

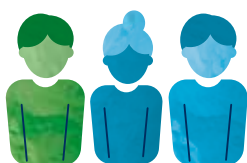


SUSTAINABLE BUSINESS REVIEW



75%

Trust Index score in the Great Place to Work Survey across our global business



1 in 3

GB employees took advantage of our community support programmes



6%

Reduction in our water use relative to production since last year (in Ireland)

We are committed to making a positive difference to the world around us – helping to make it healthier, happier and more sustainable.



A Healthier Everyday

PEOPLE | COMMUNITIES | PLANET

Sustainable business: A Healthier Everyday

Our purpose is to make life's everyday moments more enjoyable and we know that being a responsible, sustainable business is fundamentally important to achieving this. We have been bringing enjoyment to millions of everyday moments for over a century through our much-loved brands and we are committed to continuing to make a positive difference to the world around us – helping to make it healthier, happier and more sustainable.

This year we have reviewed our sustainable business programme to ensure that it continues to focus on the issues that matter most to our business and to our stakeholders; that it reflects how our business has grown over the past four years when the trusted and respected ambitions were set; and that it helps us to deliver our business purpose. The result of this is our 'A Healthier Everyday' programme, which focuses on three key areas where we believe we can make a real difference, through actions large and small:

- HEALTHIER PEOPLE
- HEALTHIER COMMUNITIES
- HEALTHIER PLANET

Across each of these areas we have built strategies in response to the challenges we face, as a business but also as a society more broadly – recognising we all have a role to play in tackling global issues such as obesity and climate change. Building the trust and respect of our communities is a core part of our business strategy and our *A Healthier Everyday* programme is focused on the issues that represent a direct or indirect impact on our ability to create, preserve or erode economic, environmental and social value for us, our stakeholders, the environment and society at large.

Reporting approach

To reflect the importance we attach to growing Britvic in a way that builds trust and respect with all our stakeholders, this year we have taken the decision to embed our sustainable business review into our Annual Report and will no longer be producing a separate Sustainable Business Report.

Governance

Integrating sustainability across the business is fundamental to achieving our trusted and respected ambitions. As part of this year's review, we assessed the effectiveness of our sustainable business committee and identified opportunities to better integrate our *A Healthier Everyday* programme. By establishing Executive level accountability for our programme pillars we are better able to utilise existing governance groups to oversee the delivery of our sustainability goals.

Further information about our *A Healthier Everyday* programme can be found at www.britvic.com



HEALTHIER PEOPLE

Helping consumers to make healthier choices and live healthier lives

We have a long heritage in contributing positively to people's diets. Health concerns, including obesity, affect all our markets and consumer habits are changing in favour of healthier options. Our portfolio needs to reflect this.



HEALTHIER COMMUNITIES

Helping communities to thrive

Our business contributes to the economic wellbeing of many communities, through employment, training and charitable activity. By being a good employer and neighbour, we can help create communities where people flourish.



HEALTHIER PLANET

Helping to secure our planet's future

Our business relies heavily on natural resources to produce our drinks (energy, water, raw materials). With increasing global consumption of resources, sources are diminishing, which could have significant cost and operational implications for our business.

GOVERNANCE

PLC Executive Lead: Matt Barwell
Chief Marketing Officer

PLC Executive Lead: Doug Frost
Chief Human Resources Officer

PLC Executive Lead: Clive Hooper
Chief Supply Chain Officer

FY17 PERFORMANCE

- Average calories per 250ml is 36.5kcal across our global portfolio, a 1.4% increase on 2016 due to growth in juice sales in Brazil. Excluding Brazil, our average calories per 250ml reduced by 0.8% from 2016 to 35.1kcal.

- We increased the representation of women in leadership roles by 1 percentage point on 2016 to 36% of senior roles across the business filled by women.
- 31% of our GB employees took advantage of our community support programmes.
- We achieved a wellbeing score of 72% within the Great Place to Work survey across the company.

