21.05.29	3
	Total nil cost options	24,241	3,634	(27,875)	–	–				
Steve Murrells	Shares	28,781				39,576				1
	Nil cost options	182,039	–	–	–	182,039	nil	15.05.26	15.05.33	3(b)
	Nil cost options	–	148,026	–	–	148,026	nil	13.05.27	13.05.34	3(c)
	Total nil cost options	182,039	148,026	–	–	330,065				
Matt Osborne	Shares	5,171				7,684				1
	Share options	2,678	–	–	–	2,678	672.00	01.08.26	01.02.27	2
	Total share options	2,678	–	–	–	2,678				
	Nil cost options	–	221	(221)	–	–	nil	21.05.22	21.05.29	3
	Nil cost options	4,492	–	–	(4,492)	–	nil	11.05.24	11.05.31	3
	Nil cost options	24,033	–	–	–	24,033	nil	16.05.25	16.05.32	3(a)
	Nil cost options	55,479	–	–	–	55,479	nil	15.05.26	15.05.33	3(b)
	Nil cost options	–	59,613	–	–	59,613	nil	13.05.27	13.05.34	3(c)
	Total nil cost options	84,004	59,834	(221)	(4,492)	139,125				1
Angus Porter	Shares	2,877				2,877				1
Rebecca Shelley	Shares	3,281				3,376				1
Patricia Dimond	Shares	19,188				21,518				1
Sarah Perry	Shares	–				536				1
Mark Allen	Shares	–				–				1

Directors' remuneration report

continued

Notes

- All shares are beneficially owned with the exception of 1,246,917 shares held by various family trusts of which Robert Watson is a trustee. There have been no changes in the interests of current Directors between 29 December 2024 and the date of this report.

The Company's Remuneration Policy includes a shareholding guideline such that Executive Directors are expected to build a holding in the Company's shares at least equal to a minimum value as a percentage of base salary. At 29 December 2024, the guideline and actual share holdings were as follows:

Director	Guideline minimum holding value as a % of salary	Actual holding value as a % of salary	Guideline met?
Steve Murrells	300%	46%	On track
Matt Osborne	200%	19%	On track

In accordance with the Remuneration Policy, Steve Murrells and Matt Osborne will retain at least 50% of any vested share awards (after the sale to meet tax obligations) to build up their shareholdings over a period of no more than five years to meet the guideline.

- Share options granted under Hilton's all employee Sharesave Scheme.
- Nil cost options granted under the Long Term Incentive Plan, which are subject to the performance conditions and compound earnings per share growth below on a sliding scale over the performance period.

Grant year	Performance basis	Performance period	Threshold vesting	Compound annual growth at threshold vesting	Maximum vesting	Compound annual growth at maximum vesting
(a) 2022	EPS 60%	2022–2024	10%	5%	100%	12%
	TSR 25%			Median		Upper quartile
	ESG – Scope 1 & 2 energy 5%			6.5% reduction over period		43.9% reduction over period
	ESG – Recycled packaging 5%			11.7% increase over period		28.3% increase over period
	ESG – Food waste 5%			15.0% reduction over period		30.0% reduction over period
(b) 2023	EPS 60%	2023–2025	10%	11%	100%	17%
	TSR 25%			Median		Upper quartile
	ESG – Scope 1 & 2 energy 5%			35% reduction over period		52% reduction over period
	ESG – Scope 3 energy 5%			21% increase over period		33% increase over period
	ESG – People gender, inclusion and human rights metrics 5%			Various		Various
(c) 2024	EPS 60%	2024–2026	10%	7%	100%	14%
	TSR 25%			Median		Upper quartile
	ESG – Scope 1 & 2 energy 5%			43% reduction over period		53% reduction over period
	ESG – Scope 3 energy 5%			16% reduction over period		19% reduction over period
	ESG – Supplier audit and people gender and survey metrics 5%			Various		Various

Directors' remuneration report continued

4. Grant of LTIP nil cost option awards in the year were as follows:

Director	Face value	Number of shares under 2024 LTIP award	Proportion of salary	Share price date	Closing share price
Steve Murrells	£1,378,125	148,026	175%	10 May 2024	931p
Matt Osborne	£555,000	59,613	150%	10 May 2024	931p

Additionally, Robert Watson and Matt Osborne were granted 3,634 and 221 dividend equivalent options respectively, relating to their 2019 grant.

5. LTIP nil cost options exercised in the year occurred when the share price was 875.5p and 931p.

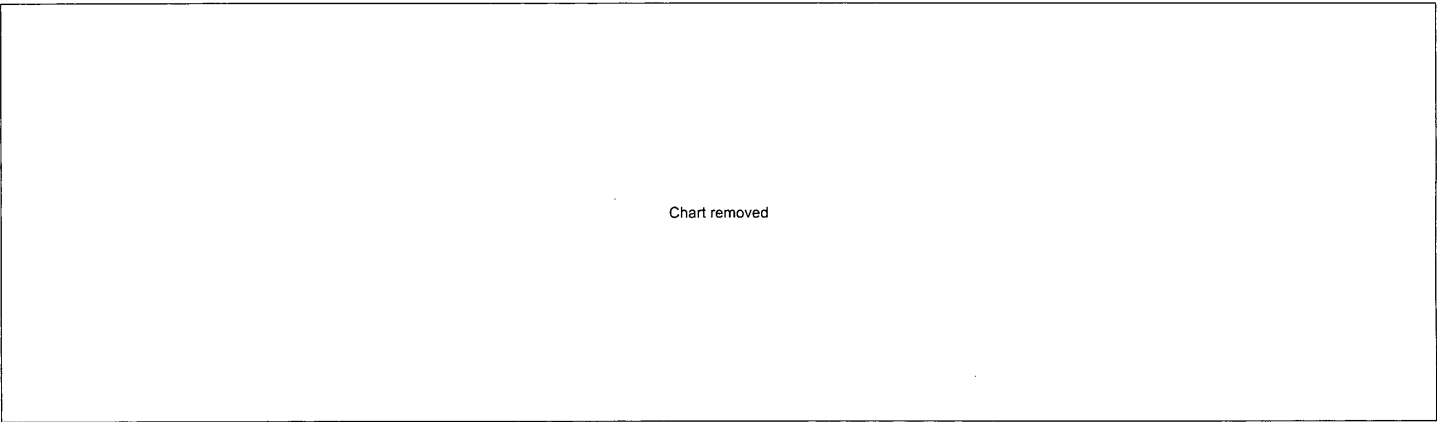
Further information – not subject to audit

Statement of implementation of Remuneration Policy in the 2025 financial year

Details of the Committee's intended approach to the implementation of the policy for 2025 is set out in the annual statement.

TSR performance graph

The graph below shows the Total Shareholder Return performance (TSR) (share price movements plus reinvested dividends) of the Company compared against the FTSE 250 Index covering the 10 years from 2015 to 2024. The FTSE 250 Index (excluding Investment Trusts) is, in the opinion of the Directors, the most appropriate index against which the TSR of the Company should be measured as it is a broad equity index of which Hilton Food Group plc is a constituent.



Directors' remuneration report

continued

Chief Executive Officer remuneration 10-year trend

Director	2015	2016	2017	2018 ¹	2019	2020	2021	2022	2023 ²	2024
Total remuneration (£'000)	784	1,235	1,570	1,627	1,562	1,765	1,686	631	1,645	1,961
Annual bonus (as a percentage of the maximum)	60%	69%	80%	78%	100%	100%	68%	0%	84%	83%
Long-term incentive vesting (as a percentage of the maximum)	0%	61%	73%	88%	66%	100%	70%	0%	0%	N/A

Notes:

- 1 Robert Watson was CEO until 30 June 2018 when Philip Heffer was appointed as CEO. Data for the 2018 year comprises the remuneration of Robert Watson from 1 January 2018 to 30 June 2018 and that of Philip Heffer from 1 July 2018 to 30 December 2018.
- 2 Philip Heffer was CEO from 30 June 2018 until 4 July 2023 when the current CEO Steve Murrells was appointed. Data for the 2023 year comprises the remuneration of Philip Heffer from 1 January 2023 to 3 July 2023 and that of Steve Murrells from 3 July 2023 to 31 December 2023.

Director remuneration percentage change

	Company average	Executive Directors		Non-Executive Directors				
		Steve Murrells	Matt Osborne	Robert Watson	Angus Porter	Rebecca Shelley	Patricia Dimond	Sarah Perry
		Appointed 1 July 2023	Appointed 24 May 2022		Appointed 1 July 2018	Appointed 1 April 2020	Appointed 1 April 2022	Appointed 4 December 2023
2024 percentage increase over 2023								
Salary/fees % change	5.1%	5.0%	15.6%	5.0%	17.2%	37.9%	9.4%	3.6%
Benefits % change	36.5%	34.5%	-36.5%	N/A	N/A	N/A	N/A	N/A
Annual bonus % change	12.0%	5.4%	29.7%	N/A	N/A	N/A	N/A	N/A
2023 percentage increase over 2022								
Salary/fees % change	7.4%	N/A	18.5%	3.6%	3.6%	3.6%	3.6%	N/A
Benefits % change	19.3%	N/A	38.4%	N/A	N/A	N/A	N/A	N/A
Annual bonus % change	100.0%	N/A	100.0%	N/A	N/A	N/A	N/A	N/A
2022 percentage increase over 2021								
Salary/fees % change	4.6%	N/A	N/A	2.0%	2.0%	2.0%	N/A	N/A
Benefits % change	-28.7%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual bonus % change	-100.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2021 percentage increase over 2020								
Salary/fees % change	-1.0%	N/A	N/A	-33.3%	7.9%	7.9%	N/A	N/A
Benefits % change	-23.1%	N/A	N/A	-100.0%	N/A	N/A	N/A	N/A
Annual bonus % change	-43.0%	N/A	N/A	-100.0%	N/A	N/A	N/A	N/A

Directors' remuneration report

continued

	Company average	Executive Directors		Non-Executive Directors				
		Steve Murrells	Matt Osborne	Robert Watson	Angus Porter	Rebecca Shelley	Patricia Dimond	Sarah Perry
2020 percentage increase over 2019								
Salary/fees % change	2.8%	N/A	N/A	2.0%	2.0%	N/A	N/A	N/A
Benefits % change	-1.9%	N/A	N/A	21.9%	N/A	N/A	N/A	N/A
Annual bonus % change	4.5%	N/A	N/A	2.0%	N/A	N/A	N/A	N/A

Notes:

- 1 The percentage changes for leavers are based on annualised numbers.
- 2 Robert Watson was an Executive Director in 2020 moving to a Non-Executive role from 2021 onwards.
- 3 Rebecca Shelley was appointed in 2020. Matt Osborne and Patricia Dimond were appointed in 2022. Steve Murrells and Sarah Perry were appointed in 2023.
- 4 The table above excludes Mark Allen who joined the Board during 2024.

CEO pay ratio

Year	Method	CEO pay ratio		
		25th percentile pay ratio	Median – 50th percentile pay ratio	75th percentile pay ratio
2019	Option B	83		51
2020	Option B	87		48
2021	Option B	73		48
2022	Option B	30		16
2023	Option B	66		48
2024	Option B	78		53

Option B was adopted so that it could be linked with other reward-based activity collecting similar information. This information, comprising basic pay since the majority of employees do not receive benefits or annual bonuses, as at 5 April 2024 was used as a starting point to identify those UK employees as the best equivalents of P25, P50 and P75. There was no reliance on estimates or judgements. The information for these employees was then updated as at 31 December 2024 to represent total pay and benefits for the 2024 financial year.

	CEO £'000	25th percentile employee £'000	50th percentile employee £'000	75th percentile employee £'000
Salary component	788	25	29	36
Total pay and benefits	1,961	25	30	37

The CEO's remuneration is weighted more heavily towards variable pay than that of the wider workforce so that it is aligned with the Group performance. This will inevitably cause the pay ratios to fluctuate over time. Pay ratios for the year increased mainly due to the appointment of a new CEO in mid-2023 on a higher salary than his predecessor.

The Committee has considered the pay data for the three employees identified and believes that it fairly reflects pay at the relevant quartiles among the UK workforce. The Committee is satisfied that the median pay ratio for the year is consistent with the pay, reward and progression policies for the Group's UK employees who have the same pay and reward policies and opportunities.

Directors' remuneration report continued

Gender pay gap

We report information about the difference in average pay for its male and female employees as required by gender pay gap legislation. Gender pay gap metrics are submitted by the Group's three main UK employing entities. The headline gender pay metric is the difference in the median hourly pay received by men and women. These metrics are set out on the following page, which generally show an improving trend and compare favourably with the UK average.

Year	Hilton Foods UK	Hilton Seafood UK	Fairfax Meadow	UK average
2024	5.0%	5.2%	3.8%	
2023	8.9%	11.8%	4.0%	14.2%
2022	4.6%	4.0%	4.0%	14.4%
2021	9.8%	11.1%	0.0%	15.1%

Note:
A positive % metric favours men and a negative % metric favours women.

We recognise that the food manufacturing industry, particularly in meat and fish processing, has traditionally had lower female representation. Addressing this remains an important focus for us, and we continue to take meaningful action to close the gender pay gap and drive long-term change. Hilton's mean gap has remained stable. There is an increase in female representation in the lower and upper middle bands, but women remain underrepresented in the upper quartile, where higher-paid roles are concentrated.

Over the past year, we have strengthened our focus on inclusion and developing diverse talent remains a priority. Our 2024 accelerated development programmes achieved a near-equal gender split, with 51% female and 49% male participants, which ensures that female talent is well represented in our leadership pipeline, helping to drive greater gender balance in senior roles. To further support career growth, we have expanded our ongoing partnership with Meat Business Women to offer unlimited memberships for all colleagues. This provides access to networking, mentoring, and development opportunities, reinforcing our commitment to attracting, developing, and retaining diverse talent across the industry. These are just some of the steps we are taking to create a more inclusive Hilton Foods and improve gender balance across our business. While we are proud of our progress, we know there is more to do. We will continue challenging barriers, driving positive change, and ensuring that all our people have the support, opportunities, and environment they need to succeed.

For more information, and to view the full metrics, see the gender pay gap portal or our website www.hiltonfoods.com.

Relative importance of spend on pay

The following table sets out for the comparison total spend on pay with dividends.

Year	2024 £'m	2023 £'m	% change
Staff costs (note 8 to the financial statements)	302.0	268.6	12%
Dividends payable	31.0	28.7	8%

Note:
Dividends payable comprises any interim dividends paid in respect of the year plus the final dividend proposed for the year but not yet paid.

On behalf of the Board

Rebecca Shelley
Chair of the Remuneration Committee
7 April 2025

Statement of Directors' responsibilities

Directors' responsibilities in respect of the Annual Report and financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and Company financial statements in accordance with UK-adopted international accounting standards.

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 the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ▶ make judgements and accounting estimates that are reasonable and prudent; and
- ▶ prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business.

They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions, and which disclose with reasonable accuracy at any time the financial position of the Group and Company and to enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

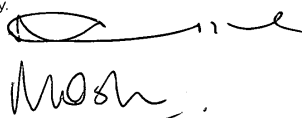
The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Mark Allen OBE
Chairman

Matt Osborne
Chief Financial Officer



Independent auditor’s report to the members of Hilton Food Group PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:
- the financial statements Hilton Food Group Plc (the ‘parent company’) and its subsidiaries (the ‘Group’) give a true and fair view of the state of the Group’s and of the parent company’s affairs as at 29 December 2024 and of the Group’s profit for the 52 week period then ended; - the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards; - the parent company financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and - the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated and parent company cash flow statements; and
- the related notes 1 to 31.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

2. 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 are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (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. We confirm that we have not provided any non-audit services prohibited by the FRC’s Ethical Standard to the Group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: - Revenue recognition - Carrying value of goodwill for the Dalco cash generating unit (‘CGU’)
Materiality	The materiality that we used for the Group financial statements was £2,900,000 which was determined on the basis of 5% of profit before tax excluding other adjusting/exceptional items.
Scoping	The scope of the Group audit includes an audit of component’s entire financial information for the primary UK and Australian trading company, together with the parent company. In addition, audit procedures were performed over specified balances within ten other components of the Group. These combined contribute 84% of revenue, 82% of absolute profit before tax, and 82% of net assets.
Significant changes in approach in comparison with the predecessor auditor	Based on our risk assessment, we have concluded that accounting for the impact of the Belgium fire and carrying value of investments (parent company) are no longer key audit matters. We have identified revenue recognition as a key audit matter in the current year due to the significant allocation of resource and audit effort involved, and our identified presumed fraud risk over non-standard manual revenue adjustments.

