

KEY PERFORMANCE INDICATORS

Measuring our success against our strategy

Performance	What we measure	Why we measure it
<p>We focus on a number of financial performance measures to ensure that our strategy successfully delivers increased value for our shareholders.</p> <p> Chief Executive's Review Pages 7 to 9</p>	<p>Sales of speciality food ingredients</p>	<p>To ensure we are successful in growing the division which is the key area of strategic focus for the business.</p> <p>Performance metric for the Group Bonus Plan.</p>
	<p>Adjusted operating profit²</p>	<p>To track the underlying performance of the business and to ensure sales growth translates into increased profits.</p> <p>Performance metric for the Group Bonus Plan.</p>
	<p>Return on capital employed³: adjusted profit before interest, tax and exceptional items divided by adjusted average invested operating capital³ for continuing operations.</p>	<p>To ensure that we continue to generate a strong rate of return on the assets that we employ and have a disciplined approach to capital investment.</p> <p>Performance metric for the Performance Share Plan.</p>
	<p>Cash conversion cycle⁴: controllable working capital divided by quarterly sales, multiplied by the number of days in the quarter.</p>	<p>To track how efficient we are in turning increased sales into cash and to ensure that working capital is managed effectively.</p> <p>Performance metric for the Group Bonus Plan.</p>
<p>Financial strength</p> <p>We look at measures of financial strength to ensure that we maintain the financial flexibility to grow the business whilst maintaining investment-grade credit ratings.</p> <p> Group Financial Results Pages 24 to 28</p>	<p>Net debt to EBITDA multiple⁵: the number of times the Group's net borrowing exceeds its trading cash flow. EBITDA is earnings before exceptional items, interest, tax, depreciation and amortisation.</p>	<p>To ensure that we have the appropriate level of financial gearing and that we generate sufficient profits to service our debt. These measures are a key focus for banks and providers of both debt and equity capital.</p>
	<p>Interest cover⁵: the number of times the profit of the Group exceeds interest payments made to service its debt.</p>	
<p>Corporate responsibility¹</p> <p>It is important that we act responsibly and consider carefully the impact our activities have on all stakeholders including employees, customers and the communities in which we operate.</p> <p> Corporate Responsibility Pages 32 to 37</p>	<p>Recordable incident rate: the number of injuries per 200,000 hours that require more than first aid, for employees and contractors.</p>	<p>The safety of our employees and contractors is of paramount importance. Ensuring safe and healthy conditions at all our locations is essential to our operation as a successful business.</p> <p>Safety performance is a specific consideration that the Remuneration Committee may factor into decisions on pay.</p>
	<p>Lost-work case rate: the number of injuries that resulted in lost-work days per 200,000 hours, for employees and contractors.</p>	

¹ Measured on a calendar year basis.

² Prior year numbers restated for IAS 19 (Revised 2011) 'Employee Benefits'.

³ Defined as shareholders' equity excluding net debt, net tax assets/liabilities and net retirement benefit obligations.

⁴ Defined as controllable working capital divided by quarterly sales, multiplied by the number of days in the quarter on a four-quarter rolling basis (a reduction in the number of days represents an improvement).

How we have performed	Comment
<p>Change +4% (constant currency)⁶</p>	<p>Volume growth of 4% in SFI with value sales growth held back by lower prices for SPLENDA® Sucralose and lower corn prices.</p>
<p>Change -1% (constant currency)⁶</p>	<p>Growth of 1% in Speciality Food Ingredients with a good performance in Europe, Asia Pacific and Latin America offset by a lower contribution from the US and SPLENDA® Sucralose. A reduction in Bulk Ingredients of 4% as a result of weakened demand for bulk sweeteners and lower co-product returns.</p>
<p>Change -50bps⁷</p>	<p>Reduction in adjusted operating profit combined with slight increase in operating assets.</p>
<p>Change Improved by 3 days</p>	<p>Lower finished goods inventories in the US, and significantly lower corn prices in the US.</p>
<p>Change Improved 0.2x</p>	<p>Ratio remains well inside our internal maximum threshold of 2.0x. The improvement reflects the reduction in net debt during the year.</p>
<p>Change Improved 0.5x</p>	<p>Ratio remains well above our internal minimum threshold of 5.0x.</p>
	<p>While our safety KPIs were the lowest levels recorded, we are saddened to report that our Group safety performance this year was completely overshadowed by three fatal accidents: two during and one after the end of the reporting year. Further details are provided in the Chairman's Statement on page 4, the Chief Executive's Review on page 8 and the Corporate Responsibility section on page 33.</p>

5 Net debt, EBITDA, profit and interest are defined under the Group's bank covenant conditions and are based on unrounded numbers. Net debt is calculated using average rates of exchange.

6 Changes in constant currency are calculated by retranslating comparative period results at current period exchange rates.

7 Basis points (one hundred basis points equates to one percentage point).