

Corporate Social Responsibility

Introduction

The Group operates a corporate responsibility and sustainability policy which is designed to meet the demands of its stakeholders in as economically, environmentally and socially responsible way as possible in line with the key values of our organisation.



C&C is an alcohol beverages company and we place significant emphasis on responsible alcohol consumption. We are long-standing advocates of minimum unit pricing of alcohol which has now been introduced in Scotland. We also support its introduction in other markets. We believe that such support is a hallmark of our view on playing a long-term role as a responsible corporate citizen.

C&C also recognises the role companies must increasingly play to protect our environment. We rely on farmers to supply our key raw materials and respect that there are complex ecological systems at play which require our respect and care. We also know that we must continue to reduce our emissions, our water use and, now most pointedly, reduce our plastic waste.

We are making substantial progress. We expect our products to be free of single use-plastic by 2021. We have significantly reduced our carbon emissions, CO₂ consumption and aluminium consumption. We are now zero process waste to landfill from our primary manufacturing sites.

Our role as a good corporate citizen also extends to our communities – where we work to support our local areas and causes – and our employees. We are making significant efforts year-on-year to support the health and wellbeing of our employees; and to support a positive and diverse environment in which to work.

Sustainability

Our objective at C&C Group is to operate as efficiently and sustainably as possible. We endeavour to maximise our use of renewable resources and conserve our use of valuable resources such as water. We work to continually reduce our waste and our use of single-use plastics and other non-biodegradable materials. Finally, we have an objective to continue to reduce emissions and ultimately to work towards a position as a carbon neutral company by 2025.

Our environmental and sustainability efforts are built on six pillars:

- Conservation of Energy & Water Usage;
- Carbon Emissions in Manufacturing;
- Waste Reduction;
- Sustainable Packaging;
- Sustainable Partnerships; and
- Sustainable Transport.

Conservation of Energy & Water Usage

The Group has a long-standing water & energy management and conservation programme. This programme is built on a combination of advanced usage monitoring and continuous improvement projects. Principally focused on our two primary manufacturing sites, the Group has achieved significant improvements in water and energy usage over the past five years.

Water

Water is a key raw material in the production of both cider and beer, so the continued supply of clean water is key to the sustainability of our long-term commercial activities. C&C continues to be proactive in conserving water usage while also protecting the aquifers and sources at both manufacturing sites.

Water usage is metered and monitored on a real-time basis at all facilities, with numerous conservation and re-use projects delivered. In Clonmel, equipment rinse time optimisation, a new canning pasteuriser programme and reduction in RO water usage will reduce water usage by 14 million

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litres, which is 2.3% of annual usage. At Wellpark Brewery, redundant tanks have been converted to water storage tanks, which are now storing hot liquor from the brewing process which is then recycled for use, reducing annual water usage by 24.3 million litres, a 3% reduction versus FY2018 total usage.

In FY2019, total water usage for the Group improved by 2.8% to 3 hectolitres of water per hectolitre (hl/hl) of product produced, which is significantly better than the average of the large global brewers at 3.3.

As part of our groundwater protection programme, the Clonmel site commenced a 3-year programme in 2018 to upgrade the site drainage and wastewater network. This programme will ensure our operations continue to achieve the best environmental performance standards and protect the water sources of the surrounding Tipperary countryside.

Both the Clonmel and Wellpark sites continue to be accredited to ISO14001, which is the international standard which specifies the requirements for an effective environmental management system.

In Q1 of FY2020, Wellpark Brewery will commission a state of the art wastewater treatment facility utilising Anaerobic Digestion technology at a cost of €4.5 million. This development will reduce the loading of wastewater emitted from the site by 80%. We are working closely with the Scottish Environmental Protection Agency on this project, as the onsite treatment will increase the quality of the wastewater discharges to the municipal plant and have associated environmental benefits through not requiring further treatment.

Water conservation and protection of groundwater sources will continue to a strategic focus of C&C operations, with

a 3-year target to achieve a water usage below 2.5 hectolitres of water per hectolitre; a further reduction of at least 17%.

Energy

Wellpark Brewery

At Wellpark Brewery, electricity usage per hectolitre produced has improved by 15% over a five year period. Over the same period, total electricity usage has reduced 4%, despite production volumes increasing by 18%. Similarly, total gas usage per hectolitre produced has improved by 9% over that five years. Key components of the improvements have been through:

- the optimisation of our chilling systems;
- canning pasteuriser temperature control upgrades; and
- efficiency improvements in the operation of the natural gas boilers.