4. 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’s and parent company’s ability to continue to adopt the going concern basis of accounting included:

- Testing the arithmetic accuracy of management’s models, including agreement to the most recent board approved budgets and forecasts
- Challenging the assumptions used in the forecasts by:

- Reading analyst reports, industry data and other external information and comparing these with management estimates;
- Comparing forecast revenue with the Group current volumes and historical performance;
- Evaluating potential macro-economic impacts on the forecasts as a consequence of the current geo-political environment;
- Assessing the sensitivity of the headroom to key assumptions used in management’s forecasts;
- Considering if any additional facts or information have become available since the date of management’s assessment.

Independent auditor's report to the members of Hilton Food Group PLC continued

- ▶ Evaluating the historical accuracy of forecasts prepared by management
- ▶ Assessing the Group's financing arrangements, including bank covenant compliance and management's sensitivity analysis on bank covenant headroom; and,
- ▶ Evaluating the going concern disclosures in the financial statements.

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's and parent

company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has 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.

5. 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 forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Revenue Recognition

Key audit matter description	The Group recognised revenue of £3,988m (2023: £3,989m) predominantly through the sale of goods accounted for under IFRS 15 Revenue from Contracts with Customers. Given the disaggregated nature of the Group, the range of products, customers and markets spanning across numerous countries, understanding the revenue recognition process and the control environment underpinned our central risk assessment and the basis for our planned audit procedures. Due to the large number of revenue transactions recognised across multiple businesses, this is an area which requires a significant allocation of resources and effort in the audit. Our work on revenue was split across two main populations: 'standard' revenue transactions to recognise billing and shipment of goods at point of sale, and 'non-standard' manual revenue adjustments, which was identified as the presumed risk of fraud in revenue and relates to any other manual postings made to adjust invoiced sales. The accounting policy for revenue is described in Note 2, and further information on the split of revenue by geography and principal customer can be found in Note 5.
How the scope of our audit responded to the key audit matter	Our audit response to the key audit matter included: ▶ Understanding the revenue accounting cycle and relevant systems involved in processing the transactions; ▶ Obtaining an understanding of relevant controls across the Group relating to the revenue cycle; ▶ Collaborating with data and analytics specialists to build bespoke analytics for transactions recorded within specific in scope components throughout the year. The analytics reconciled underlying transaction data and revenue recognised to external orders and cash received, identifying outliers in the revenue population for further investigation; ▶ Testing the accuracy and completeness of the data utilised in the analytics, as well as the transactions recorded, through agreeing a sample to supporting documentation; ▶ For the components not subject to bespoke analytics, testing a sample of revenue entries and agreeing to relevant supporting documentation to evaluate appropriateness of revenue recognition; ▶ Testing a sample of non-standard manual journal entries to revenue in response to our significant risk, to understand the nature of the entry and its business rationale. We evaluated whether the transaction is unusual or one-off, or could indicate a potentially fraudulent entry, and obtained supporting evidence to test the entries posted; and ▶ Assessing the appropriateness of the related disclosures.
Key observations	From the procedures performed above, we concluded that revenue is appropriately recognised in the year.

Independent auditor's report to the members of Hilton Food Group PLC continued

5.2. Carrying Value of Goodwill for the Dalco CGU

Key audit matter description	The Group holds £73.0m (2023: £83.8m) of goodwill. The value of Goodwill for Dalco has been written down to £nil in the current year after recognising an impairment for the total value of £9.8m (2023: £10.2m). Management performs an impairment review of the carrying value of the cash generating unit ('CGU') on an annual basis in line with the requirements of IAS 36 Impairment of Assets ('IAS 36'). The impairment assessment involves judgement in determining the recoverable amount of the Dalco CGU using a discounted cash flow model to estimate value in use, and assess whether the carrying value is recoverable. Dalco has faced performance challenges in the past two years due to a decline in the market for plant-based prepared foods. The key assumptions in the impairment model include forecast sales volumes, profit margins, the discount rate and long term growth rate. Due to the level of sensitivity and estimation uncertainty in the areas of key judgement, this was an area of significant audit focus in the current year and we identified it as a key audit matter. Refer to Note 2 for the Group's goodwill accounting policy, to the key sources of estimation uncertainty disclosed in Note 4, as well as the goodwill disclosure in Note 14. The audit committee's considerations over goodwill impairment have been detailed as a significant issue on page 163.
How the scope of our audit responded to the key audit matter	Our audit response to the key audit matter included: ▶ Obtaining an understanding of the goodwill impairment assessment process, key assumptions and data inputs, and identifying and assessing the relevant controls. ▶ With the involvement of our valuation specialist evaluating management's discount rate and long-term growth rate through development of independent expected ranges; ▶ Assessing the impairment model for mathematical accuracy and compliance with the requirements of IAS 36; ▶ Challenging forecasted revenue and expenditure cashflows used in the impairment model, including growth rate assumptions, with reference to historic and external market data; ▶ Assessing margins in the model for consistency with the revenue trends and challenging any forecast improvements to margins by obtaining evidence to support how these will be achieved, including with reference to industry and external market data; ▶ Assessing the historical accuracy of management's forecasting and performing sensitivity analysis to assess the impact of changes in key assumptions to the outcome of the model; and ▶ Evaluating management's disclosures relating to the impairment of Dalco goodwill in the financial statements.
Key observations	From the work performed above we are satisfied that the value in use determined in the goodwill impairment assessment for Dalco is an appropriate estimate of the future performance of the business. Management's key assumptions outlined above fall within a reasonable range. As a result of this estimate management have determined it is appropriate to recognise an impairment charge against the carrying value of the goodwill in Dalco, which we have concluded is appropriate. We note the model remains sensitive to reasonably possible changes in the assumptions which could change the outcome of the impairment review. We consider management's disclosure of this estimation uncertainty in Note 14 to be appropriate.

Independent auditor's report to the members of Hilton Food Group PLC continued

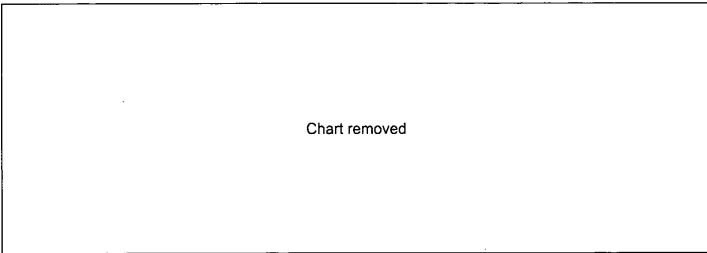
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£2,900,000 (2023: £2,493,000)	£2,900,000 (2023: £2,539,000)
Basis for determining materiality	- 5% of profit before tax excluding other adjusting/exceptional items (see Note 30) (2023: 5% of three year average profit before tax and exceptional items)	Parent company materiality equates to 1% of net assets and has been capped at 100% of Group materiality. For any balances that are relevant for Group reporting, we have applied a component performance materiality of £1,015,000. (2023: 1% of total assets, however, capped at £200,000 for Group reporting)
Rationale for the benchmark applied	We have considered the users of the financial statements when selecting the appropriate benchmark. Earnings-based metrics tend to be of more interest to the analyst and investor-based communities. A key focus of shareholders is profit before tax excluding the impact of non-recurring items.	We have used net assets in determining materiality as it reflects the nature of the parent company as a holding company and its contribution to the Group performance.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% of Group materiality (2023: 75% of Group materiality)	70% of parent company materiality (2023: 75% of capped component materiality)
Basis and rationale for determining performance materiality	In determining performance materiality, we considered our understanding of the Group and our risk assessment, including our assessment of the Group's overall control environment. We also considered the value and number of corrected and uncorrected misstatements in the prior year identified by the previous auditor, as well as the likelihood of these recurring in the current year.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £145,000 (2023: £120,000) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

of the entire financial information, with the remaining ten components subject to specified account balance procedures.

Our audit work on the components was executed at levels of performance materiality applicable to each individual entity which were lower than Group performance materiality and ranged from £1,015,000 to £1,522,500. Our components subject to audit procedures represent 84% of the Group's revenue, 82% of the Group's profit before tax and 82% of net assets.

At the Group entity level, we also tested the consolidation process, goodwill, leases and share based payments. Additionally, we carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to further audit procedures.

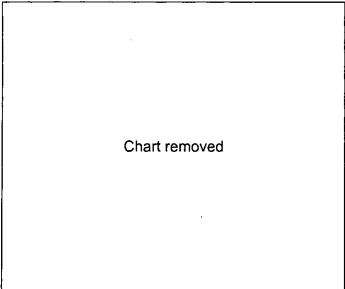
7. An overview of the scope of our audit

7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

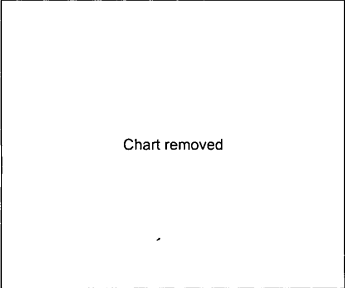
Based on that assessment, we focused our Group audit scope primarily on the audit work at 13 components based on the relative sizes of the components. Three of these components were subject to an audit

Independent auditor’s report to the members of Hilton Food Group PLC continued



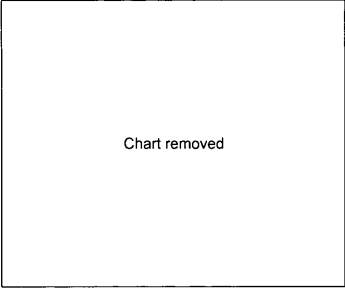
7.2. Our consideration of the control environment

Our controls approach was principally designed to inform our risk assessment, to allow us to obtain an understanding of relevant controls in order to address the risks of material misstatement. This included controls relating to revenue recognition, goodwill, and the consolidation and financial reporting processes. The Group operates a range of IT systems which underpin the financial reporting process. These vary by geography. We obtained an understanding of the general IT controls associated with those financially relevant systems. In the current year, we did not seek to place reliance on controls for the purpose of our audit.



Our audit identified a number of control deficiencies. The nature of these control deficiencies primarily related to the recognition of deferred taxes; management review controls; and user access and segregation of duties within IT systems.

Any findings or observations identified through understanding the controls have been reported to the Audit Committee, as noted in the Audit Committee’s statement in the annual report on pages 94 to 96, together with recommendations for improvement. Where control deficiencies were identified during the course of the audit, we reconsidered our risk assessment and the nature, timing and extend of our audit procedures.



7.3. Our consideration of climate-related risks

Climate change and the transition to a low carbon economy (‘climate change’) were considered in our audit where they have the potential to directly or indirectly impact key judgements and estimates within the financial statements. The Group continues to develop its assessment of the potential impacts of climate change, as explained in the Chief Executive Officer’s review within the strategic report on page 11. The key judgements and estimates included in the financial statements incorporate actions and strategies, to the extent they have been approved and can be reliably estimated in accordance with the Group’s accounting policies. Management has concluded there to be no material impact arising from climate change on the judgements and estimates made in the financial statements as noted in Note 4. With the involvement of our ESG specialists, we assessed this disclosure by performing inquiries with management and independent industry research, and we did not identify any climate related material risks of misstatement. We also considered whether information included in the climate related disclosures in the Annual Report were materially consistent with our understanding of the business and the financial statements.

7.4. Working with other auditors

The Group audit was conducted by the UK Group audit team supported by component teams in Australia, Holland, Poland, and Sweden. The component auditors performed their work under the direction and supervision of the Group audit team.

The planned programme which we designed as part of our involvement in the component auditors’ work was delivered over the course of the group audit. The extent of our involvement which commenced from the planning phase included:

- ▶ Setting the scope of the component auditors’ work and assessment of the component auditors’ independence;
- ▶ Designing the audit procedures for all higher and significant risks areas to be addressed by the component auditors and issuing Group audit instructions detailing the nature and form of the reporting required by the Group engagement team;
- ▶ Holding frequent calls and meetings (including in person meetings) with the component audit teams led by the Group engagement partner. Providing direction on enquiries made by the component auditors through online and telephone conversations;
- ▶ Reviewing of each component auditor’s engagement file by a senior member of the Group audit team.
- ▶ Attending local component audit close meetings virtually or in-person;
- ▶ Partner led visits to Australia, Holland and Poland.

Independent auditor's report to the members of Hilton Food Group PLC continued

8. Other information

The other information comprises the information included in the annual report, 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 our 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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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's and the 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.

10. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- ▶ the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- ▶ The Group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the board on 1 April 2025;
- ▶ results of our enquiries of management, internal audit, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;

- ▶ any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

- ▶ the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, financial instruments and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue recognition relating to 'non-standard' manual revenue adjustments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Listing Rules, and tax legislation.

Independent auditor's report to the members of Hilton Food Group PLC continued

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- ▶ reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- ▶ enquiring of management, the audit committee and legal counsel concerning actual and potential litigation and claims;
- ▶ performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- ▶ reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC;

- ▶ in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. 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.

In the light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

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 and our knowledge obtained during the audit:

- ▶ the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 23;
- ▶ the directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 23;
- ▶ the directors' statement on fair, balanced and understandable set out on page 123;
- ▶ the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 25;
- ▶ the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 95; and
- ▶ the section describing the work of the audit committee set out on page 94.

Independent auditor's report to the members of Hilton Food Group PLC continued

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- ▶ we have not received all the information and explanations we require for our audit; or
- ▶ 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 are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the board on 20 May 2024 to audit the financial statements for the year ending 29 December 2024 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 1 year, covering the year ending 29 December 2024 only.

15.2. Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

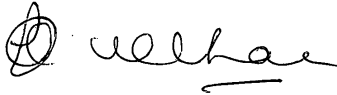
16. Use of our report

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.

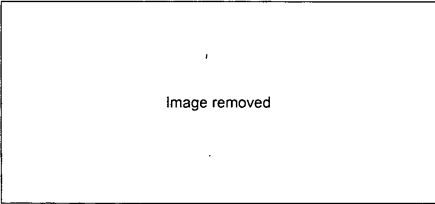
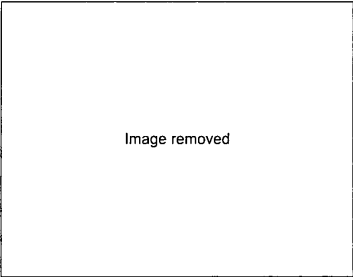
As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Lee Welham (Senior statutory auditor)
For and on behalf of Deloitte LLP
Cambridge, United Kingdom

7 April 2025



We're taking innovation to reality on our factory floors, using automation to create some of the most technologically advanced food production sites in the world.



