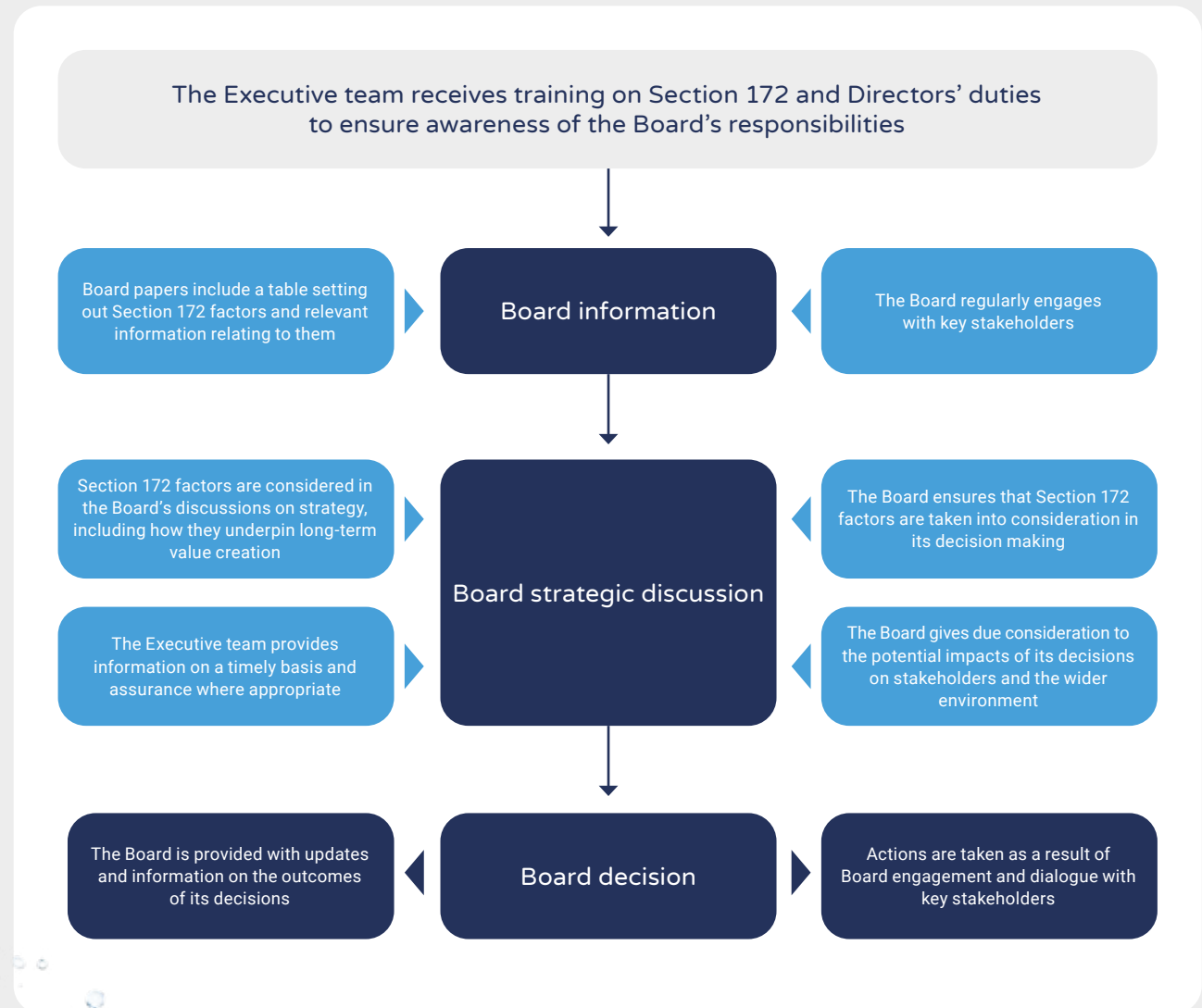


Section 172 statement

Under Section 172 of the Companies Act 2006, our Board has a duty to promote the success of the company, and in doing so it must consider a number of matters when making decisions.

The process for decision making at Britvic is shown on the right. All matters needing approval from the Board require a Section 172 statement to be included within an approval paper, outlining how each matter has been considered. This process is now well established across the business. In accordance with our Statement of Authorities policy, the Board delegates some decision making powers to the Executive team and individual business units, and decisions at this level are subject to the same process.