Clonmel Cider Facility

At Clonmel, electricity and gas usage per hectolitre produced have improved by 3% and 1% respectively, over the past five years. This has been over a period of significant operational change at the facility, during which a new brewery & plastic bottle packaging line have been added. FY2019 saw an overall increase in energy usage at the site due to increased volume output. But a key initiative has been the installation of the “Clarity” energy monitoring system in partnership with Carbon Crowley, which provides the ability to find, measure and verify any energy savings on the site. Energy conservation is a key part of the lean manufacturing programme which is in its second year of running. Additionally all electricity consumed at Clonmel site is derived wholly from renewable energy sources.

Vermont Cidery

At our cidery in Vermont, USA, the Group supports “cow power” which means that we

pay a premium on electricity consumed with the premium used to help local dairy farmers install methane digesters turning their manure into power. We also use a “solar orchard” which is a 26 array solar project providing sustainable electricity and revenue diversification for local farmers.

FY2020 and Beyond

The Group is undertaking a number of new projects to continue to reduce water & energy usage.

As part of the installation of an Anaerobic Digestion plant at Wellpark Brewery, biogas will be generated for re-use at the site. This biogas will reduce the natural gas currently imported from the national grid by between 5% and 7%. Biogas production and usage is already in place at the Clonmel manufacturing facility.

In addition, an evaluation for the use of a “Ground Source Heat Pump System” at Wellpark Brewery is underway. This system would have the potential to reduce carbon emissions at the site by up to 20%. The brewing process requires extensive heating and cooling applications, but not simultaneously. Rather than dissipating waste heat to the atmosphere, this project would propose to use the ground as a heat store for re-use when required.

During the course of calendar year 2019, a CO₂ recovery system will be installed at Wellpark Brewery, similar to that already in place at the Clonmel site. As well as ensuring security of supply of a key raw material, this installation will capture the 4,200 tonnes of CO₂ gas annually, which is currently being dissipated to atmosphere from fermentations.

Carbon Consumption

The Group continuously monitors the impact of its operations on the climate and we look to reduce our greenhouse gas emissions. We assess and manage climate change related risks and opportunities, including the impact on the availability and security of our sources of raw materials, such as aquifers, orchards and maltings.

The Group has participated in the Carbon Disclosure Project (CDP) Supply Chain Programme for a number of years, and CO₂ emissions for the Group are evaluated annually. The Group has historically scored highly in the CDP Ireland Report, showing disclosure scores which are among the best in the sector. Compared to FY2018, Scope 1 and 2 CO₂ emissions fell by 4.3% in FY2019 and are broken down across our sites as follows:

Site	FY2019	FY2018	Reduction
Clonmel:	10,792 tonnes	10,248 tonnes	(5%)
Wellpark:	15,408 tonnes	16,877 tonnes	9%
Vermont:	2,505 tonnes	2,854 tonnes	12%
Others:	1,536 tonnes	1,633 tonnes	6%
Total	30,241 tonnes	31,612 tonnes	4.3%

FY2020 & Beyond

During FY2020, CO₂ recovery systems will be operational at both Clonmel and Wellpark Brewery. In addition to security of supply for a key raw material, it will represent another meaningful reduction in the Group's CO₂ emissions for FY2020 & beyond. The Group continues to assess projects and initiatives which can further reduce the Group's greenhouse gas emissions, through both generation & usage of renewable energy and continued focus on energy efficiency.

The Group's long-term ambition is to be a fully carbon neutral company by 2025.

Waste Reduction

The Group's long-term objective is to be a zero waste to landfill company. Systems are in place across all operational sites working towards maximising the recycling of waste and minimising what is sent to landfill.

In FY2019, both Clonmel and Wellpark sent zero process waste to landfill, which means this was the first year we have achieved

this in the UK and Ireland. All by-products from the production of beer & cider, such as apple pomace and spent grains are further utilised in the animal feed chain. In FY2019, a new scheme was introduced, whereby spent yeast from the brewing process is being used as highly valuable & organic compost material.

FY2020 and Beyond

In FY2020, the Group will continue to drive waste reduction initiatives. The Group is introducing an improved handling of aluminium waste from the canning facility at Wellpark, which will reduce the associated vehicle traffic by 75%.

In addition, the installation of the Anaerobic Digestion facility at Wellpark, will reduce the loading of wastewater emitted from the site by 80%. This will improve the quality of the wastewater we discharge to the municipal treatment plant and have associated environmental benefits through not requiring further treatment.