Financial statements

Consolidated income statement	133
Consolidated statement of comprehensive income	134
Consolidated and Company balance sheet	135
Consolidated and Company statement of changes in equity	137
Consolidated and Company cash flow statement	139
Notes to the financial statements	140
Glossary	186

Consolidated income statement

for the 52 weeks ended 29 December 2024

	Note	2024 52 weeks £m	2023 52 weeks £m
Continuing operations			
Revenue	5	3,988.3	3,989.5
Cost of sales	7	(3,531.4)	(3,559.2)
Gross profit		456.9	430.3
Distribution costs	7	(48.3)	(47.7)
Administrative expenses	7	(310.2)	(297.1)
Share of profit in joint ventures and associates	16	0.4	0.6
Operating profit		98.8	86.1
Finance income	9	1.8	0.6
Finance costs	9	(39.6)	(38.1)
Finance costs – net		(37.8)	(37.5)
Profit before income tax		61.0	48.6
Income tax expense	10	(19.4)	(10.6)
Profit for the period		41.6	38.0
Attributable to:			
Owners of the parent		39.3	36.4
Non-controlling interests		2.3	1.6
		41.6	38.0
Earnings per share attributable to owners of the parent during the period			
Basic (pence)	11	43.7	40.6
Diluted (pence)	11	43.3	40.2

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

for the 52 weeks ended 29 December 2024

	2024 52 weeks £'m	2023 52 weeks £'m
Profit for the period	41.6	38.0
Other comprehensive (expense)/income		
Items that may be subsequently reclassified to the income statement		
Exchange differences on translation of foreign operations	(9.4)	(0.7)
(Loss)/gain on cash flow hedges during the period	(6.2)	6.7
Less: Cumulative loss/(gain) arising on hedging instruments reclassified to profit or loss	1.4	–
	(4.8)	6.7
Other comprehensive (expense)/income for the period net of tax	(14.2)	6.0
Total comprehensive income for the period	27.4	44.0
Total comprehensive income attributable to:		
Owners of the parent	25.4	42.4
Non-controlling interests	2.0	1.6
	27.4	44.0

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

Consolidated and Company balance sheet as at 29 December 2024

	Note	Group		Company		
		2024 £'m	2023 £'m	2024 £'m	2023 Restated* £'m	2 January 2023 Restated* £'m
Assets						
Non-current assets						
Property, plant and equipment	13	329.7	324.1	-	-	-
Intangible assets	14	141.0	156.1	-	-	-
Lease: right of use assets	15	172.8	194.1	-	-	-
Investments	16	12.1	7.9	256.7	254.7	252.9
Deferred income tax assets	22	17.0	19.1	-	-	-
		672.6	701.3	256.7	254.7	252.9
Current assets						
Inventories	17	197.7	179.8	-	-	-
Trade and other receivables	18	253.7	277.8	8.7	5.7	5.7
Current tax assets		0.4	-	-	-	-
Derivative financial assets	30	0.1	3.6	-	-	-
Cash and cash equivalents	19	111.9	126.7	-	0.4	0.4
		563.8	587.9	8.7	6.1	6.1
Total assets		1,236.4	1,289.2	265.4	260.8	259.0

The balance sheet continues to the next page.

Consolidated and Company balance sheet continued
as at 29 December 2024

	Note	Group		Company		
		2024 £'m	2023 £'m	2024 £'m	2023 Restated* £'m	2 January 2023 Restated* £'m
Equity						
Equity attributable to owners of the parent						
Ordinary shares	23	9.0	9.0	9.0	9.0	9.0
Share premium		144.9	144.9	144.9	144.9	144.9
Employee share schemes reserve		9.0	6.8	8.9	6.9	5.1
Foreign currency translation reserve		(12.1)	(3.0)	–	–	–
Cashflow hedging reserve		2.6	7.4	–	–	–
Other reserves		(30.8)	(30.8)	71.0	71.0	71.0
Retained earnings		184.0	176.0	31.6	29.0	29.0
		306.6	310.3	265.4	260.8	259.0
Non-controlling interests		10.2	11.2	–	–	–
Total equity		316.8	321.5	265.4	260.8	259.0
Liabilities						
Non-current liabilities						
Borrowings	20	213.8	237.8	–	–	–
Lease liabilities	15	189.1	211.6	–	–	–
Deferred income tax liabilities	22	9.6	14.7	–	–	–
		412.5	464.1	–	–	–
Current liabilities						
Borrowings	20	29.5	28.6	–	–	–
Lease liabilities	15	16.9	15.3	–	–	–
Trade and other payables	21	451.8	458.8	–	–	–
Derivative financial liabilities	30	3.1	0.2	–	–	–
Current tax liabilities		5.8	0.7	–	–	–
		507.1	503.6	–	–	–
Total liabilities		919.6	967.7	–	–	–
Total equity and liabilities		1,236.4	1,289.2	265.4	260.8	259.0

* The comparative information has been restated as a result of prior year shared based payments discussed in note 2.

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

The financial statements on pages 133 to 186 were approved by the Board on 7 April 2025 and were signed on its behalf by:

Steve Murrells CBE
Director



Matt Osborne
Director



Hilton Food Group plc – Registered number: 06165540

Consolidated and Company statement of changes in equity

for the 52 weeks ended 29 December 2024

Group	Note	Attributable to owners of the parent							Non-controlling interests £'m	Total equity £'m
		Share capital £'m	Share premium £'m	Employee share schemes reserve £'m	Foreign currency translation reserve £'m	Cash flow hedge reserve £'m	Other reserves £'m	Retained earnings £'m		
Balance at 1 January 2023		9.0	144.9	5.0	(2.4)	0.8	(30.8)	167.9	294.4	305.4
Profit for the period		-	-	-	-	-	-	36.4	36.4	38.0
Other comprehensive (expense)/income										
Currency translation differences		-	-	-	(0.6)	-	-	(0.6)	(0.1)	(0.7)
Gain on cash flow hedging		-	-	-	-	6.6	-	6.6	0.1	6.7
Total comprehensive income for the period		-	-	-	(0.6)	6.6	-	36.4	42.4	44.0
Transactions with non-controlling interests		-	-	-	-	-	-	-	0.1	0.1
Employee share schemes – value of employee services	8	-	-	1.8	-	-	-	1.8	-	1.8
Dividends paid	12	-	-	-	-	-	-	(28.3)	(28.3)	(29.8)
Total transactions with owners		-	-	1.8	-	-	-	(28.3)	(26.5)	(27.9)
Balance at 31 December 2023		9.0	144.9	6.8	(3.0)	7.4	(30.8)	176.0	310.3	321.5
Profit for the period		-	-	-	-	-	-	39.3	39.3	41.6
Other comprehensive (expense)/income										
Currency translation differences		-	-	-	(9.1)	-	-	(9.1)	(0.3)	(9.4)
(Loss) on cash flow hedging		-	-	-	-	(7.8)	-	(7.8)	-	(7.8)
Loss arising on hedging instruments reclassified to profit or loss		-	-	-	-	1.4	-	1.4	-	1.4
Tax on cash flow hedge reserves		-	-	-	-	1.6	-	1.6	-	1.6
Total comprehensive income for the period		-	-	-	(9.1)	(4.8)	-	39.3	25.4	27.4
Transactions with non-controlling interests		-	-	-	-	-	-	(2.1)	(2.1)	(2.2)
Employee share schemes – value of employee services	8	-	-	2.0	-	-	-	2.0	-	2.0
Tax on employee share schemes		-	-	0.2	-	-	-	0.2	-	0.2
Dividends paid	12	-	-	-	-	-	-	(29.2)	(29.2)	(32.1)
Total transactions with owners		-	-	2.2	-	-	-	(31.3)	(29.1)	(32.1)
Balance at 29 December 2024		9.0	144.9	9.0	(12.1)	2.6	(30.8)	184.0	306.6	316.8

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

Consolidated and Company statement of changes in equity continued
for the 52 weeks ended 29 December 2024

Company	Note	Attributable to owners of the parent							Non-controlling interests £'m	Total equity £'m
		Share capital £'m	Share premium £'m	Employee share schemes reserve £'m	Foreign currency translation reserve £'m	Cash flow hedge reserve £'m	Other reserves £'m	Retained earnings £'m		
Balance at 1 January 2023		9.0	144.9	–	–	–	71.0	29.0	–	253.9
Adjustment in respect of employee share schemes	2	–	–	5.1	–	–	–	–	–	5.1
Balance at 1 January 2023 – Restated		9.0	144.9	5.1	–	–	71.0	29.0	–	259.0
Profit for the period		–	–	–	–	–	–	28.3	–	28.3
Total comprehensive income for the year		–	–	–	–	–	–	28.3	–	28.3
Adjustment in respect of employee share schemes	2	–	–	1.8	–	–	–	–	–	1.8
Dividends paid	12	–	–	–	–	–	–	(28.3)	–	(28.3)
Total transactions with owners		–	–	1.8	–	–	–	(28.3)	–	(26.5)
Balance at 31 December 2023 – Restated		9.0	144.9	6.9	–	–	71.0	29.0	–	260.8
Profit for the period		–	–	–	–	–	–	31.8	–	31.8
Total comprehensive income for the period		–	–	–	–	–	–	31.8	–	31.8
Employee share schemes – value of employee services		–	–	2.0	–	–	–	–	–	2.0
Dividends paid	12	–	–	–	–	–	–	(29.2)	–	(29.2)
Total transactions with owners		–	–	2.0	–	–	–	(29.2)	–	(27.2)
Balance at 29 December 2024		9.0	144.9	8.9	–	–	71.0	31.6	–	265.4

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

Consolidated and Company cash flow statement for the 52 weeks ended 29 December 2024

	Note	Group		Company	
		2024 52 weeks £'m	2023 52 weeks £'m	2024 52 weeks £'m	2023 52 weeks £'m
Cash flows from operating activities					
Cash generated from operations	25	183.8	216.1	-	-
Interest paid		(39.6)	(38.1)	-	-
Income tax paid		(19.7)	(11.1)	-	-
Net cash generated from operating activities		124.5	166.9	-	-
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired		-	(0.4)	-	-
Acquisition of investments		(4.4)	(1.7)	-	-
Issue of inter-company loan		-	-	-	0.2
Repayment of inter-company loan		-	-	(3.0)	-
Purchases of property, plant and equipment		(68.0)	(55.4)	-	-
Proceeds from sale of property, plant and equipment		1.1	0.9	-	-
Purchases of intangible assets		(6.6)	(4.2)	-	-
Interest received		1.8	0.6	-	-
Dividends received		-	-	31.8	28.3
Dividends received from joint venture		0.6	0.5	-	-
Insurance proceeds for property, plant, and equipment		13.2	4.9	-	-
Net cash (used in)/generated from investing activities		(62.3)	(54.8)	28.8	28.5
Cash flows from financing activities					
Proceeds from borrowings	26	10.4	11.4	-	-
Repayments of borrowings		(31.4)	(38.3)	-	-
Payment on lease liability		(17.3)	(14.6)	-	-
Transaction with non-controlling interests		(2.2)	-	-	-
Dividends paid to owners of the parent	12	(29.2)	(28.3)	(29.2)	(28.3)
Dividends paid to non-controlling interests		(2.9)	(1.5)	-	-
Net cash (used in) financing activities		(72.6)	(71.3)	(29.2)	(28.3)
Net (decrease)/increase in cash and cash equivalents					
		(10.4)	40.8	(0.4)	0.2
Cash and cash equivalents at beginning of the period	19	126.7	87.2	0.4	0.2
Exchange losses on cash and cash equivalents	26	(4.4)	(1.3)	-	-
Cash and cash equivalents at end of the period	19	111.9	126.7	-	0.4

The notes on pages 140 to 185 are an integral part of these consolidated financial statements.

Notes to the financial statements

1 General information

Hilton Food Group plc ('the Company') and its subsidiaries (together 'the Group') is a leading specialist international food packing business supplying major international food retailers in 14 European countries, Australia and New Zealand. The Company's subsidiaries are listed in note 16.

The Company is a public company limited by shares incorporated and domiciled in the UK and registered in England. The address of the registered office is 2-8 The Interchange, Latham Road, Huntingdon, Cambridgeshire PE29 6YE. The registered number of the Company is 06165540.

The Company maintains a Premium Listing on the London Stock Exchange.

The financial period represents the 52 weeks to 29 December 2024 (prior financial period 52 weeks to 31 December 2023).

These consolidated financial statements were approved for issue on 7 April 2025.

The Company has taken advantage of the exemption in Section 408 Companies Act 2006 not to publish its individual income statement, statement of comprehensive income and related notes. Profit for the period in the income statement of Hilton Food Group plc amounted to £31.8m (2023: £28.3m).

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all of the periods presented, unless otherwise stated.

Basis of preparation

The consolidated and company financial statements of Hilton Food Group plc have been prepared under the historical cost convention except for certain financial assets and liabilities measured at fair value and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards.

The consolidated and Company financial statements have been prepared on the going concern basis. The reasons why the Directors consider this basis to be appropriate are set out in the Performance and financial review on page 20 to 21.

The financial statements are presented in Sterling and all values are rounded to the nearest million (£'m) except when otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

Basis of consolidation

These consolidated financial statements comprise the financial statements of Hilton Food Group plc ('the Company'), its subsidiaries and its share of profit in joint ventures, together, ('the Group') drawn up to 29 December 2024. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. For those subsidiaries that normally use a calendar reporting date, the differences in numbers have been considered immaterial to the results and, as it was impracticable to adjust the reporting date, the additional financial information as of 29 December 2024 was not separately prepared.

(i) Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity where the Company 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Notes to the financial statements continued

2 Summary of significant accounting policies continued

(ii) Joint ventures

Joint ventures are all entities over which the Group exercises joint control and has an interest in the net assets of that entity. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Restatement of prior year share-based payments

During the period, a review of the Company accounting for share-based payments identified that, at the HFG plc entity level, the entries for share-based payments provided by the Group to employees of subsidiary businesses had not been appropriately reflected. Previously, share-based payment costs were recognised only at the consolidated level and not at the HFG plc level. Specifically, these costs were not recorded as investments with a corresponding credit to a share-based payment reserve, as required under IFRS 2.

As a result of this review, the following adjustments have been made to the plc-only financial statements:

Prior year adjustment: The Company balance sheet has recorded a prior year adjustment. This adjustment involves the recognition of an investment in Hilton Foods Limited of £6.8m, with a corresponding credit made to the share-based payment reserve.

In-year adjustment (2024): In addition, during 2024, an in-year investment of £2.0m (2023: £1.8m) has been recognised in respect of the fair value of share-based payments provided to employees.

These adjustments ensure that the financial statements of the Company accounts accurately reflect the economic substance of share-based payments and are accounting the results correctly under IFRS. There were no other changes in the accounting treatment of share-based payments during the period.

The following table summarises the impact of the prior period adjustment on the financial statements:

Company	2024 £'m	2023 £'m	2 January 2023 £'m
Statement of financial position (extract)			
Investments	8.9	6.9	5.1
Increase in net assets	8.9	6.9	5.1

The Balance sheet and Statements of change in equity for the Company only has been adjusted to reflect the changes.

International Financial Reporting Standards

(a) New standards, amendments and interpretations effective in 2024

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2024:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements;
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current;
- Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants; and
- Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the financial statements

continued

2 Summary of significant accounting policies continued

(b) New standard, amendments and interpretations issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the reporting period ended 29 December 2024 and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

Group leasing activities and accounting treatment

The Group's leases relate to property leases for a number of food processing facilities, leases of plant and equipment and leases of motor vehicles. Lease terms are negotiated on an individual basis.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the repayment of the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The depreciation is being charged to administration and cost of sales expenses in the Group's income statement.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- ▶ fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- ▶ variable lease payments that are based on an index or a rate;
- ▶ the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and,
- ▶ payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- ▶ the amount of the initial measurement of lease liability;
- ▶ any lease payments made at or before the commencement date less any lease incentives received; and
- ▶ any initial direct costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office equipment.

Extension and termination options

Extension and termination options are included in a number of property leases across the Group. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Revenue recognition

The Group sources raw material food proteins often in conjunction with its customers. The raw materials are then processed, packed and delivered to customers. Revenue is recognised at a point in time when control of the products has transferred, that is when the products have been delivered to the customer's specified location or have been collected by the customer from the Group's facilities. At that point, the customers have obtained all the benefits of the products and have full discretion over the channel and price to sell the products, and the Group has no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specific location or have been collected by the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The products are sold with discounts and rebates, which are based on contractual arrangements. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts and rebate. Accumulated experience is used to estimate and provide for the discounts and rebates, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A receivable/payable is recognised for expected rebates and discounts are deducted from the amount receivable from the customer.