- We achieved 5% reduction in carbon emissions relative to production across our global manufacturing sites to 31.05kg CO₂/tonne produced vs 2016.
- Our global manufacturing sites achieved a water ratio (water consumption relative to production) of 2.15, the same performance as 2016. This currently includes the water consumption for our fruit processing.
- We diverted 99% of our global manufacturing operations waste from landfill.
- 308 tonnes of plastic bottle packaging eliminated in GB by moving products onto new lines as part of the supply chain investment project.

FY18 TARGETS

- Reduce the average calories per 250ml by 3% vs 2017 (excluding Brazil).

- Women are represented in 38% of leadership roles across the company.
- 35% of GB and Ireland employees take advantage of our community support programmes.
- We achieve a wellbeing score of 78% in the Great Place to Work survey across the company.

- We maintain our carbon emissions ratio at 31.05kg CO₂/tonne produced across our global manufacturing sites whilst we commission all our new equipment as part of the supply chain investment project.
- We achieve a 2% reduction in our water ratio across our global manufacturing sites (excluding fruit processing).
- We maintain 99% diversion from landfill rates and reduce the amount of waste sent to landfill in Brazil by 10% vs FY17.
- Introduce recycled PET (rPET) into our GB portfolio at 15% content.

2020 GOALS

- Reduce average calories per 250ml serve by 20% to 28kcal from 35.02kcal in 2013 (excluding Brazil).

- Women are represented in 40% of leadership roles across the company.
- 50% of our employees take advantage of our community support programmes.
- All employees have access to wellbeing programmes that support healthier lifestyle choices and we achieve a wellbeing score of 81% in the Great Place to Work survey across the company.

- Reduce the carbon emissions relative to production across our global manufacturing sites by 15% vs 2016 baseline.
- Achieve a water ratio of 1.4 across our global manufacturing operations (excluding fruit processing).
- Achieve zero waste to landfill from our global manufacturing sites.
- Reduce the amount of materials we use across all packaging formats and trial the introduction of rPET into our GB brands packaging.

SUSTAINABLE BUSINESS REVIEW CONTINUED



HEALTHIER PEOPLE

The health of our consumers really matters to us. Our business was built on bringing an affordable source of vitamins to consumers at a time when diets lacked important nutrients. We have never forgotten our history and today we do our best to make it easier for our consumers to make healthier choices and live healthier lives in order to create *A Healthier Everyday*.

Health and obesity concerns continue to affect our markets and over the past few years we have witnessed a shift in consumer behaviour in favour of healthier products. We are committed to helping our consumers make healthier choices and live healthier lives and believe our broad portfolio of drinks can be enjoyed as part of a balanced diet. Our leading approach to reformulation has seen us remove over 20 billion calories from GB diets on an annualised basis since 2013. Across our global portfolio we have reduced the average calories per 250ml serve by over 6% since 2014 (excluding Brazil).

Our 2020 commitment: Reduce average calories per 250ml serve by 20% to 28kcal from 35.02kcal in 2013 (excluding Brazil)

This year 68% of all innovation across the business was in low/no-sugar products. With the introduction of the Soft Drinks Industry Levy in the UK and a soft drinks levy in Ireland next year, our innovation and reformulation activity has ensured that we are well prepared and by April 2018, 94% of our own brand portfolio in GB will be exempt from the levy, 72% including the PepsiCo portfolio. In Ireland, 79% of our own brand portfolio will be exempt from the proposed sugar tax.

New product launches that support our calorie reduction targets include Robinsons Refresh'd in GB, a still spring water drink made using 100% naturally sourced ingredients, with no added sugar and only 55kcal per 500ml serve, and Pepsi MAX Ginger in GB and Ireland, the latest variant to the Pepsi MAX range created for the growing number of health-conscious consumers looking for bold, interesting flavours without the sugar. Containing natural ginger flavouring, a 500ml serve of Pepsi MAX Ginger contains only 2kcal and no added sugar. This year we also launched Club Zero Rock Shandy and Club Zero Super Split in Ireland, two new Club flavours with no