Sustainable Packaging

The Group is committed to utilising packaging which continues to reduce the environmental impact and ecological footprint of our products. In FY2019, 28% of the total volume produced by C&C was in 100% returnable & reusable packaging formats, those being returnable steel kegs, returnable glass bottles & returnable water cooler drums.

Additionally, the Clonmel site has the technology to produce PET bottles directly onto reusable trays which are transported directly to the retailers shop-floors. This negates the requirement for any secondary packaging and preventing this unnecessary packaging waste being placed on the environment.

In FY2019, 70% of the "one-trip" products manufactured by the Group was in aluminium cans format, a format which achieved 72% recycling rates in the UK in 2018. 13% of that one-trip volume is in non-returnable glass format, of which recycling rates were 70% in 2018.

Plastic pollution is a growing concern globally and we recognise that our commitment to sustainable packaging must be built on a move away from non-biodegradable plastic. As a first step, the Group is replacing plastic rings and plastic shrink packaging with cardboard or alternative biodegradable solutions. The Group is actively working with a number of suppliers to investigate alternative packaging technologies with the target of being single-use plastic free by the end of calendar 2021 and a further ambition to be completely plastic free by 2025. We are well on the way to achieving this objective, which will require significant investment in new packaging technology and innovative product design, which C&C management are committed to delivering.

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The Group is a producer of PET drinks products at the Clonmel manufacturing site. In FY2019, we partnered with our PET supplier to introduce a lighter PET bottle and in FY2020, we will be introducing a 25% recycled plastic material into the PET bottles used for both ciders, soft drinks and bottles water. As more recycled material becomes available, we will continue to increase the portion of recycled material in our products.

In FY2019, the Group worked with our can supplier, Crown, to reduce the quantity of aluminium used in cans whilst maintaining overall can integrity. This has resulted in a 3.4% reduction in annual aluminium usage, equating to 184,000 tonnes. In addition to the reduction in use of aluminium, it also reduces the 'embedded energy' in our products whilst also reducing the product miles through greater efficiency for transportation.

Sustainable Partnerships

Our procurement and technical services teams actively review and assess our suppliers' track record in environmental management, health and safety, sustainability, diversity and overall corporate social responsibility through our tendering processes and ongoing supplier reviews. This ensures that corporate social responsibility is part of our sourcing decisions and sourcing strategies for new suppliers.

A fundamental part of our supply chain is the long-term supply relationships with our crop and fruit growers. The nature of these supply contracts necessitate long-term partnerships. Sustainable agricultural practices and the preservation of biodiversity are at the cornerstone of those relationships.

All apples crushed at the Clonmel site for the production of Bulmers and Magners cider are sourced from the island of Ireland, which helps the "product miles". Therefore, the health and sustainability of the Irish

apple growing sector are central to the overall Group strategy. As well as having 150 acres of our own orchards in Co. Tipperary, there are over 50 partner growers on the Island, whom we work closely with.

Apple orcharding, in itself, is an environmentally friendly activity in comparison to other agricultural land uses. A 2012 study conducted by the University of Limerick, Ireland, demonstrated that an acre of apple orchards will absorb as much greenhouse gas as an acre of beef farming will release. The orchards the Group either own or support via direct contracts with growers are a valuable means of sequestering carbon. Based on the same 2012 study at the University of Limerick which estimated the average tonnes of CO₂ sequestered by apple orchards, C&C directly supports the sequestering of 11.4k tonnes of CO₂ per year. For comparison, this carbon offset is higher than the 2018 carbon emissions due to fuel and energy usage of the Clonmel manufacturing facility.

The Group is also committed to working with our growers to ensure the most sustainable farming practices are utilised, including Integrated Pest Management Practices. This ensures growers are aware of the complex ecology of inhabitants within their orchards and are managing these to best effect, growing crops while preserving the stability of that ecologically complex system.

A key aspect of apple orcharding, which is intertwined with ecological sustainability, is the health of the population of bees and other pollinating insects. With the ever-intensifying nature of grass production in Ireland for livestock and dairy farming the natural habitat and key food sources are being dramatically reduced. The Group and our growers are keenly aware of the importance of the 100 species of bees in Ireland to their businesses and are very focused on protecting this biodiversity. As part of this C&C are patrons of the South Tipperary Bee-Keepers

Association who carry out much activity on the protection & promotion of the species.