Notes to the financial statements continued

2 Summary of significant accounting policies continued

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of operating segments, has been identified as the Group's Executive Directors.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Sterling, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- ▶ assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- ▶ income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- ▶ all resulting currency translation differences are recognised in other comprehensive income and disclosed as a separate component of equity in a foreign currency translation reserve. The profit and loss of designated cash flow hedges goes through OCI and cash flow hedging reserve.

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred to the former owners of the acquired businesses, the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

If control of a subsidiary is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss. Transactions with non-controlling interests that result in changes to the ownership interest of a subsidiary do not result in a fair value re-measurement but are instead accounting for as adjustments to equity attributed to the owners of the parent.

Notes to the financial statements

continued

2 Summary of significant accounting policies continued

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of property, plant and equipment to their residual values over their estimated useful economic lives, as follows:

	Annual rate
Buildings (including leasehold improvements)	4–14%
Plant and machinery	12.5–33%
Fixtures and fittings	14–33%
Motor vehicles	25%

Land is not depreciated. Assets in the course of construction are not depreciated until commissioned.

The residual value and useful economic lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying value is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. These impairment losses are recognised in the income statement. Following the recognition of an impairment loss, the depreciation charge applicable to the asset is adjusted prospectively in order to systematically allocate the revised carrying amount, net of any residual value, over the remaining useful economic life.

Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and purchase of non-controlling interests is included in 'intangible assets', tested annually for impairment and carried at cost less accumulated impairment losses. All business units acquired in the period are also tested for goodwill. Goodwill represents the excess of the cost of the acquisition or purchase over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or non-controlling interest at the date of acquisition (See note 14).

(b) Other intangibles

Other intangibles include acquired software licences, customer relationships and brands, and are stated at cost or acquisition fair value less accumulated amortisation. Software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Amortisation is charged on a straight-line basis over the assets' useful economic lives of 3 to 22 years.

Investments

Investments in subsidiary undertakings and joint ventures are carried at cost less provision for impairment.

Impairment of non-financial assets

Assets that have an indefinite useful economic life, for example goodwill, are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Notes to the financial statements continued

2 Summary of significant accounting policies continued

Financial assets

(a) Classification

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- ▶ the asset is held within a business model whose objective is to collect the contractual cash flows; and
- ▶ the contractual terms give rise to cash flows that are solely payments of principal and interest.

These items are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Such assets include, 'trade and other receivables', and 'cash and cash equivalents' in the balance sheet.

(b) Recognition and measurement

Purchases and sales of financial assets are recognised on trade date being the date on which the Group commits to purchase or sell the asset. Trade receivables that do not contain a significant financing component are initially recognised at their transaction price. All other financial assets, including cash and cash equivalents, are initially recognised at fair value in accordance with IFRS 9. These assets are held with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(c) Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

Once the expected credit loss has been determined, this is deducted from the carrying value of the asset and recognised in the consolidated income statement.

Derivative financial instruments and hedging activities

The Group's policy is only to use forward currency exchange rate contracts for the purpose of mitigating currency risk occurring in the normal course of business. At no time will the Group take positions in derivative instruments for the purpose of earning a stand-alone profit from such instruments.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) fair value hedge; or (b) cash flow hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

(a) Fair value hedge

The Group has entered into currency forwards that are fair value hedges for currency risk arising from its firm commitments for purchases and sales denominated in foreign currencies ('hedged item'). The fair value changes on the hedged item resulting from currency risk are recognised in profit or loss. The fair value changes on the effective portion of currency forwards designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of currency forwards are recognised separately in profit or loss. There are no fair value hedges in place in the current and prior year.

Notes to the financial statements

continued

2 Summary of significant accounting policies continued

(b) Cash flow hedge

(i) Currency forwards

The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in the hedging reserve and transferred to the profit or loss when the hedged forecast transactions are recognised.

The fair value changes on the ineffective portion are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in the hedging reserve are reclassified to profit or loss immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is either determined on the first-in, first-out basis, weighted average cost or by the 'retail method' depending on the subsidiary. The 'retail method' computes cost on the basis of selling price less the appropriate trading margin. Cost comprises material costs, direct wages and other direct production costs together with a proportion of production overheads relevant to the stage of completion of work in progress and finished goods and excludes borrowing costs. Net realisable value represents the estimated selling price less costs to completion and appropriate selling and distribution costs. Provision is made, where necessary, for slow moving, obsolete and defective inventories.

Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 18.

The Group applies the IFRS 9 simplified approach to measuring expected credit loss which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts are shown on the balance sheet within borrowings in current liabilities.

Share capital and reserves

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

The share premium and employee share schemes reserve represents the premium on new shares issued in connection with, and the fair value of, share options outstanding under the Group's share schemes respectively.

The foreign currency translation reserve represents the cumulative currency differences arising on the translation of the Group's overseas subsidiaries.

The merger and reverse acquisition reserves arose during 2007 following the restructuring of the Group.

Trade and other payables

Trade payables represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements

continued

2 Summary of significant accounting policies continued

Borrowings

All borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs directly attributable to an acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge represents the expected tax payable or recoverable on the taxable profit for the period using tax laws enacted or substantively enacted at the balance sheet date.

Deferred income tax is recognised, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employment benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the financial statements

continued

2 Summary of significant accounting policies continued

(b) Pensions and other post-employment benefits

The Group operates defined contribution schemes for certain employees in the UK, Ireland, the Netherlands, Belgium, Denmark, Australia and New Zealand. The Group contributes to a state administered money purchase scheme in Poland. The Group pays contributions to publicly or privately administered pension insurance plans and has no further payment obligations once the contributions have been made. The contributions are recognised as an employee benefit expense when they are due.

In the Netherlands and Sweden, the Group contributes to industry-wide pension schemes for its employees. Although having some defined benefit features, the Group's liability to these schemes is limited to the fixed contributions which are recognised as an expense when they are due. Accordingly the Group has accounted for these schemes as defined contribution schemes.

Share-based payments

The Group operates a number of share-based compensation plans that have been accounted for as equity settled schemes. The fair value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding adjustment to equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest based on non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. All adjustments to equity are recognised as a separate component of equity in an employee share scheme reserve. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

Alternative performance measure

The Group's performance is assessed using a number of alternative performance measures (APMs).

The Group's alternative performance measures are presented before other adjusting/exceptional items, amortisation of certain intangible assets and depreciation of fair value adjustments made to property, plant and equipment acquired through business combinations and the impact of IFRS 16 – Leases.

The measures are presented on this basis, as management believe they provide useful additional information about the Group's performance and aids a more effective comparison of the underlying Group's trading performance from one period to the next.

Other adjusting/exceptional items are not defined under IFRS. However, the Group classifies other adjusting/exceptional items as those that are separately identifiable by virtue of their size, nature or expected frequency and that therefore warrant separate presentation.

As detailed in note 31, during the period to 29 December 2024, the Group has recognised other adjusting/exceptional items in respect of costs associated with the fire at its facility in Belgium, and re-organisation programs in the UK and Netherlands. The operating profit reconciliations between statutory and adjusted measures used by the Group is presented in note 31. Presentation of these other adjusting/exceptional items and the reconciliations between adjusted and statutory measures is not intended to be a substitute for, or intended to promote, the adjusted measures above statutory measures.

Notes to the financial statements continued

3 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk including price risk, foreign exchange risk and cash flow interest rate risk, credit risk and liquidity risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group by monitoring the foregoing risks.

(a) Market risk

(i) Price risk

The Group is not exposed to equity securities price risk as it holds no listed or other equity investments. The Group is exposed to commodity price risk which is significantly mitigated through its customer agreements, which are on a cost plus or agreed packing rate basis.

(ii) Foreign exchange risk

The Group is exposed to foreign exchange risk in the normal course of business in its overseas operations, principally on transactions in Euros, Swedish Krona, Danish Krone, Polish Zloty, US Dollar, Canadian Dollar, Australian Dollar and New Zealand Dollar although such risk is mitigated as natural hedges exist in each operation through matching local currency cash flows. The Group regularly monitors foreign exchange exposure and is exposed to foreign exchange risk where some of its sales and purchases are denominated in US Dollar. The policy is to hedge material foreign exchange risk associated with highly probable forecast transactions with its key US customers and purchases from key suppliers in NOK based on firm commitments and monetary items denominated in foreign currencies.

The group applies hedge accounting to account for forward contracts which are entered into to mitigate foreign currency risk. In the current year, no costs in relation to hedge ineffectiveness have been recognised in the statement of profit or loss. The amount reclassified to inventory from the cash flow hedge reserve in the current year is £0.1m. The amount reclassified from the cash flow hedge reserve due to the hedged item affecting the statement of profit or loss is £1.4m on a net basis, of which £1.9m relates to losses on hedges of forecast purchases, and £0.5m relates to gains on hedges of forecast sales.

(iii) Cash flow interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

(iv) Sensitivity analysis

Group	2024		2023	
	Income statement £m	Equity £m	Income statement £m	Equity £m
Annual effect of a change in Group-wide interest rates by -0.5%	1.1	1.1	1.5	1.5
Annual effect of a change in Group-wide interest rates by +0.5%	(1.1)	(1.1)	(1.5)	(1.5)
Annual effect of a change in exchange rates to the GBP £ by +10%	4.8	19.6	4.3	24.4
Annual effect of a change in exchange rates to the GBP £ by -10%	(3.9)	(16.0)	(3.5)	(20.0)

Interest rate sensitivity analysis has been performed on borrowings to illustrate the impact on Group profits and equity if interest rates increased/decreased by. This analysis assumes the liabilities outstanding at the period end were outstanding for the whole period. A 50 basis points increase, or decrease has been used as this is management's assessment of reasonably possible changes in interest rates.

A sensitivity analysis has been performed on the financial assets and liabilities to a sensitivity of 10% increase/decrease in the exchange rates. A 10% increase/decrease has been used as it represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit/equity where Sterling strengthens 10% against the relevant currency.

Notes to the financial statements

continued

3 Financial risk management continued

(b) Credit risk

The Group is exposed to credit risk in respect of credit exposures to its retail customer partners and banking arrangements. The majority of the Group's customers are comprised of blue chip international supermarket retailers and the Group has implemented policies that require appropriate credit checks on potential customers before sales are made and in relation to its banking partners. The credit risk is concentrated in the 5 principal customers in note 5. The Group's cash and cash equivalent holdings are maintained with investment-grade banks. The Group's maximum exposure to credit risk is £253.5m (2023: £268.4m) as stated in note 30.

(c) Liquidity risk

The Group monitors regular cash forecasts to ensure that it has sufficient cash to meet operational needs whilst maintaining sufficient headroom on its undrawn committed borrowing facilities and without breaching its banking covenants. The Group held significant cash and cash equivalents of £111.9m (2023: £126.7m) and maintains a mix of long-term and short-term debt finance.

The Group's financial liabilities measured at the contractual undiscounted cash flows mature as follows:

Group	2024				2023			
	Borrowings £'m	Derivative financial liabilities £'m	Leases £'m	Trade and other payables £'m	Borrowings £'m	Derivative financial liabilities £'m	Leases £'m	Trade and other payables £'m
Less than one year	29.5	3.1	24.5	440.6	28.6	0.2	22.9	448.8
Between one and two years	26.0	–	22.9	–	32.1	–	22.7	–
Between two and five years	187.8	–	58.1	–	26.6	–	57.8	–
Over five years	–	–	164.4	–	179.1	–	198.4	–
Total	243.3	3.1	269.9	440.6	266.4	0.2	301.8	448.8

Capital risk management

The Group's and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of a gearing ratio. This ratio is calculated as net bank debt as per note 26 divided by EBITDA as shown in note 31. Net bank debt is calculated as total borrowings (including "current and non-current borrowings" as shown on the consolidated balance sheet) less cash and cash equivalents. EBITDA is calculated as operating profit less interest, tax, depreciation and amortisation, excluding the impact of IFRS 16. The total Net Debt to Equity of the Group was 106% as at the period end (2023: 114%).

Fair value estimation

The carrying value of trade receivables (less impairment provisions), trade payables, cash and cash equivalents, borrowings are assumed to approximate their fair values. The fair value of derivative financial assets and liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The Directors consider that there is a single level of fair value measurement hierarchy for disclosure purposes. The fair value was of these derivative financial assets and liabilities is classified as Level 2 in the fair value hierarchy.

Notes to the financial statements continued

4 Critical accounting judgements and key estimation uncertainties

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgements

(a) Long-term supply contracts

On adoption of IFRS 16, the Group elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessments made applying IAS 17 and IFRIC 4 "Determining whether an Arrangement contains a Lease".

Some of Hilton's long-term supply contracts are on a cost plus basis. These cost plus arrangements typically contain benchmarking clauses which allow our customers to obtain competitive pricing or to source supply from a competitor. Additional product inputs and packaging are traded in active markets, which are monitored by our customers and furthermore product selling prices are updated on a frequent basis, thereby resulting in pricing that is, in substance, market price. On this basis, the criteria in IFRIC 4 for determining whether these agreements contained a lease were not met.

Under IFRS 16, the assessment of whether a contract is or contains a lease will be determined based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an asset judgement is required in the assessment of a customer's right to:

- ▶ obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use; and
- ▶ direct the use of the identified asset.

A number of the Group's supply contracts are fulfilled through dedicated manufacturing facilities and therefore, customers will obtain a significant proportion of the economic benefits from their use. The Group considers that future Long-Term Supply contracts should not be assessed as containing leases, as the Group considers that it retains the right to direct the use of the identified assets.

In making this assessment, the Group has considered that the Group controls the raw materials including the timing and amount of purchases and has discretion as to how and when such materials are processed to fulfil customer orders. Therefore, the Group obtains the economic benefits from processing the inventory, has the right to direct the use of the identified assets and the customer rights are limited to placing orders. This consideration is particularly judgmental given orders are typically produced on a real-time basis. However, it is the Group's view that this real-time production is inherent in the context of producing perishable goods with a short shelf life and not indicative of the customer having the right to control the use of the facilities.

Notes to the financial statements continued

4 Critical accounting estimates and judgements continued

Key estimation uncertainties

(a) Goodwill impairment

Goodwill is reviewed for impairment at least on an annual basis. Details of the tests and carrying value of the assets are shown in note 14. An impairment review requires an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated using either value-in-use or fair value less costs of disposal calculations. Value-in-use calculations require assumptions to be made regarding the expected future cash flows from the cash generating unit and choice of a suitable discount rate in order to calculate the present value of those cash flows. Fair value less costs of disposal calculations can be based on transaction prices observed in the market for comparable assets or if these are not available using a discounted cash flow model, requiring assumptions in respect of cash flows and suitable after-tax discount rates to be made. If the actual cash flows are lower than estimated, future impairments may be necessary. Sensitivities are applied to the key assumptions used in the impairment assessment as explained in note 14. No sensitivity analysis has been undertaken for the UK&I or Europe groups of CGUs as there is no reasonably possible change in key assumptions that could result in an impairment. An Impairment was identified in respect of the Dalco CGU and sensitivities were carried out and disclosed.

(b) Climate Risk

During the current period climate related risks have not had a material impact on the financial statements or any of the critical accounting judgements.

5 Segment information

Management have determined the operating segments based on the reports reviewed by the Group Directors that are used to make strategic decisions.

The Executive Directors have considered the business from both a geographic and product perspective.

From a geographic perspective, the Executive Directors consider that the Group has four operating segments: i) UK & Ireland, which comprises the Group's operations in United Kingdom and Republic of Ireland; ii) Europe, which includes the Group's operations in the Netherlands, Sweden, Denmark, Central Europe and Portugal; iii) APAC comprising the Group's operations in Australia and New Zealand; and iv) Central costs.

From a product perspective, the Executive Directors consider that the Group has only one identifiable product, wholesaling of food protein products including meat, fish and vegetarian. The Executive Directors consider that no further segmentation is appropriate, as all of the Group's operations are subject to similar risks and returns and exhibit similar long-term financial performance.