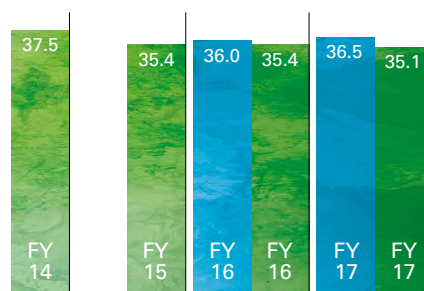


20bn

Calories have been removed from GB diets on an annualised basis through reformulation since 2013

added sugar. In Brazil, we launched Maguary Stevia, a fruit nectar with 50% less sugar than our regular Maguary thanks to the natural sweetener Stevia. In the United States, we launched Fruit Shoot Hydro, offering healthy hydration with no added sugar and zero calories. Alongside our sugar reduction activity, we have also focused on adding vitamins into our drinks to make them healthier. In Ireland this year, we launched Fruit Shoot with added vitamins and MiWadi with added vitamins. In addition to reformulation, we are also committed to using our brands to encourage healthier lifestyles with partnerships such as MiWadi 0% and Diabetes Ireland, and Robinsons and Fruit Shoot continued support of Public Health England's Change4Life campaign urging parents to be food smart and take more control of their kid's diets by encouraging families to choose healthier options. In line with our Responsible Marketing Code, we do not advertise any products to children under 12 nor advertise high-sugar products to under 16s. We continue to lead with sugar-free Pepsi MAX in all above-the-line advertising of Pepsi products.

AVERAGE CALORIES PER 250ML SERVE



- Total Group including Brazil
- Total Group excluding Brazil



HEALTHIER COMMUNITIES

Healthier communities support a better quality of life – socially, economically and environmentally. We care about our communities, none more so than our employee community, and we are committed to providing a healthy, inclusive workplace where every employee can thrive. We also want to make sure we look after the communities that look after us, and we are proud to be doing what we can to make the communities where we operate stronger – creating jobs and supporting charities and community groups to create *A Healthier Everyday*.

This year, 89% of our employees across all business units completed our Great Place to Work employee survey. Our Trust Index score rose for the fourth consecutive year, increasing by 3 percentage points to reach 75%, demonstrating how the continued commitment by the business to creating an inspiring place to be is making a real impact on how our employees feel about Britvic. This year our France business entered the Great Place to Work rankings for the first time and came 19th; our Ireland business ranked 22nd, moving up one place from last year; and the GB business was the only soft drinks business to enter the rankings.

Recognising how our employees live our values and deliver excellent work is really important to us, and in 2017 our annual Britvic Stars recognition scheme yielded the most nominations ever, with over 1,600 employees choosing to recognise their peers and colleagues. Our winners attended a special event at Wimbledon and a lunch with CEO Simon Litherland to celebrate.

Diversity & Inclusion

We are passionate about creating an inspiring and great place to work for our employees and recognise that this can only be achieved by creating an environment where everyone feels they can be themselves and where everyone's voice is heard, valued and treated with respect. As a consumer-focused organisation, reflecting the global, cultural and socio-demographic diversity of our consumers within our workforce is key to ensuring the continued growth of our business.

We are committed to providing equal opportunities to our current and potential employees and apply fair and equitable employment practices. We value diversity and we recruit and promote talent on the basis of ability, skills, experience, behaviour, performance and potential for the job. Our selection, training, development and promotion policies ensure equal opportunities for all employees regardless of factors such as age, disability (including colleagues who become disabled during service), gender (including gender reassignment), marital status, pregnancy and maternity, race, nationality, religion or belief, or sexual orientation.

Our 2020 commitment: Women are represented in 40% of leadership roles across the company

This year we have developed our Diversity & Inclusion strategy to help embed a culture of inclusion across every part of Britvic and meet our guiding vision to build an inclusive organisation where our employees reflect the diverse communities and consumers they serve.

Our strategy is delivered through five key focus areas:

- Build ownership and accountability in our Diversity & Inclusion strategy.
- Empower our people so that everyone's voice is heard.
- Step-change the make-up of our people to reflect the diversity of our consumer.
- Deliver talent plans that leverage our diverse population
- Build trust and fairness through the right policies and training.

We have put in place a range of initiatives to deliver our ambitions, including focus groups to understand how our people feel about diversity and supporting International Women's Day celebrating the women we have within the business. The latest Great Place to Work employee survey reported a 2% improvement in how employees view diversity and equality within the company.