On pages 32–33 you will find two examples of significant business decisions taken this year by the Board and the Executive team, and how each of the Section 172 matters was considered. While noting that all matters are taken into account, for some decisions one matter may require greater consideration than another.





Section 172 statement continued

Section 172 matters considered

Long-term consequences of the decision

This acquisition complements Britvic's soft drink portfolio and goals for healthier beverages. It allows us to enter a new high growth category in Great Britain and aligns with other brands to offer cost synergies and revenue growth opportunities.

Impact on the community and environment

Social and environmental sustainability is a key focus for Jimmy's, evidenced by its B Corporation certification. This aligns well with our Healthier People, Healthier Planet goals. Jimmy's packaging is fully recyclable, and it also has lower calories per serve than the category average. Further, the brand is active in local communities, particularly around its home in Dorset.

Interests of the company's employees

There is a strong cultural fit and shared values between Britvic and Jimmy's and the teams are integrating well. The Jimmy's employees will benefit in the longer term from career development opportunities in the wider Britvic business, and Britvic employees will benefit from the opportunity to work with an exciting new brand in a new category.

Acquisition of Jimmy's Iced Coffee
In July 2023, we expanded our soft drink portfolio with the exciting addition of Jimmy's Iced Coffee in Great Britain.

Stakeholder groups most impacted:



Customers



Consumers



Shareholders

Maintaining a reputation for high standards of business conduct

As part of the acquisition both parties engaged professional advisors and conducted the transaction in a manner which was in accordance with our values. This involved substantial due diligence and financial analysis to ensure the acquisition was suitable for Britvic and its stakeholders.

Fostering relationships with suppliers, customers and others

Over time, supply chain synergies may be available with our existing network to increase opportunities for Britvic suppliers to also support the growth of Jimmy's. The acquisition creates the opportunity to build on our strong customer relationships in Great Britain and gives customers access to the iced coffee category as part of our expanded portfolio.

Acting fairly between members (i.e. shareholders) of the company

The acquisition is strategically attractive due to iced coffee previously being a category gap in our portfolio. Having undertaken the appropriate due diligence and reviewed the relevant financial information, we concluded this is expected to generate long-term value for the company and its shareholders.



Section 172 statement continued

Section 172 matters considered continued

Long-term consequences of the decision

This project will deliver both financial stability and environmental benefits over the course of the 10-year term. As a result of the agreement we will have a fixed long-term price for an expected 75% of our current operations in Great Britain.

Impact on the community and environment

The Northamptonshire land on which the solar panels are intended to be built is poor quality and unsuitable for farming or other use. The project has been received positively by the local community during the planning application phase. The solar farm, once commissioned in 2024, will be capable of generating 33.3 GWh p.a. of clean energy, the equivalent of powering 11,500 homes or planting 260,000 trees.

Corporate power purchase agreements

In July 2023, we announced a 10-year partnership with Atrato Onsite Energy to deliver clean energy exclusively to Britvic from a new solar development. This is in addition to a wind farm power purchase agreement signed by the Irish business in 2022.

Stakeholder groups most impacted:



Communities



Shareholders

Interests of the company's employees

Our employees won't be directly impacted by this project. However, the project aligns with our Healthier People, Healthier Planet goals which are a key driver of positive employee engagement.

Maintaining a reputation for high standards of business conduct

Sourcing our energy sustainably, and contributing additional renewable power to the UK grid, demonstrates our credentials in being a responsible business which operates to high standards. The contracting parties within the agreement are well respected in the industry and also operate to high standards.

Fostering relationships with suppliers, customers and others

We are requesting our key suppliers to make commitments to use renewable energy, and similar sustainability demands are being made by our customers and partners. This is a great opportunity for us to demonstrate our leadership in this area by reducing our carbon footprint, and therefore helping our customers reduce carbon emissions through their supply chains.

Acting fairly between members (i.e. shareholders) of the company

This is a project with our sustainability commitments at its heart, which are in the interests of all members. It is in line with our Healthier People, Healthier Planet goals and drives commercial benefits too, giving certainty over energy pricing for 10 years.