Notes to the financial statements

continued

5 Segment information continued

The segment information provided to the Executive Directors for the reportable segments is as follows:

Group	2024					2023				
	UK and Ireland £'m	Europe £'m	APAC £'m	Central costs £'m	Total £'m	UK and Ireland £'m	Europe £'m	APAC £'m	Central costs £'m	Total £'m
Total revenue	1,505.2	1,060.9	1,463.4	–	4,029.5	1,389.1	1,061.4	1,614.9	–	4,065.4
Inter-co revenue	(39.3)	(1.9)	–	–	(41.2)	(59.8)	(16.1)	–	–	(75.9)
Third-party revenue	1,465.9	1,059.0	1,463.4	–	3,988.3	1,329.3	1,045.3	1,614.9	–	3,989.5
Adjusted operating profit/(loss) segment result (see note 31)	50.9	40.8	29.8	(16.8)	104.7	35.5	40.9	30.2	(11.6)	95.0
Amortisation of acquired intangibles	(5.1)	(4.4)	–	–	(9.5)	(5.1)	(4.4)	–	–	(9.5)
Adjusting/exceptional items	(1.0)	0.5	–	(0.1)	(0.6)	(1.8)	(2.0)	–	(0.1)	(3.9)
Impact of IFRS 16	(0.3)	1.0	3.5	–	4.2	0.6	0.6	3.3	–	4.5
Operating profit/(loss) segment result	44.5	37.9	33.3	(16.9)	98.8	29.2	35.1	33.5	(11.7)	86.1
Finance income	–	1.1	0.7	–	1.8	0.1	0.1	0.4	–	0.6
Finance costs	(8.3)	(12.1)	(12.4)	(6.8)	(39.6)	(9.2)	(10.5)	(13.8)	(4.6)	(38.1)
Income tax (expense)/credit	(8.9)	(9.2)	(7.2)	5.9	(19.4)	(2.7)	(4.8)	(6.1)	3.0	(10.6)
Profit/(loss) for the period	27.3	17.7	14.4	(17.8)	41.6	17.4	19.9	14.0	(13.3)	38.0
Depreciation, amortisation and impairment	24.4	32.4	31.0	0.5	88.3	23.3	19.6	36.0	0.5	79.4
Additions to non-current assets	40.3	24.9	8.1	1.2	74.5	29.6	21.1	8.3	0.7	59.7
Segment assets	456.9	343.5	371.4	47.2	1,219.0	404.8	397.5	431.7	36.1	1,270.1
Current income tax assets					0.4					–
Deferred income tax assets					17.0					19.1
Total assets					1,236.4					1,289.2
Segment liabilities	209.0	178.9	325.1	191.2	904.2	187.2	199.9	380.6	184.6	952.3
Current income tax liabilities					5.8					0.7
Deferred income tax liabilities					9.6					14.7
Total liabilities					919.6					967.7

Notes to the financial statements

continued

5 Segment information continued

Sales between segments are carried out at arm's length.

The Executive Directors assess the performance of each operating segment based on its operating profit before adjusting/exceptional items and amortisation of acquired intangibles and also before the impact of IFRS 16 (see note 31). Operating profit is measured in a manner consistent with that in the income statement.

The amounts provided to the Executive Directors with respect to total assets and liabilities are measured in a manner consistent with that of the financial statements. The assets are allocated based on the operations of the segment and their physical location. The liabilities are allocated based on the operations of the segment.

The Group has five principal customers (comprising groups of entities known to be under common control), Tesco, Ahold Delhaize, Coop Danmark, ICA Gruppen and Woolworths. These customers are located in the United Kingdom, Netherlands, Belgium, Republic of Ireland, Sweden, Denmark and Central Europe including Poland, Czech Republic, Hungary, Slovakia, Latvia, Lithuania and Estonia, and APAC.

Analysis of revenues from external customers and non-current assets are as follows:

Group	Revenues from external customers		Non-current assets excluding deferred tax assets	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Analysis by geographical area				
United Kingdom – country of domicile	1,360.8	1,265.3	253.4	223.0
Netherlands	492.6	475.8	99.2	117.8
Belgium	14.3	19.0	0.1	0.1
Sweden	271.2	245.2	22.4	24.4
Republic of Ireland	100.6	89.1	14.7	5.2
Denmark	126.2	123.1	15.3	16.2
Central Europe	159.5	154.7	22.1	23.7
APAC	1,463.1	1,617.3	228.4	271.8
	3,988.3	3,989.5	655.6	682.2
Analysis by principal customer				
Customer 1	1,211.3	1,107.3		
Customer 2	356.2	337.8		
Customer 3	268.2	243.5		
Customer 4	119.4	120.8		
Customer 5	1,291.7	1,447.5		
Other	741.5	732.6		
	3,988.3	3,989.5		

Notes to the financial statements

continued

6 Auditor's remuneration

Services provided by the Group's auditors and their associates

During the period the Group (including its overseas subsidiaries) obtained the following services from the Group's auditors and their associates:

Group	2024 £'m	2023 £'m
Fees payable to the Group's auditors for the audit of the parent Group and consolidated financial statements	0.5	0.3
Fees payable to the Group's auditors and their associates for other services:		
► The audit of the Group's subsidiaries pursuant to legislation	1.2	0.9
► Other services pursuant to legislation	0.1	0.1
Total fees payable to the Group's auditors and their associates	1.8	1.3

7 Expenses by nature

Group	2024 £'m	2023 £'m
Changes in inventories of finished goods and goods for resale	8.3	7.1
Raw materials and consumables used	3,199.0	3,240.1
Employee benefit expense (note 8)	302.0	268.6
Depreciation, amortisation and impairment – owned assets	67.5	60.4
Depreciation and amortisation – leased assets	20.8	19.0
Repairs and maintenance expenditure on property, plant and equipment	36.9	33.2
Transportation expenses	46.1	46.3
Foreign exchange (gain)	–	(0.3)
Other expenses	209.3	229.6
Total cost of sales, distribution costs and administrative expenses	3,889.9	3,904.0
Cost of sales	3,531.4	3,559.2
Distribution costs	48.3	47.7
Administrative expenses	310.2	297.1
Total cost of sales, distribution costs and administrative expenses	3,889.9	3,904.0

Notes to the financial statements

continued

8 Employee benefit expense

Group	2024 £'m	2023 £'m
Staff costs during the period		
Wages and salaries	262.9	235.4
Social security costs	21.7	18.3
Share options granted to Directors and employees	2.0	1.8
Pension costs – defined contribution plan	15.4	13.1
	302.0	268.6

Group	2024 Number	2023 Number
Average number of monthly persons employed (including Executive Directors) during the period by activity		
Production	5,510	5,165
Administration	1,485	1,411
	6,995	6,576

Group	2024 £'m	2023 £'m
Key management compensation (including Directors)		
Salaries and short-term employee benefits, including termination benefits	14.6	12.1
Post-employment benefits	0.2	0.3
Share-based payments	2.2	2.1
	17.0	14.5

Group	2024 £'m	2023 £'m
Directors' emoluments		
Aggregate emoluments	3.2	2.7
Group contribution to money purchase pension scheme	0.1	0.1
	3.3	2.8

Further details of Directors' emoluments and share interests, including the highest paid Director, are given in the Directors' remuneration report.

The Company has no employees and Directors do not receive emoluments from the Company. Employee expenses of the Company amounted to £nil (2023: £nil).

Notes to the financial statements continued

9 Finance income and finance costs

Group	2024 £'m	2023 £'m
Finance income		
Interest income on short-term bank deposits	1.4	0.6
Other interest income	0.4	–
Finance income	1.8	0.6
Finance costs		
Bank borrowings	(18.9)	(20.1)
Interest on lease liabilities	(8.6)	(8.6)
Customer provided supply chain finance interest	(9.6)	(8.2)
Other interest expense	(2.5)	(1.2)
Finance costs	(39.6)	(38.1)
Finance costs – net	(37.8)	(37.5)

10 Income tax expense

Group	2024 £'m	2023 £'m
Current income tax		
Current tax on profits for the period	22.5	17.1
Adjustments to tax in respect of previous periods	(0.7)	(0.2)
Total current tax	21.8	16.9
Deferred income tax		
Origination and reversal of temporary differences	(2.1)	(5.8)
Adjustments to tax in respect of previous periods	(0.3)	(0.5)
Total deferred tax	(2.4)	(6.3)
Income tax expense	19.4	10.6

Deferred tax charged directly to equity during the period in respect of employee share schemes amounted to £0.2m (2023: charge £0.03m).

Deferred tax charged directly to the statement of other comprehensive income during the period in respect of cash flow hedges amounted to £1.6m (2023: charge £nil).

Factors affecting future tax charges

The Group operates in numerous tax jurisdictions around the world and is subject to factors that may affect future tax charges including transfer pricing, tax rate changes and tax legislation changes.

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 20 June 2023, the government of the United Kingdom, where the parent company is incorporated, enacted the Pillar Two income taxes legislation. The Group is within the scope of Pillar Two with effect from 1 January 2024 under UK legislation. Pillar Two legislation has also been enacted in other jurisdictions where the Group operates and may affect computation of top-up taxes for those markets. Under the legislation, the Group is required to pay top-up tax on profits that are taxed at an effective tax rate of less than 15 per cent.

Notes to the financial statements

continued

10 Income tax expense continued

The Group's current tax expense (income) related to Pillar Two income taxes is £nil.

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the standard rate of UK Corporation Tax of 25% (2023: 23.5%) applied to profits of the consolidated entities as follows:

	2024 £m	2023 £m
Profit before income tax	61.0	48.6
Tax calculated at the standard rate of UK Corporation Tax 25.0% (2023: 23.5%)	15.3	11.4
Effects of:		
Expense/(income) not deductible/(taxable)	2.0	(0.2)
Joint venture results received	(0.1)	(0.1)
Adjustments to tax in respect of previous periods	(1.0)	(0.7)
Profits taxed at rates other than 25.0% (2023: 23.5%)	0.1	1.3
Impact of change in tax rates	0.2	–
Double tax relief	0.1	–
Derecognition/(recognition) of deferred tax assets	2.3	0.6
Deferred tax recognised in reserves	0.2	–
Non-qualifying depreciation	0.3	(1.7)
Income tax expense	19.4	10.6

Adjustments to tax in respect of prior periods have resulted from changes in assumptions in respect of deductible expenses and the application of capital allowances.

11 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has share options for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Group's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

Group		2024		2023	
		Basic	Diluted	Basic	Diluted
Profit attributable to owners of the parent	(£'m)	39.3	39.3	36.4	36.4
Weighted average number of ordinary shares in issue	(millions)	89.7	89.7	89.5	89.5
Adjustment for share options	(millions)	–	0.9	–	0.9
Adjusted weighted average number of ordinary shares	(millions)	89.7	90.6	89.5	90.4
Basic and diluted earnings per share	(pence)	43.7	43.3	40.6	40.2

Notes to the financial statements

continued

12 Dividends

Group and Company	2024 £'m	2023 £'m
Final dividend in respect of 2023 paid 23.0p per ordinary share (2023: 22.6p)	20.6	20.2
Interim dividend in respect of 2024 paid 9.6p per ordinary share (2023: 9.0p)	8.6	8.1
Total dividends paid	29.2	28.3

The Directors propose a final dividend of 24.9p (2023: 23.0p) per share payable on 27 June 2025 to shareholders who are on the register at 30 May 2025. This dividend totalling £22.4m (2023: £20.6m) has not been included as a liability in these consolidated financial statements in accordance with IAS 10: Events after the reporting period.

Dividends paid to non-controlling interests in the period totalled £2.9m (2023: £1.5m).

13 Property, plant and equipment

Group	Land and buildings (including leasehold improvements) £'m	Plant and machinery £'m	Fixtures and fittings £'m	Motor vehicles £'m	Asset under construction £'m	Total £'m
Cost						
Restated at 1 January 2023*	147.3	580.5	30.1	1.1	–	759.0
Exchange adjustments	(0.5)	(12.6)	(0.3)	–	–	(13.4)
Additions	3.0	51.8	0.5	0.1	–	55.4
Transfer	0.4	(43.9)	7.6	–	34.4	(1.5)
Disposals	(0.9)	(31.0)	(1.9)	(0.1)	–	(33.9)
Restated at 31 December 2023*	149.3	544.8	36.0	1.1	34.4	765.6
Accumulated depreciation and impairment						
Restated at 1 January 2023*	51.5	358.3	21.0	0.6	–	431.4
Exchange adjustments	(0.6)	(5.5)	(0.2)	–	–	(6.3)
Charge for the period	7.0	37.3	3.3	0.1	–	47.7
Impairment	–	1.2	–	–	–	1.2
Disposals	(0.8)	(29.7)	(1.9)	(0.1)	–	(32.5)
Restated at 31 December 2023*	57.1	361.6	22.2	0.6	–	441.5
Net book value						
Restated at 1 January 2023*	95.8	222.2	9.1	0.5	–	327.6
Restated at 31 December 2023*	92.2	183.2	13.8	0.5	34.4	324.1

Notes to the financial statements

continued

13 Property, plant and equipment continued

Group	Land and buildings (including leasehold improvements) £'m	Plant and machinery £'m	Fixtures and fittings £'m	Motor vehicles £'m	Asset under construction £'m	Total £'m
Cost						
Restated at 1 January 2024*	149.3	544.8	36.0	1.1	34.4	765.6
Exchange adjustments	(3.3)	(26.1)	(1.9)	–	0.9	(30.4)
Additions	15.6	10.5	1.2	0.1	40.6	68.0
Transfers	1.7	29.0	5.2	–	(36.0)	(0.1)
Disposals	(5.2)	(14.5)	(0.5)	(0.2)	–	(20.4)
At 29 December 2024	158.1	543.7	40.0	1.0	39.9	782.7
Accumulated depreciation and impairment						
Restated at 1 January 2024*	57.1	361.6	22.2	0.6	–	441.5
Exchange adjustments	(1.1)	(14.3)	(0.9)	–	–	(16.3)
Charge for the period	7.4	35.5	4.1	0.1	–	47.1
Impairment	–	(0.4)	–	–	0.4	–
Transfers	–	1.8	(1.8)	–	–	–
Disposals	(5.1)	(13.7)	(0.4)	(0.1)	–	(19.3)
At 29 December 2024	58.3	370.5	23.2	0.6	0.4	453.0
Net book value						
At 29 December 2024	99.8	173.2	16.8	0.4	39.5	329.7

* The prior year amounts as at 1 January 2024 have been restated for both cost and accumulated depreciation to take account of errors identified and to disclose assets under construction as a separate category. There is no prior year impact on net book value.

Notes to the financial statements

continued

14 Intangible assets

Group	Computer software £m	Brand and customer relationships £m	Asset under construction £m	Goodwill £m	Total £m
Cost					
Restated at 1 January 2023*	24.7	78.9	–	82.5	186.1
Exchange adjustments	(0.4)	–	–	–	(0.4)
Acquisition	–	0.3	–	1.3	1.6
Additions	4.2	–	–	–	4.2
Transfers	(3.1)	–	4.6	–	1.5
Restated at 31 December 2023*	25.4	79.2	4.6	83.8	193.0
Accumulated amortisation and impairment					
Restated at 1 January 2023*	9.2	16.4	–	–	25.6
Exchange adjustments	(0.2)	–	–	–	(0.2)
Charge for the period	2.5	8.3	–	–	10.8
Impairment	0.7	–	–	–	0.7
Restated at 31 December 2023*	12.2	24.7	–	–	36.9
Net book value					
Restated at 1 January 2023*	15.5	62.5	–	82.5	160.5
Restated at 31 December 2023*	13.2	54.5	4.6	83.8	156.1

Notes to the financial statements

continued

14 Intangible assets continued

Group	Computer software £'m	Brand and customer relationships £'m	Asset under construction £'m	Goodwill £'m	Total £'m
Cost					
Restated at 1 January 2024*	25.4	79.2	4.6	83.8	193.0
Exchange adjustments	(1.1)	(0.7)	–	(0.5)	(2.3)
Additions	2.6	–	3.9	–	6.5
Transfers	1.2	–	(0.6)	(0.5)	0.1
At 29 December 2024	28.1	78.5	7.9	82.8	197.3
Accumulated amortisation and impairment					
Restated at 1 January 2024*	12.2	24.7	–	–	36.9
Exchange adjustments	(0.8)	(0.2)	–	–	(1.0)
Charge for the period	2.5	8.1	–	–	10.6
Impairment	–	–	–	9.8	9.8
At 29 December 2024	13.9	32.6	–	9.8	56.3
Net book value					
At 29 December 2024	14.2	45.9	7.9	73.0	141.0

* The prior year amounts as at 1 January 2024 have been restated for both cost and accumulated amortisation to take account of errors identified and to disclose assets under construction as a separate category. There is no prior year impact on net book value.