Similarly in Scotland, Tennent's lager is produced using 100% Scottish malt. We seek to support the growers of our key raw materials such as barley and wheat through entering into long-term supply arrangements. As part of this, we take account of broader outputs such as the impact on sustainability, environmental and social impacts. Malting barley is only purchased from farms with current and up-to-date, independently audited farm assurance schemes. Those schemes are the Scottish Quality Crops (SQC) or the Red Tractor assurance schemes, which ensure the best environmental practices are adhered to.

In the UK, C&C is an active member of the National Association of Cider Makers (NACM), with representation on the both the NACM Council and Technical Committees. The NACM takes the lead in adopting and working to sustainable principles both in the physical and social environment and carries out annual climate change assessments. The NACM is the first drinks trade body to work with Business in the Community (BITC) to address sustainability, and we have worked with the pomology and technical experts in the NACM to develop our sustainability agenda.

As outlined, in Vermont, we play a role with local farmers through "cow power" to help dairy farmers install methane digesters turning manure into power. Our 26 array "solar orchard" also provides sustainable electricity and revenue diversification for local farmers.

Sustainable Transport

Following the acquisition of Matthew Clark and Bibendum in 2018, drinks distribution and transport have become an increased portion of the Group's overall carbon footprint. The Group now has an internal transport fleet of approximately 320 vehicles in the UK & Ireland, carrying out over 1 million customers deliveries per year. Accordingly, the impact of transportation activities requires increased focus and collaboration with suppliers & customers.

The Group's sustainable transport initiative has two overall areas of focus:

1. Reduce the total number of deliveries and total miles covered to reduce emissions and ensure that the product miles for C&C products are as low as possible with the minimum impact on the environment. This is achieved through a number of activities executed by our logistics teams to optimise transport efficiency including:

- The direct delivery of orders from manufacturing sites to customer premises. In FY2019, 66% of deliveries from Clonmel to UK customers went directly from the site, thus eliminating the need for secondary loads.
- Collaboration with customers including Tesco & ASDA to utilise their primary transport for the collection of orders deliveries from Wellpark Brewery.
- Collaboration with raw material & third part drinks suppliers to ensure vehicles delivering to C&C operational sites are backloaded with outbound customer deliveries, thus reducing empty running and unnecessary mileage.
- In our secondary networks, transport planning software & telematics technology, provided by Microlise, is utilised to ensure route planning is optimised, delivering fleet efficiency and reduced emissions.



- The logistics teams are continuously monitoring & targeting vehicle loadfill on customer deliveries. FY2019 saw a 1.4% year-on-year improvement in loadfill on deliveries to Scottish retail customers.

2. Ensuring the Group is utilising the most efficient vehicles available for both its inbound & outbound distribution.

- All new vehicles leased or purchased must meet the EURO 6 standard of emissions of NOx and other pollutants.
- All transport suppliers contracted to deliver for the Group must demonstrate that they are utilising the most efficient vehicles.
- The Group is currently evaluating the possibility of wider utilisation of electric vehicles for deliveries in urban areas which large vehicles find difficult to access. While the weight of deliveries present a challenge for heavy goods vehicles, the technology in this area is progressing rapidly and we are engaged with our transport fleet partners, Ryder. An electric-powered van fleet is currently being utilised for small-volume deliveries of Dublin craft beer, Five Lamps to city centre outlets. We expect to expand in this area over the next two years across all geographic footprints.

Matthew Clark & Bibendum

As part of overall commitment to sustainability in the food & Beverage sector, Matthew Clark is the headline sponsor of the Inaugural Food & Beverage Sustainability awards. This event is aimed at sharing best practice and recognising outstanding industry achievement in support of sustainability.

The 'Bibendum Vivid Charter' promotes sustainable supply chain practices, aiming to reduce our environmental impact. The sourcing team regularly audit our producers' sustainable practices in the vineyard and winery, as well as reviewing how we package, ship and transport wine.

Over 18% of our wine is bottled in the UK, helping product miles, and also using a lightweight 356g bottle with an average recycled content of 85% for green glass and 35% for clear glass.

Bibendum has been awarded an ISO 140001 certification for office maintenance, one of the only businesses in the drinks industry to achieve this.

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Social and Employee Matters

As an owner, manufacturer and distributor of alcoholic beverages, the Group acknowledges the duty it has to encourage and promote moderate and responsible alcohol consumption in our society. The Group has long been a vocal advocate - locally, nationally and internationally - of Minimum Unit Pricing, as a responsible legislative measure to help eradicate the misuse of alcohol in our society.