The overall gender balance across all employees within the business at 1 October 2017 was 28% female and 72% male. This figure is indicative of our industry, with a high proportion of operational employees typically being male, and has remained static since the previous reporting period. This year we increased the representation of women in leadership roles by one percentage point from 2016 to 36% of senior roles across the business. Our Board level gender diversity changed this year to 14% female and 86% male with the departure of Joanne Averiss.

	Male	Female
Board	6 (86%)	1 (14%)
Executive Committee	10 (91%)	1 (9%)
Senior managers (Band D+)	241 (64%)	134 (36%)
All employees	3,375 (72%)	1,297 (28%)

Health, safety and wellbeing

Across our global operations, at year end, we employed over 4,700 people and safeguarding their health, safety and wellbeing continues to be a top priority. We focus on risk management, employee training and competence, and targeted initiatives to ensure that we maintain a strong safety culture.

This year our Accident Frequency Rate ('AFR') performance saw a 18% increase across the business, which was largely driven by a reduction in our working hours from activities with a typically low AFR and inclusion of our Brazilian manufacturing sites. We will focus on reducing our AFR next year by reinforcing our compliance culture and optimising our approach to occupational health and wellbeing. Overall, our combined safety performance (total accidents and lost-time accidents) remained stable and we are pleased to report that we reduced total accidents from 208 to 203 and, importantly, experienced 6 fewer lost time accidents across the company (38 vs 44 in 2016). This reduction in overall accidents was achieved by firmly embedding our safety management processes to reduce risk and actively encouraging employee engagement through our 'Contribution to Safety' programme in GB and Ireland. We also celebrated some standout achievements this year, including our sites in Beckton GB and Bricfruit France, which achieved an impressive record of three years without a lost time accident.

Our 2020 commitment: All employees have access to wellbeing programmes that support healthier lifestyle choices

Employee wellbeing goes beyond just 'wellness' and we recognise that it is a complex blend of the physical, psychological, social and relationship aspects of employees' working lives. It is hugely important that our employees feel supported in their wellbeing as part of our Great Place to Work ambitions.

Across our markets we offer a variety of programmes that support our employees' wellbeing and encourage healthier lifestyle choices. These programmes provide support for life's everyday moments – for example, in GB and Ireland we provide a dedicated Employee Assistance helpline available 24/7 to provide everything from guidance on handling the stresses of everyday life to specialist counselling in bereavement support.

In Ireland, we were one of the first companies to achieve Ibec's KeepWell™ Mark, an evidence based accreditation award to recognise the positive steps we have taken as an employer in support of our employees' health and wellbeing.

Human rights

Our Ethical Business Policy details our commitment to human rights and covers bribery and corruption, conducting business with respect, integrity and equality, and managing personal activities and interests. Our approach is guided by international conventions and standards, including the United Nations (UN) Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. Our policy extends to our suppliers and other trading partners and compliance is monitored through our responsible sourcing programme.

Responsible sourcing

We are committed to sourcing all our materials in a responsible manner, working alongside our suppliers to drive best practice in respect to human rights, employment practices and the environment. This year we continued to make progress with our responsible sourcing programme, requesting 75% of our GB and Ireland business high-risk suppliers to be audited against the Sedex Members Ethical Trade Audit (SMETA) 4 Pillar standard (or equivalent) and working with others through our membership of the AIM PROGRESS group to improve the standards across our shared supply chain.

Modern slavery

We do not tolerate any form of modern slavery and we recognise the risk of modern slavery within our supply chain. Our Modern Slavery Statement details the steps we are taking to tackle it and can be found on our website at www.britvic.com/sustainable-business/modern-slavery-statement

SUSTAINABLE BUSINESS REVIEW CONTINUED

Supporting our communities

We recognise the importance of supporting our local communities and we continue to encourage our employees to take part in charity and community support activities. We offer paid leave for volunteering, up to three days per year for our GB based employees, and community support activity undertaken by our GB employees was valued at £67,000 in 2017. This was derived from our various giving initiatives, including volunteering time, matched funding, payroll giving, drinks donations and our monthly employee lottery.