Adjusted amortisation charges are included within administrative expenses in the income statement.

Notes to the financial statements

continued

14 Intangible assets continued

Goodwill impairment testing

The goodwill generated as a result of major acquisitions represents the premium paid in excess of the fair value of all net assets, including intangible assets, identified at the point of acquisition. The carrying value of goodwill includes a premium paid in order to secure shareholder agreement to the business combination, that is less than the value that the Directors believed could be added to the acquired businesses.

In the prior year goodwill was monitored for impairment at the cash generating unit ("CGU") level. During the current year, in order to better align with the way the Board monitors the performance of the group, goodwill has been monitored at the level of a group of CGUs consistent with the operating segments in the business. This excludes the Dalco CGU which has continued to be monitored separately due to the distinct market and customer model under which it operates.

Goodwill by segment includes UK&I £55.1m and Europe £17.6m (excluding Dalco). Goodwill for the Dalco CGU has been reduced to nil in the current period.

The Group tests goodwill annually or more frequently if there are indications that goodwill might be impaired. In accordance with IAS 36: Impairment of Assets, the Group assesses goodwill based on the recoverable amount of the CGU, or group of CGUs. Recoverable amount was calculated based on value-in-use, which is estimated using a discounted cash flow model. For each group of CGUs tested at a segment level the calculated recoverable amounts exceeded their carrying value and no impairment was indicated. For the Dalco CGU, the recoverable amount was lower than the carrying value, resulting in an impairment charge of £9.8m recognised for the full value of the goodwill.

The key assumptions used in the calculations are projected EBITDA, the pre-tax and post-tax discount rates and the growth rates used to extrapolate cash flows beyond the projected period. EBITDA and profit before tax are based on one-year budgets approved by the Board and longer term, five year, projections based on past experience adjusted to take account of the impact of expected changes to sales prices, volumes, business mix and margin. Cash flows are discounted at a pre-tax discount rate of 11.9%-12.1% (2023: 9.3%-13.4%) depending on the segment with a growth rate of 1.5%-2% (2023: 2%-8%) used to extrapolate cash flows. Discount rates and growth rates are calculated with reference to external benchmarks and where relevant past experience.

Goodwill Impairment

An impairment loss of £9.8 million has been recognised in 2024 on the goodwill allocated to Dalco, following a comprehensive review of the asset's recoverable amount. Under IAS 36 – Impairment of Assets, the company compares the carrying amount of goodwill with its recoverable amount, defined as the higher of fair value less costs to sell or value in use. Detailed impairment testing indicated that the estimated future cash flows from the related assets no longer support the previously recorded value when calculated at value in use.

The impairment to goodwill is primarily driven by changes in market conditions in the vegan and vegetarian market and an ongoing reorganisation of the business which has necessitated a reassessment of operational strategies and cost structures.

Prior to recognising this impairment loss, the carrying amount of goodwill was £9.8 million. Following the impairment, the entire goodwill has been written off, ensuring that the balance sheet accurately reflects the fair value of the company's assets.

The impairment test involved significant management judgment and the application of key assumptions such as a pre-tax discount rate of 12.1% (2023: 9.3%), and a long-term growth rate of 2% (2023: 2%).

Sensitivity to changes in assumptions

No sensitivity analysis has been undertaken for the UK&I or Europe Segments as there is no reasonably possible change in key assumptions that could result in an impairment.

Sensitivity analysis has been carried out on Dalco and a reasonably possible change in key assumptions in isolation or in combination may lead to an increase in the impairment. A change in the pre-tax discount rate from 12.1% to 12.6% would result in an increase in the impairment charge of £1.3m. A change in the long-term growth rate from 2% to 1% would result in an increase in the impairment charge of £1.7m. A 5% reduction in volume growth rates, and total cash flows, would result in an increase in the impairment charge of £6.9m and £1.3m respectively. Any additional impairment charge arising would be allocated to the other assets within the Dalco CGU on a pro rata basis.

Notes to the financial statements

continued

15 Leases

Amounts recognised in the balance sheet

The balance sheet includes the following amounts relating to leases:

Lease: right of use assets

Group	Land and buildings £'m	Equipment £'m	Vehicles £'m	Total £'m
Opening net book amount as at 1 January 2023	206.3	7.8	2.5	216.6
Exchange adjustments	(9.7)	(0.1)	–	(9.8)
Additions	–	4.1	1.0	5.1
Reclassification	4.0	(2.6)	(1.4)	–
Remeasurements, reclassification and scope changes	1.0	0.2	–	1.2
Depreciation	(16.1)	(2.2)	(0.7)	(19.0)
Closing net book amount at 31 December 2023	185.5	7.2	1.4	194.1

Exchange adjustments	(13.6)	(0.2)	(0.1)	(13.9)
Additions	8.8	4.7	1.4	14.9
Remeasurements, reclassification and scope changes	1.8	0.9	0.2	2.9
Depreciation	(16.7)	(3.3)	(0.8)	(20.8)
Disposals	(3.9)	(0.4)	(0.1)	(4.4)
Closing net book amount at 29 December 2024	161.9	8.9	2.0	172.8

Lease liabilities

Group	2024 £'m	2023 £'m
Current	16.9	15.3
Non-current	189.1	211.6
	206.0	226.9

Maturity analysis – contractual undiscounted cash flows

Group	2024 £'m	2023 £'m
Less than one year	24.5	22.9
One to five years	81.0	80.5
More than five years	164.4	198.4
Total lease liabilities	269.9	301.8

Notes to the financial statements continued

15 Leases continued

Amounts recognised in the consolidated income statement

The income statement shows the following amounts related to leases:

Depreciation charge on right-of-use assets

Group	2024 £'m	2023 £'m
Buildings	16.7	16.1
Plant and equipment	3.3	2.2
Vehicles	0.8	0.7
	20.8	19.0
Interest expenses (included in finance costs)	8.6	8.5
Expenses relating to short-term leases (included in costs of goods sold and administrative expenses)	0.1	1.1

The total cash outflow for leases in 2024 was £25.9m (2023: £22.7m).

Variable lease payments

Leases with liabilities recognised of £8.6m (2023: £9.0m), accounting for 4.2% (2023: 3.7%) of total lease liabilities, are subject to five yearly RPI-linked rent reviews. These rent reviews are subject to a minimum collar, the impact of which is included in the calculation of lease liabilities and a maximum cap. If the impact of these variable lease payments had been recognised, applying index levels as at 30 December 2024, lease liabilities would have increased by 2024: £5.0m (2023: £5.6m).

In addition, leases with liabilities recognised totalling £2.8m (2023: £3.6m), accounting for 1.3% (2023: 1.5%) of total lease liabilities, are subject to annual CPI linked rent increases. If the impact of these variable lease payments had been recognised, applying index levels as at 29 December 2024, lease liabilities would have increased by £0.0m (2023: £0.3m).

Notes to the financial statements

continued

16 Investments

Investments

The Group uses the equity method of accounting for its interest in joint ventures and associates. The aggregate movement in the Group's investments in joint ventures and associates is as follows:

Group	2024			2023		
	Joint Ventures £'m	Associates £'m	Total £'m	Joint Ventures £'m	Associates £'m	Total £'m
At the beginning of the period	4.4	3.5	7.9	4.4	1.8	6.2
Acquisitions	–	4.4	4.4	–	1.7	1.7
Profit for the period	0.4	–	0.4	0.6	–	0.6
Dividends received	(0.6)	–	(0.6)	(0.5)	–	(0.5)
Effect of movements in foreign exchange	–	–	–	(0.1)	–	(0.1)
At the end of the period	4.2	7.9	12.1	4.4	3.5	7.9

Where relevant, management accounts for the joint venture have been used to include the results up to 29 December 2024. The Group's share of the net assets, income and expenses of the joint ventures and associates are detailed below.

All interests in subsidiaries are in the ordinary equity shares of those companies except for Agito Group Pty Limited indicated by * where we hold ordinary and preference shares.

Set out below are the joint ventures and associates of the Group as at 29 December 2024. Unless otherwise stated there has been no change to the holding since 31 December 2023.

Name	Ownership percentage (Voting rights and equity shares)	Address
Joint venture		
Australia		
Agito Group Pty Limited*	50	C/O Brealey Quill Kenny, Market City Commercial Centre (Mp24), Unit 6, 280 Bannister Road, Canning Vale, Western Australia, 6155
Ireland		
Agito Global Limited	50	Floor 3, Block 3, Miesian Plaza, Dublin 2, Dublin, D02 Y754
Portugal		
Agito Global, Unipessoal LDA	50	nº 249 - 1º, Avenida da Liberdade, Lisboa Concelho, Santo António, Lisboa 1250 143
Sohi Meat Solutions – Distribuição de Carnes SA	50	Zona Industrial de Santarem – Quinta de Mocho District, Santarem, 2005 002 Varzea
UK		
Agito Global Limited	50	First Floor Offices, Unit 6b, Vantage Park, Huntingdon PE29 6SR
Agito Holdings Limited	50	2-8 Interchange, Latham Road, Huntingdon PE29 6YE
Associates		
UK		
A Turner and Sons Sausage Limited (2023: 16.25%)	25	205 North Lane, Aldershot, Hampshire GU12 4SY
Cellular Agriculture Ltd (2023: 29.23%)	38.94	Felin Y Clyn, Pontnewydd, Llanelli SA15 5TL

Notes to the financial statements

continued

16 Investments continued

As noted below, during the period the Group acquired an additional 9.71% interest in Cellular Agriculture Ltd for consideration of £4.4m. In addition, the Group sold its 50% interest in Sphere Design Limited for a consideration of £100.

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not the Group's share of those amounts.

Sohi Meat Solutions

Summarised balance sheet	2024 £'m	2023 £'m
Current assets		
Cash and cash equivalents	0.2	0.2
Other current assets	51.8	50.6
Total current assets	52.0	50.8
Non-current assets	14.6	18.7
Total current liabilities	(58.8)	(59.3)
Total non-current liabilities	(2.2)	(4.7)
Net assets	5.6	5.5
Reconciliation to carrying amounts		
Opening net assets	5.5	5.3
Profit for the period	1.4	1.2
Dividends paid	(1.1)	(0.9)
Exchange adjustments	(0.2)	(0.1)
Closing net assets	5.6	5.5
Group's share – %	50.0	50.0
Group's share – £m	2.8	2.8

Summarised statement of comprehensive income	2024 £'m	2023 £'m
Revenue	369.5	354.9
Depreciation and amortisation	(4.8)	(4.7)
Net finance costs	(1.7)	(1.5)
Income tax expense	(0.2)	(0.3)
Profit for the period	1.4	1.2
Dividends received from joint venture entity	0.6	0.5

Notes to the financial statements continued

16 Investments continued

The Group also has an interest in one other joint venture.

Other joint ventures:	2024 £'m	2023 £'m
Aggregate carrying amount of other joint venture	1.4	1.7
Aggregate Group share of profit for the year	(0.3)	–

Non-controlling interests

Set out below is summarised financial information for Hilton Foods Holland BV, the only Group subsidiary with a non-controlling interest that is considered to be material to the Group. The amounts disclosed are before inter-company eliminations.

Hilton Foods Holland BV

Summarised balance sheet	2024 £'m	2023 £'m
Current assets	77.5	87.8
Current liabilities	(58.0)	(64.7)
Current net assets	19.5	23.1
Non-current assets	10.7	7.0
Non-current liabilities	(0.3)	(0.6)
Non-current net assets	10.4	6.4
Net assets	29.9	29.5
Accumulated non-controlling interests	6.0	5.9

Summarised statement of comprehensive income	2024 £'m	2023 £'m
Revenue	349.9	345.0
Profit for the period	7.6	7.6
Other comprehensive income	1.3	0.7
Total comprehensive income	8.9	8.3
Profit allocated to non-controlling interests	1.5	1.5
Dividends paid to non-controlling interests	1.2	1.2

Summarised cash flows	2024 £'m	2023 £'m
Cash flows from operating activities	5.4	12.3
Cash flows from investing activities	(3.7)	(2.2)
Cash flows from financing activities	(5.9)	(6.1)
Impact of foreign exchange	(0.7)	(0.3)
Net increase/(decrease) in cash and cash equivalents	(4.9)	3.7

Notes to the financial statements

continued

16 Investments continued

Transactions with non-controlling interests

On 25 October 2024, the Group acquired an additional 35% of the issues shares of Hilton Food Solutions Limited for £2.2m. Immediately prior to the purchase, the carrying amount of the existing 35% non-controlling interest in Hilton Food Solutions Limited was £0.1m. The Group recognised a decrease in non-controlling interests of £0.1m and a decrease in equity attributable to owners of the parent of £2.1m. The effect on the equity attributable to the owners of Hilton Food Solutions Limited during the year is summarised as follows:

Company	2024 £'m	2023 £'m
Carrying amount of non-controlling interests acquired	0.1	–
Consideration paid to non-controlling interests	(2.2)	–
Excess of consideration paid recognised in the transaction with non-controlling interests reserve within equity	(2.1)	–

Investments in subsidiaries

Investments in subsidiary undertakings are recorded at cost, which is the fair value of consideration paid.

Company	2024 £'m	2023 Restated £'m
At the beginning of the period	254.7	252.9
Additions	2.0	1.8
At 31 December 2023 and 29 December 2024	256.7	254.7

Notes to the financial statements

continued

16 Investments continued

The subsidiary undertakings of the Group are as follows for 31 December 2023 and 29 December 2024, unless otherwise stated.

- ▶ 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 otherwise.
- ▶ All interests in subsidiaries are in the ordinary equity shares of those companies.
- ▶ The proportion of voting rights aligns with the interest in the ordinary equity shares of 100%, except for Hilton Meats Holland Limited and Hilton Foods Holland BV indicated by **, where the Group owns 80% of the Company but retains 100% of the voting rights.
- ▶ All subsidiary undertakings are included in the consolidation. The Company's voting rights in its subsidiary undertakings are the same as its effective interest in its subsidiary undertakings unless otherwise stated.

Name	Address
Directly Held	
Hilton Foods Limited	Carson McDowell LLP, Murray House, Murray Street, Belfast BT1 6DN, UK
Indirectly Held	
Australia	
Hilton Foods Australia Pty Limited	267 Dohertys Road, Truganina, VIC 3029
Hilton Foods Global (Australia) Pty Limited	
Foods Connected Australia Pty Limited (65%)	Moore Stephens, 62–64, Burwood Road, Burwood, NSW 2134
Belgium	
Hilton Foods Belgium BV	Guldensporenpark 120, Stratenplan, 9820 Merelbeke
Canada	
Foppen Seafood Canada Inc	Suite 1000, Brunswick House, 44, Chipman Hill, Saint John, New Brunswick, E2L 2A9
Hilton Foods Canada Inc	199, Bay Street, 5300 Commerce Court West, Toronto, Ontario, M5L 1B9
China	
Hong Kong Fu-Peng Co Limited	Room 1001, 10/F Boss Commercial Centre, 28, Ferry Street, Kowloon, Hong Kong
Shanghai Fu Peng Food Trading Co Limited	Room 710, Tower A, Building 2, 555, Lansong Road, Pudong New Area, Shanghai
Denmark	
Hilton Foods Danmark A/S	Brunagervej 2, Kolt 8361 Hasselager

Name	Address
Indirectly Held	
Greece	
Olympic Eel & Salmon Industry SA	Industrial Area of Preveza, Preveza 481 00
Ireland	
Hilton Foods (Ireland) Limited	Termonfeckin Road, Drogheda, Co Louth
Netherlands	
Dalco Food BV	Everdenberg 50, Oosterhout, 4902 TT
Foppen Eel & Salmon BV	82, Fahrenheitstraat, Harderwijk, 3846 CC
Hilton Seafood Holland BV (formerly Dutch Seafood Company BV)	
Foppen Groep BV	24–26, Daltonstraat, Harderwijk, 3846 BX
Paling En Zalmfileerderij J. Foppen Jzn. BV	
Hilton Food Solutions Holland BV (2023: 65%)	Grote Tocht 31, 1507 CG Zaandam
Hilton Foods Holland BV (80%)**	
Hilton Logistics BV	
New Zealand	
Hilton Foods New Zealand Limited	11 Puaki Drive, Wiri, Auckland 2104
Hilton Foods Global (NZ) Limited	
Poland	
Hilton Foods Ltd Sp zo o	Ul Strefowa 31, 43–100 Tychy
Sweden	
Hilton Foods Sverige AB	Saltangsvagen 53, 721 32 Vasteras

Notes to the financial statements

continued

16 Investments continued

Name	Address
Indirectly Held	
UK	
Coldwater Seafood UK Limited	2-8 Interchange, Latham Road, Huntingdon PE29 6YE
Evolve 4 Group Limited (80%)	
Evolve 4 Limited (80%)	
Evolve 4 Solutions Limited (80%)	
Fairfax Meadow Europe Limited	
Fairfax Meadow Limited (formerly Fairfax London Limited)	
Greenchain Solutions Limited	
Hilton Foods Asia Pacific Limited	
Hilton Seafood UK Limited	
Hilton Services Limited	
Hilton Food Solutions Limited (2023: 65%)	
Hilton Foods Trading Limited	
Icelandic UK Limited	
Seachill Limited	
Seachill UK Limited trading as Hilton Seafood UK	
SV Cuisine Limited (Struck off 18 March 2025)	
Hilton Foods Limited	Carson McDowell LLP, Murray House, Murray Street, Belfast BT1 6DN
Hilton Foods UK Limited	
Foods Connected Ltd (65%)	City Factory, 100 Patrick Street, Lower Ground Floor, Londonderry BT48 7EL
Hilton Food Group (Europe) Limited	St George's Building 3rd Floor, 37-41 High Street, Belfast BT1 2AB
Hilton Food.com Limited	
Hilton Meats Holland Limited (80%)**	

Name	Address
Indirectly Held	
USA	
Foods Connected America Inc (65%)	National Registered Agents Inc, 1209 Orange Street, Wilmington, New Castle County, Delaware 19081
Foppen USA Inc	United Corporate Services Inc, 800 North State Street Suite 304, Dover, Delaware 19901

All subsidiary undertakings are included in the consolidation. The Company's voting rights in its subsidiary undertakings are the same as its effective interest in its subsidiary undertakings unless otherwise stated.

Notes to the financial statements

continued

17 Inventories

Group	2024 £'m	2023 £'m
Raw materials and consumables	141.8	128.9
Finished goods and goods for resale	55.9	50.9
	197.7	179.8

The cost of inventories recognised as an expense and included in cost of sales amounted to £3,199.0m (2023: £3,240.1m). The Group charged £2.9m in respect of inventory write-downs (2023: £1.5m). The amount charged has been included in cost of sales in the income statement.

18 Trade and other receivables

	Group		Company	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Trade receivables	194.1	219.8	–	–
Less: allowance for impairment of trade receivables	(0.8)	(0.9)	–	–
Trade receivables – net	193.3	218.9	–	–
Amounts owed by Group undertakings	–	–	8.7	5.7
Amounts owed by related parties (see note 29)	6.9	4.1	–	–
Other receivables	35.2	41.8	–	–
Prepayments	18.3	13.0	–	–
	253.7	277.8	8.7	5.7

Amounts owed by Group undertakings to the Company are unsecured, interest free and repayable on demand.

Majority of balances in other receivables are VAT receivables.

The carrying amounts of trade and other receivables are denominated in the following currencies:

Currency	Group		Company	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
UK Pound	34.4	80.8	8.7	5.7
Euro	92.3	66.5	–	–
Swedish Krona	15.8	26.1	–	–
Danish Krone	8.6	18.1	–	–
Polish Zloty	7.0	6.5	–	–
Australian Dollar	67.6	58.1	–	–
New Zealand Dollar	13.8	15.0	–	–
US Dollar	12.6	5.7	–	–
Chinese Renminbi	1.6	1.0	–	–
	253.7	277.8	8.7	5.7

Notes to the financial statements continued

18 Trade and other receivables continued

The Group have performed an assessment of the expected credit losses across the portfolio of trade receivables and contract assets. In determining the expected credit loss, the Group has given due consideration to the historic credit losses arising in prior periods and of current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

To measure the expected credit loss, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The Group has concluded that the expected credit loss results in an allowance being recognised of £0.8m (2023: £0.9m).

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Impairment losses on receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Amounts due from Group undertakings are stated at amortised cost including a provision for expected credit losses. For the purpose of impairment assessment, amounts due from group undertakings are considered low credit risk and therefore, the Company measures the provision at an amount equal to 12-month expected credit losses. Impairment provision is not material to the financial statements. The subsidiaries are solvent/covered by the Group's liquidity arrangements, as detailed in note 20. We have considered the impairment of amounts owed to related parties and they are immaterial. The Group has undrawn committed loan facilities of £108m (2023: £109m) which run to January 2027.

Amounts due from related parties have been reviewed for impairment and the amounts in relation to related parties are immaterial.

The group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable.

- ▶ When there is a breach of financial covenants by the debtor
- ▶ Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the group, in full (without taking into account any collateral held by the group).

Movements on the allowance for impairment of trade receivables are as follows:

Group	2024 £'m	2023 £'m
At the beginning of the period	0.9	1.1
Acquisition	–	0.1
Allowance for receivables impairment	0.1	0.4
Receivables impairment released	(0.1)	(0.7)
Receivables written off during the period as uncollectable	(0.2)	–
Exchange differences	0.1	–
At the end of period	0.8	0.9

19 Cash and cash equivalents

	Group		Company	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Cash at bank and on hand	111.9	126.7	–	0.4

Notes to the financial statements

continued

20 Borrowings

Group	2024 £'m	2023 £'m
Current		
Bank overdraft	4.0	2.8
Bank borrowings	25.5	25.8
	29.5	28.6
Non-current		
Bank borrowings	213.8	237.8
Total borrowings	243.3	266.4

Due to the frequent re-pricing dates of the Group's loans, the fair value of current and non-current borrowings is approximate to their carrying amount.

The carrying amounts of the Group's borrowings are denominated in the following currencies:

Currency	2024 £'m	2023 £'m
UK Pound	146.3	83.2
Euro	28.8	82.6
Polish Zloty	5.0	7.8
Australian Dollar	51.1	73.5
New Zealand Dollar	12.1	19.3
	243.3	266.4

Bank borrowings are repayable in quarterly instalments from 2025 – 2027 with interest charged at SONIA (or equivalent benchmark rates) plus 1.95% - 2.10%. Bank borrowings are subject to joint and several guarantees from each active Group undertaking.

The Group has undrawn committed loan facilities of £108m (2023: £109m) which run to January 2027. The Group has modelled a reasonably possible downside scenario against future cash forecasts and throughout this scenario the Group would not breach any of the revised financial covenants and would not require any additional sources of financing.

The undiscounted contractual maturity profile of the Group's borrowings is described in note 3.

Group net debt is analysed as per note 26.

21 Trade and other payables

	Group		Company	
	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Trade payables	370.4	376.6	–	–
Amounts owed to related parties (see note 29)	1.5	0.5	–	–
Social security and other taxes	11.3	10.0	–	–
Accruals	68.6	71.7	–	–
	451.8	458.8	–	–

The fair value of trade and other payables are the same as their carrying value.

Notes to the financial statements

continued

22 Deferred income tax

Group	Accelerated capital allowances £'m	Revenue in capital £'m	Pension £'m	General provisions £'m	Share-based payments £'m	Losses £'m	IFRS 16 Leases £'m	Acquired assets £'m	Other timing differences £'m	Total £'m
At 1 January 2023	6.3	–	–	–	–	–	6.8	(15.9)	0.7	(2.1)
Exchange differences	–	–	–	–	–	–	(0.4)	–	0.6	0.2
Income statement credit	0.8	–	–	–	–	–	2.9	2.7	(0.1)	6.3
At 31 December 2023	7.1	–	–	–	–	–	9.3	(13.2)	1.2	4.4
Exchange differences	–	(0.2)	(0.1)	(0.2)	–	(0.2)	(0.4)	–	(0.1)	(1.2)
Income statement credit/(charged)	(1.4)	0.5	0.1	(1.2)	0.4	0.4	0.9	2.4	0.3	2.4
Tax charged to other comprehensive income	–	–	–	–	–	–	–	–	1.6	1.6
Tax charged to equity	–	–	–	–	0.2	–	–	–	–	0.2
Reclassification	(13.5)	1.9	0.3	3.0	1.1	8.9	(0.3)	(2.3)	0.9	–
At 29 December 2024	(7.8)	2.2	0.3	1.6	1.7	9.1	9.5	(13.1)	3.9	7.4

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

The reclassification shows updates made to the presentation of deferred tax by category following a more granular review.

Group	2024 £'m	2023 £'m
Deferred tax liabilities	(9.6)	(14.7)
Deferred tax assets	17.0	19.1
	7.4	4.4

Other timing differences principally relate to deferred tax on cash flow hedges. The deferred income tax liability above includes £2.4m (2023: £1.0m) which is estimated to reverse within 12 months. The deferred income tax asset above includes £3.2m (2023: £nil) to reverse within 12 months.

At the reporting date, the group has unused tax losses of £54.8m (2023: £55.3m) available for offset against future profits. A deferred tax asset has been recognised in respect of £35.1m (2023: £33.6m) of such losses. No deferred tax asset has been recognised in respect of the remaining £19.7m (2023: £21.7m) as it is not considered probable that there will be future taxable profits available. The unused losses may be carried forward indefinitely.

23 Ordinary shares

	Group			Company	
	Number of shares (thousands)	2024 £'m	2023 £'m	2024 £'m	2023 £'m
Authorised, issued and fully paid ordinary shares of 10p each					
At 1 January 2024/2 January 2023	89,602	9.0	9.0	9.0	9.0
Issue of new shares relating to employee incentive schemes	225	–	–	–	–
At 29 December 2024/31 December 2023	89,827	9.0	9.0	9.0	9.0

All ordinary shares of 10p each have equal rights in respect of voting, receipt of dividends and repayment of capital.

Notes to the financial statements

continued

24 Share-based payment

All-employee Sharesave scheme

These schemes are open to all eligible employees of the Group (including the Executive Directors) who make regular savings over a three year period. The exercise price of the granted options is equal to the market price of the shares on the date of the grant. The options are exercisable starting three years from the grant date and must be exercised within six months thereafter. No performance conditions are attached to the options granted under the scheme.

Long Term Incentive Plan (LTIP)

Under the Group's Long Term Incentive Plan, nil cost share options are granted to Executive Directors and to selected senior employees. The options are exercisable starting three years from the grant date subject to the Group achievement of performance targets comprising minimum earnings per share (EPS) compound growth target and total shareholder return (TSR). Awards granted during the period introduced three new ESG performance metrics.

Awards will vest on a sliding scale, with 10% vesting at threshold and 100% vesting at maximum, as follows:

Performance basis	Threshold vesting	Maximum vesting
EPS	5–11% compound per year	12–17% compound per year
TSR – performance against the constituents of the FTSE 250 (excluding investment trusts)	Median	Upper quartile
ESG – Scope 1 and 2 energy	6.5–35% reduction over period	43.9–52% reduction over period
ESG – Scope 3 energy	21% reduction over period	33% reduction over period
ESG – Recycled packaging	11.7% increase over period	28.3% increase over period
ESG – Food waste	15.0% reduction over period	30.0% reduction over period
ESG – People gender, inclusion and human rights	Various	Various

The options have a contractual option term of 10 years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted exercise price are as follows:

Group	Sharesave		Long-term incentive	
	Options ('000)	Exercise price (pence)	Options ('000)	Exercise price (pence)
At 1 January 2023	505	1,174.95	1,579	–
Granted	743	672.00	769	–
Exercised	–	–	(97)	–
Lapsed	(358)	1,068.40	(393)	–
At 31 December 2023	890	797.99	1,858	–
Granted	603	728.00	818	–
Exercised	–	–	(270)	–
Lapsed	(227)	929.04	(368)	–
At 29 December 2024	1,266	741.25	2,038	–

Notes to the financial statements

continued

24 Share-based payment continued

Share options outstanding at the end of the period have the following expiry date and exercise prices:

Group Expiry date	Type of scheme	Status	Exercise price (pence)	Number of options	
				2024 ('000)	2023 ('000)
February 2024	Sharesave	Exercisable	1228.00	–	68
February 2025	Sharesave	Exercisable	1200.00	52	63
February 2026	Sharesave	Not exercisable	1204.00	54	77
February 2027	Sharesave	Not exercisable	672.00	600	682
February 2028	Sharesave	Not exercisable	728.00	560	–
April 2025	Long Term Incentive Plan	Exercisable	nil cost	–	55
April 2026	Long Term Incentive Plan	Exercisable	nil cost	7	61
April 2027	Long Term Incentive Plan	Exercisable	nil cost	19	53
May/July 2028	Long Term Incentive Plan	Exercisable	nil cost	43	84
May 2029	Long Term Incentive Plan	Exercisable	nil cost	114	172
May 2031	Long Term Incentive Plan	Exercisable	nil cost	6	344
May 2032	Long Term Incentive Plan	Not exercisable	nil cost	326	341
May 2033	Long Term Incentive Plan	Not exercisable	nil cost	736	748
May 2034	Long Term Incentive Plan	Not exercisable	nil cost	787	–
Total				3,304	2,748

The fair value of options granted during 2024 determined using the Black-Scholes valuation model ranged from 714p to 739p per option. The significant inputs into the model were the exercise price shown above, volatility of 36% based on a comparison of similar listed companies, dividend yield of 3.95%, an expected option life of 3.0 years, and an annual risk-free interest rate of 3.66–3.85%. See note 8 for the total expense recognised in the income statement for share options granted to Directors and employees.

Notes to the financial statements continued

25 Cash generated from operations

Group	2024 £m	2023 £m
Profit before income tax	61.0	48.6
Finance costs – net	37.8	37.5
Operating profit	98.8	86.1
Adjustments for non-cash items:		
Share of post-tax profits of joint venture	(0.4)	(0.6)
Depreciation of property, plant and equipment	47.1	47.7
Depreciation of leased assets	20.8	19.0
Impairment of property, plant and equipment	–	1.2
Impairment of intangible asset	9.8	0.7
Insurance proceeds adjustments for property, plant, and equipment	(13.2)	(4.9)
Amortisation of intangible assets	10.6	10.8
Gain on disposal of fixed assets	0.1	(0.1)
Adjustment in respect of employee share schemes	2.0	1.9
Changes in working capital:		
Inventories	(18.0)	22.8
Trade and other receivables	24.2	(14.9)
Trade and other payables	(7.0)	46.4
Net exchange differences	9.0	–
Cash generated from operations	183.8	216.1

The Company has no operating cash flows.