Our 2020 commitment: 50% of our employees take advantage of our community support programmes

In GB, we maintained our support for our corporate charity partners The Wildlife Trust and Sported through employee volunteering and fundraising activity. In France, we continued our partnership with Apprentis D'Auteuil with employee-designed-and-led projects to support vulnerable young people to gain more of the skills and confidence they need to enter the workplace.

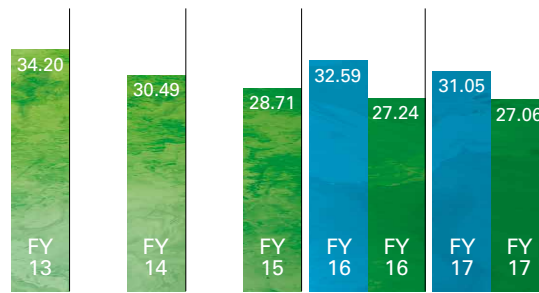
In addition to our corporate charity partners, we continue to use the reach of our brands to support fantastic causes. Ballygowan partnered with the Irish Cancer Society in the Republic of Ireland and Marie Curie Cancer in Northern Ireland to raise awareness and funds for cancer prevention and support with a special gold label edition. We raised €144,000 for the charities, which is helping to support the night nursing service, Daffodil Centres and the Cancer Nurseline. MiWadi continued its longstanding relationship with Temple Street Children's Hospital with the MiWadi Trick or Treat for Temple Street campaign, which has proudly helped raise €1.5m in the past four years. In the UK, our Britvic tonics and mixers launched a new charity initiative at London Cocktail Week, the Britvic Lifting Spirits Foundation. This Foundation has been specifically designed to further Britvic's heritage in supporting local communities and social projects. For every bottle of new look mixers & juices sold by participating customers, Britvic has committed to give back to local initiatives and projects, chosen by publicans and bar owners.



HEALTHIER PLANET

A healthier planet is one where resources are used responsibly and the natural world is protected, so that future generations can continue to enjoy life's everyday moments. We are playing our part, focusing on the small changes and innovations that will contribute to a better world in the longer term. From the sourcing of our natural ingredients to the manufacturing and distribution of our drinks, we are committed to doing right by the environment, creating *A Healthier Everyday* for today and tomorrow.

TONNE CO₂e/1,000 TONNE PRODUCT



- PLC including Brazil
- PLC excluding Brazil

Minimising the environmental impact of our operations

With 16 manufacturing sites across 4 countries, a large proportion of our direct environmental footprint comes from our factory operations and we have focused on minimising this impact through efficiency measures and new technology. This year we have made considerable improvements to our GB manufacturing sites through our supply chain investment programme, installing highly efficient new lines that will reduce our water and energy consumption once fully commissioned. In Beckton, the new PET line runs at twice the capacity of the older lines and is 30% more energy efficient.

Our 2020 commitment: Achieve a water ratio of 1.4 across our global manufacturing operations (excluding fruit processing)

Across the business our water consumption relative to production (water ratio) remained the same as 2016 at 2.15. This was a result of the supply chain investment programme seeing numerous bottling lines in GB being commissioned this year, which increased the water ratio for the GB business by 4.6%. In Ireland, our focus on water reduction and investment in new technology resulted in a 6% reduction in our water ratio since last year. We currently include water from our fruit processing operations in Brazil in our water ratio calculation. We intend to separate this in future reporting.

Our 2020 commitment: Reduce the carbon emissions relative to production across our global manufacturing sites by 15% vs 2016 baseline

We have continued to make progress towards our 2020 commitment on carbon emissions reduction with our energy consumption relative to production across the business reduced by 2%, translating to 5% reduction in carbon emissions relative to production since last year.

Across our manufacturing sites we are focused on driving energy efficiency and using cleaner energy sources. In Brazil we use waste cashew nut kernels to power our boilers.

The table adjacent sets out the quantities of greenhouse gas emissions in tonnes of carbon dioxide equivalent (CO₂e) for the 52 weeks ended 1 October 2017. The table also contains last year's emissions to demonstrate our progress.

We have reported on all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Emissions outside of our responsibility, including shared office locations and those originating from our contract packers and franchise partners, have been omitted from our disclosure. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government and International Energy Agency's GHG Conversion Factors 2017 for this year's calculations.