Notes to the financial statements

continued

26 Analysis and movement in net debt

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Group	2024 £m	2023 £m
Cash and cash equivalents	111.9	126.7
Borrowings (including overdrafts)	(243.3)	(266.4)
Net bank debt	(131.4)	(139.7)
Lease liabilities	(206.0)	(226.9)
Net debt	(337.4)	(366.6)

	Cash/other financial assets £m	Borrowings (including overdrafts) £m	Net bank debt £m	Lease liabilities £m	Net debt £m
Net debt reconciliation					
At 1 January 2023	87.2	(298.8)	(211.6)	(246.2)	(457.8)
Cash flows	40.8	26.9	67.7	14.6	82.3
Lease additions	-	-	-	(5.1)	(5.1)
Exchange adjustments	(1.3)	5.5	4.2	9.8	14.0
At 31 December 2023	126.7	(266.4)	(139.7)	(226.9)	(366.6)
Cash flows	(10.4)	21.0	10.6	17.5	28.1
Lease additions	-	-	-	(13.4)	(13.4)
Exchange adjustments	(4.4)	2.1	(2.3)	16.8	14.5
At 29 December 2024	111.9	(243.3)	(131.4)	(206.0)	(337.4)

27 Commitments

Capital commitments

Capital expenditure contracted for, at the balance sheet date, but not yet incurred is as follows:

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Property, plant and equipment	14.7	7.0	-	-

In addition, the Group has a bank guarantee of £3.7m in place as a security for its lease commitments in New Zealand effective up to 2024, with the guarantee expiring in 2046.

Notes to the financial statements

continued

28 Post balance sheet events

On 6 March 2025, Hilton Food Group plc announced it had entered into a 10-year joint venture with The National Agricultural Development Company (NADEC) in Saudi Arabia, marking its entry into the Middle East. Hilton Foods will hold a 49% stake and invest approximately £6.5 million (49% of SAR 60 million) in developing new meat processing and packing facilities.

29 Related party transactions and ultimate controlling party

The companies noted below are all deemed to be related parties by way of common Directors.

Sales and purchases made on an arm's length basis on normal credit terms to related parties during the period were as follows:

Group Sales	2024 £'m	2023 £'m
Sohi Meat Solutions Distribuicao de Carnes SA – fee for services	3.7	3.4
Sohi Meat Solutions Distribuicao de Carnes SA – recharge of joint venture costs	0.7	0.5
Agito Holdings Limited	–	0.2
Group Purchases	2024 £'m	2023 £'m
Agito Holdings Limited	9.2	6.2

Amounts owing from related parties at the year-end were as follows:

Group	Owed from related parties	
	2024 £'m	2023 £'m
Agito Holdings Limited	3.0	1.9
Sohi Meat Solutions Distribuicao de Carnes SA	3.9	1.6
Sphere Design Limited	–	0.2
Cellular Agriculture Ltd	–	0.4
	6.9	4.1

Amounts owing to related parties at the year-end were as follows:

Group	Owed to related parties	
	2024 £'m	2023 £'m
Agito Holdings Limited	1.0	0.4
Sohi Meat Solutions Distribuicao de Carnes SA	0.5	0.1
	1.5	0.5

Notes to the financial statements

continued

30 Financial instruments by category

The accounting policies for financial instruments

Group	2024			2023		
	Financial Assets at Fair Value £'m	Financial Assets at Amortised Cost £'m	Total £'m	Financial Assets at Fair Value £'m	Financial Assets at Amortised Cost £'m	Total £'m
Assets						
Cash and cash equivalents	–	111.9	111.9	–	126.7	126.7
Derivative financial assets	0.1	–	0.1	3.6	–	3.6
Trade and other receivables	–	235.4	235.4	–	264.8	264.8
	0.1	347.3	347.4	3.6	391.5	395.1
			2024			2023
Group	Financial Liabilities at Fair Value £'m	Financial Liabilities at Amortised Cost £'m	Total £'m	Financial Assets at Fair Value £'m	Financial Liabilities at Amortised Cost £'m	Total £'m
Liabilities						
Trade and other payables	–	440.6	440.6	–	448.8	448.8
Derivative financial liabilities	3.1	–	3.1	0.2	–	0.2
Borrowings	–	243.3	243.3	–	266.4	266.4
Lease liabilities	–	206.0	206.0	–	226.9	226.9
	3.1	889.9	893.0	0.2	942.1	942.3

Amounts owed to the Company by Group undertakings of £8.6m (2023: £5.7m) are classified as change measures to APMs short-term loan.

31 Alternative Performance Measures

The Group's performance is assessed using a number of alternative performance measures (APMs) that are not required or defined under IFRS.

The Group considers adjusted results to be an important measure used to monitor how the Group is performing as they achieve consistency and comparability between reporting periods and management believe they provide useful additional information about the Group's performance and trends to stakeholders.

These measures are consistent with those used internally and are considered important to understanding the financial performance and financial health of the Group.

The Group's alternative performance measures are presented before other adjusting/exceptional items, amortisation of certain intangible assets and depreciation of fair value adjustments made to property, plant and equipment acquired through business combinations and the impact of IFRS 16 – Leases.

Adjusted performance measures are reconciled to unadjusted IFRS results on the face of the income statement below with other APMs used by the Group defined in the subsequent glossary.

Notes to the financial statements

continued

31 Alternative Performance Measures continued

	52 weeks ended 29 December 2024 £'m	52 weeks ended 31 December 2023 £'m
Operating profit	98.8	86.1
Add back IFRS 16 depreciation	20.6	18.9
Less: IAS 17 lease accounting	(24.8)	(23.4)
Add back: Amortisation of acquired intangibles and fair value adjustments	9.5	9.5
Other adjusting/exceptional items:		
Costs related to the Belgium fire ¹	(0.6)	7.7
Insurance proceeds ²	(13.2)	(9.8)
Restructuring costs ³	4.2	4.0
Impairment ⁴	10.2	2.0
Adjusting items	5.9	8.9
Adjusted operating profit	104.7	95.0
Profit before tax	61.0	48.6
Adjustment to operating profit as above	5.9	8.9
Add back: IFRS 16 interest	8.6	8.5
Other adjusting/exceptional items:		
Costs relating to the Belgium fire ¹	0.6	-
Adjusting items	15.1	17.4
Adjusted PBT	76.1	66.0
Profit attributable to share holders	39.3	36.4
Adjustments to PBT	15.1	17.4
Tax effect of adjustments to PBT	0.5	(6.6)
Impact on non-controlling interest of adjustments to PBT	(0.2)	-
Adjusting items	15.4	10.8
Adjusted profit attributable to members of the parent	54.7	47.2
Adjusted earnings per share		
Basic	61.0	52.8
Diluted	60.4	52.2

Notes to the financial statements continued

31 Alternative Performance Measures continued

	52 weeks ended 29 December 2024 £'m	52 weeks ended 31 December 2023 £'m
Operating profit	98.8	86.1
Add back: Depreciation, amortisation and impairment	88.3	79.4
EBITDA	187.1	165.5
Add back: IFRS 16 lease accounting	(0.1)	–
Less: IAS 17 lease accounting	(24.8)	(23.4)
Other adjusting/exceptional items:		
Costs related to the Belgium fire ¹	(0.6)	7.7
Insurance proceeds ²	(13.2)	(9.8)
Restructuring costs ³	4.2	4.0
Adjusting items	(34.5)	(21.5)
Adjusted EBITDA	152.6	144.0

	52 weeks ended 29 December 2024 £'m	52 weeks ended 31 December 2023 £'m
Net cash generated from operating activities	124.5	166.9
Net cash used in investing activities	(62.3)	(54.8)
Free cash flow	62.2	112.1
Add back:		
Other investments	4.4	2.1
Dividends received from joint venture	(0.6)	(0.5)
Belgium fire	(0.6)	7.7
Belgium fire interest	0.6	–
Insurance proceeds	(13.2)	(9.8)
Restructuring costs	4.2	4.0
Less IAS 17 lease accounting	(24.8)	(23.4)
IFRS 16 interest	8.6	8.5
IFRS 16 working capital adjustment	(1.1)	–
Adjusting items	(22.5)	(11.4)
	39.7	100.7
Add back: Canada growth capex	5.7	–
Adjusted free cash flow	45.4	100.7

Notes to the financial statements

continued

31 Alternative Performance Measures continued

Segmental operating profit reconciles to adjusted segmental operating profit as follows:

52 weeks end 29 December 2024	UK&I £'m	Europe £'m	APAC £'m	Central £'m	Total £'m
Operating profit	44.5	37.9	33.3	(16.9)	98.8
Add back IFRS 16 depreciation	3.5	6.5	10.5	0.1	20.6
Less: IAS 17 lease accounting	(3.2)	(7.5)	(14.0)	(0.1)	(24.8)
Add back: Amortisation of acquired intangibles and fair value adjustments	5.1	4.4	–	–	9.5
Other adjusting/exceptional items:					
Costs related to the Belgium fire ¹	–	(0.6)	–	–	(0.6)
Insurance proceeds ²	–	(13.2)	–	–	(13.2)
Restructuring costs ³	1.0	3.1	–	0.1	4.2
Impairment ⁴	–	10.2	–	–	10.2
Adjusting items	6.4	2.9	(3.5)	0.1	5.9
Adjusted operating profit	50.9	40.8	29.8	(16.8)	104.7
52 weeks end 31 December 2023	UK&I £'m	Europe £'m	APAC £'m	Central £'m	Total £'m
Operating profit	29.2	35.1	33.5	(11.7)	86.1
Add back IFRS 16 depreciation	3.2	4.1	11.5	0.1	18.9
Less: IAS 17 lease accounting	(3.8)	(4.7)	(14.8)	(0.1)	(23.4)
Add back: Amortisation of acquired intangibles and fair value adjustments	5.1	4.4	–	–	9.5
Costs related to the Belgium fire ¹	–	7.7	–	–	7.7
Insurance proceeds ²	–	(9.8)	–	–	(9.8)
Restructuring costs ³	1.8	2.1	–	0.1	4.0
Dalco Impairment ⁴	–	2.0	–	–	2.0
Adjusting items	6.3	5.8	(3.3)	0.1	8.9
Adjusted operating profit	35.5	40.9	30.2	(11.6)	95.0

Notes to the financial statements continued

31 Alternative Performance Measures continued

Other adjusting/exceptional items

Notes:

¹ Costs related to the Belgium fire

In June 2021, the Group's facility in Belgium suffered an extensive fire. A provision was established to account for the anticipated costs in customer settlements and related costs. Following the resolution of the outstanding balance, a surplus of £0.6 million has been recognised. This amount is classified as an adjusting/exceptional item, consistent with the original treatment. Legal claims have been made against the Group in connection with the fire; however, at the year end, the Group considers the likelihood of incurring financial liabilities as a result of them is remote following consultation with our solicitors.

² Insurance Proceeds

In December 2023, the Group received an interim insurance payment of £9.8m related to the fire insurance claim. A final insurance payment of £13.2m was received in July 2024 in respect of property damage and business interruption, making the entire insurance proceeds received £23m. An exceptional tax of £4.9m charge has been recognised in respect to the insurance proceeds.

³ Restructuring Costs

During the period, other adjusting/exceptional restructuring costs of £4.2m (2023: £4.0m) have been recognised by the Group. These costs resulted from ongoing efficiency, inventory write-off and restructuring programs resulting in redundancies at a number of facilities operated by the Group. An exceptional tax credit of £0.8m has been recognised in respect of these costs. An exceptional tax credit of £1.2m has been recognised in respect of the reorganisation costs.

⁴ Impairment

An impairment loss of £9.8m on goodwill has been recognised in 2024 reflecting a reduction in the recoverable amount of the related assets. The reduction in goodwill is primarily due to changes in market conditions and the impact of the ongoing reorganisation of the business, which have affected the expected future cash flows. Following this impairment, the carrying value of goodwill has been reduced from £9.8m to £3.4m. The adjustment has been made in line with the requirements of IAS 36 – Impairment of Assets, ensuring that the balance sheet reflects the accurate and fair value of the Group's assets.

An additional impairment value of £0.4m (2023: £1.2m) has been taken in respect of property, plant and equipment.

Glossary

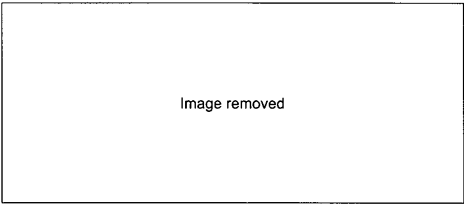
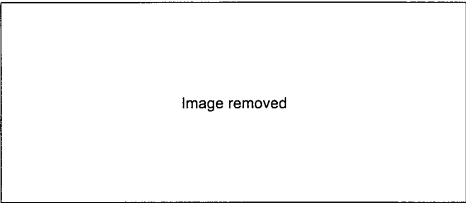
Alternative Performance Measures

In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These additional measures (commonly referred to as APMs) provide additional information on the performance of the business and trends to stakeholders. These measures are consistent with those used internally and are considered important to understanding the financial performance and financial health of the Group. APMs are considered to be an important measure to monitor how the businesses are performing because this provides a meaningful comparison of how the business is managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods.

These APMs may not be directly comparable with similarly titled measures reported by other companies and they are not intended to be a substitute for, or superior to, IFRS measures.

APM	Definition and purpose
Constant currency	The Group uses GBP based constant currency models to measure performance. These are calculated by applying 2024 52 weeks average exchange rates to local currency reported results for the current and prior periods. This gives a GBP denominated Income Statement which excludes any variances attributable to foreign exchange rate movements.
Free cash flow	Free cash flow represents cash generated from operating activities less cash flows from investing activities. This measure provides additional useful information in respect of cash generation and is consistent with how business performance is measured internally.
Adjusted free cash flow	Adjusted free cash flow represents cash generated from operating activities less cash flows from investing activities excluding other adjusting/ exceptional items, amortisation of certain intangible assets and depreciation of fair value adjustments made to property, plant and equipment acquired through business combinations and the impact of IFRS 16 – leases.
Net bank debt	Net bank debt represents borrowings excluding lease liabilities less cash equivalents. Net bank debt is one measure that could be used to indicate the strength of the Group's balance sheet position and is a useful measure of the indebtedness of the Group.
Adjusted net finance costs	Adjusted net finance costs represents finance costs excluding exceptional items and lease interest. Net finance costs is borrowing costs and other costs that are incurred in connection with the borrowing of funds less interest received from banks for the deposit of funds.
Adjusted taxation charge	Taxation charge excluding adjusting items. Adjusting measures are reconciled to statutory measures by removing adjusting items, the nature of which are disclosed in note 31.
Effective adjusted tax rate	The income tax charge for the Group excluding adjusting tax items, and the tax impact of adjusting items, divided by adjusted profit before tax. This measure is a useful indicator of the ongoing tax rate for the Group.
Return on capital employed (ROCE)	Annualised 12 month adjusted operating profit divided by average opening and closing capital employed representing total equity adjusted for net bank cash/debt, leases, derivatives and deferred tax.

We're leveraging cutting-edge digital platforms, leading technology and understanding across the supply chain to deliver end-to-end efficiencies and drive continuous improvement.



Additional information	
Registered office and advisors	188

Registered office and advisors

Registered office:
2-8 The Interchange
Latham Road
Huntingdon
Cambridgeshire
PE29 6YE

Advisors:
Corporate brokers
Deutsche Numis
45 Gresham Street
London
EC2V 7BF

Shore Capital and Corporate Limited &
Shore Capital Stockbrokers Limited
Cassini House
57 St James's Street
London
SW1A 1LD

Legal advisor:
Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW

Independent auditors:
Deloitte LLP
1 Station Square
Cambridge
CB1 2GA

Registrar:
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Financial Public Relations:
Headland Consultancy Limited
3rd Floor (North East)
One New Change
London
EC4M 9AF



Printed using vegetable oil based inks by Pureprint Group, a CarbonNeutral® Company with FSC® certification.

This document is printed on Revive Silk 100 paper, manufactured from FSC® Recycled certified fibre derived from 100% pre and post-consumer waste and Carbon Balanced with World Land Trust.

World Land Trust is an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land.

Designed and produced by:
Radley Yeldar | www.ry.com



Hilton Food Group plc

2-8 The Interchange
Latham Road
Huntingdon
Cambridgeshire
PE29 6YE

www.hiltonfoods.com