	2015 - 2016 Emissions (Tonnes CO ₂ e)	2016 - 2017 Emissions (Tonnes CO ₂ e)
Total Scope 1 & 2 CO ₂ e emissions	67,494	63,541
Emissions from:		
Scope 1:		
Combustion of fuel and operation of facilities	31,131	28,391
Scope 2: Electricity, heat, steam and cooling purchased for our own use		
	36,363	35,150
Intensity measure:		
Scope 1 & 2 emissions reported above normalised to per thousand tonne of product output	32.59 tonnes CO ₂ e/1000 tonnes	31.05 tonnes CO ₂ e/1000 tonnes

Notes:

1. Emissions relate to those generated by our manufacturing sites in GB, Ireland, France and Brazil only.
2. Our reporting scope extended this year to include our latest acquisition Bela Ischia.
3. FY16 data restated to improve robustness.

In addition to our direct emissions, we are also committed to reducing our indirect Scope 3 emissions arising from our business travel and logistics operations. This year we achieved a 28% reduction in emissions arising from our business flights across the business (excluding Brazil) equating to 2,840 tonnes CO₂e. In GB, we have increased the total representation of electric and alternative fuel vehicles to 18% of our total car fleet. This means our current average CO₂/km for our car fleet is 103g/km. We have offset 3,750 tonnes CO₂e as part of our continued support of a rainforest conservation project in the Amazon.

Reducing waste

We are committed to making our business more efficient by reducing, reusing, recycling and recovering our waste and ensuring that the waste residues that remain are disposed of using the most environmentally responsible options available.

This year, we diverted 99% of our global manufacturing operations waste from landfill and we established the waste performance of our Brazilian business, which sent 368 tonnes to landfill. We are working closely with our waste management providers to understand the challenges associated with waste disposal in Brazil and have targets to reduce this waste to landfill next year.

2020 commitment: Achieve zero waste to landfill from our global manufacturing sites

Optimising our packaging

Packaging is a critically important component of our products and we have a responsibility to ensure the environmental impacts are minimised throughout its lifecycle, from the materials we use to produce the packaging through to how our consumers dispose of it.

2020 commitment: Reduce the amount of materials we use across all packaging formats and ensure 15% of PET comes from recycled or renewable materials

Lightweighting our packaging has been a major focus for us as we strive to reduce its environmental impact. We work closely with our packaging suppliers, and through the supply chain investment programme in GB we have avoided 308 tonnes of primary plastic bottle packaging by moving products onto our new bottling lines and accessing lighterweight bottles. In GB, we are also replacing our steel cans with aluminium cans avoiding 8,000 tonnes of packaging material per annum once completed by April 2018.

In support of the circular economy we also recognise that we have a role to play in ensuring that the packaging material is recovered and recycled and consideration to the end of life of our packaging is a fundamental part of our packaging design process. All of our plastic bottles are 100% recyclable and we encourage our consumers to recycle as much of our packaging as possible with on-pack messaging and campaigns in partnership with our customers. This year we supported our customer Live Nation with a recycling campaign at V Festival in the UK to promote recycling and anti-littering with festival goers.

This year, working alongside PepsiCo, we have trialled the inclusion of rPET in our bottles. We recognise that using recycled plastics is becoming increasingly popular with our stakeholders and could play a role in reducing the environmental impact associated with plastic packaging. We are committed to investigating this further across our brands.



SUMMARY ASSURANCE STATEMENT FROM BUREAU VERITAS UK LTD



Bureau Veritas UK Ltd ('Bureau Veritas') has provided limited independent assurance to Britvic plc over selected sustainability data contained within the Group's 2017 Annual Report. The information and data reviewed in this assurance process covered the period 3 October 2016 – 1 October 2017.

The full assurance statement, including Bureau Veritas' verification opinion, scope, summary of the work performed, limitations and exclusions, additional commentary, and a statement of independence and impartiality, can be found on the Britvic website:

www.britvic.com

Bureau Veritas UK
November 2017

Britvic plc
Breakspear Park
Breakspear Way
Hemel Hempstead
HP2 4TZ
Tel: +44 (0)121 711 1102
www.britvic.com