Responsible consumption of alcohol in society

Public Policy Leadership

We are a sector leader in promoting enhanced public policy on responsible drinking. We have influenced at a local, national and international level in relation to Minimum Unit Pricing of alcohol. We were the first drinks organisation to carry the UK Chief Medical Officer's new responsible drinking guidelines on our packaging in the UK. We also offer zero alcohol alternatives to all our main brands in the UK. The need to ensure that communities are well educated and protected in terms of their relationship with our products is central to our business.

We are members of the National Association of Cider Makers (NACM), which works closely with apple growers and the

agricultural communities in cider regions in the UK, and we have a seat on the board of the organisation. This working relationship puts us at the heart of many UK Government discussions relating to the responsible use of alcohol. The NACM is also engaged with tax and regulatory departments and opinion-forming bodies having an interest in cider and alcohol generally.

Within Europe, we are corporate members and key influencers within the European Cider and Fruit Wine Association (AICV). Working with these and other organisations enables us to press for consistency in cider definitions across the world, which is important for our global expansion aspirations.

Nutrition

Stemming from our belief that consumers should be given information about what they are consuming in order to make their own informed choices, we voluntarily display calorie information on our packaging in the UK and Ireland.

Our products are relatively low in sugar content with our leading cider brands containing less sugar than their key competitors and with Tennent's lager only containing trace levels of sugar. In Australia,

Magners Blonde, a low carb version of Magners, has 85% lower carbohydrates than other ciders and no added sugar.

These initiatives reflect our commitment to ensuring a sustainable relationship between ourselves, our products and our communities.

Drinkaware

We are funders of Drinkaware, which performs the valuable role of equipping consumers with information about alcohol consumption. We also promote Drinkaware on our packaging and advertising materials. We are members of Drinkaware's Sports Working Group and we use our partnerships with Celtic FC, Scottish Rugby and the Scottish FA to drive awareness of Drinkaware's Have a Little Less, Feel a lot Better campaign for mid-life sports fans.

Best Bar None

As part of our strategy of focusing on local customers and consumers with responsible drinking messages and activity, we are a member of the Best Bar None scheme. The aim of this scheme is to improve the night time economy of many high streets in England and Scotland, making them safer and more enjoyable places to be.

Minimum Unit Pricing

The Scottish Government implemented introduce minimum pricing for alcohol in May 2018, having been delayed following a series of legal challenges. We continued to support the Scottish Government, retailers and consumers in the lead up to the implementation of Minimum Unit Pricing and are also supporting the Republic of Ireland and Northern Ireland Governments in their plans to implement Minimum Unit Pricing.

Community and Social Responsibility

The Group is committed to the communities in which it operates and undertakes a range of initiatives that benefit our local areas. We work hard to ensure we have a positive impact on our local communities; in particular to support charitable activities.

Our commitment to corporate social responsibility – and to the health and well-being of our employees – is set out below.

Ireland

C&C supports a diverse range of sporting, charitable and community projects across Ireland. We also support a range of live music events. While live music events are associated with commercial activity, we believe that it is equally important to support events which play an important role in culture and entertainment across the towns and cities of Ireland.

In the Republic of Ireland, during FY2019, we donated €20,000 to the ISPCC (the Irish Society for the Prevention of Cruelty to Children), Ireland's national child protection charity to support their freephone number, text number, online chat system, school outreach programme and their campaigning for children's rights, all run by professionally trained ISPCC staff and volunteers.

We have also established a partnership with Inner City Enterprise (ICE) in Dublin. ICE is a charity which advises and assists unemployed people in Dublin's inner city to set up their own businesses. We have provided ICE with funding to support their initiatives and a number of our staff have joined their panel of business advisors to support the entrepreneurs that they work with.

We are extremely proud to support the Tony O'Brien scholarship in honour of our late Chairman, Tony O'Brien. This scholarship helps young people from Tony's home county of Kilkenny to attend the Quinn School of Business in University College Dublin with a total of ten sponsorships having been awarded to date.

We support a number of local schools by providing student work experience opportunities at our Clonmel production site for students in technical and manufacturing subjects as well as places in our marketing



and customer service departments in Dublin and Belfast.

C&C also supports others charities in the Republic and Northern Ireland including the Children's Heartbeat Trust. Funds were raised through a number of corporate and employee led initiatives including food appeals and 'Cake Off' competitions.

Our partnerships with sporting events include horse racing and endurance events and we continue to sponsor the Tipperary hurling and football championships, covering all adult grades. Our Five Lamps craft beer also supports Liffey Wanderers, a Dublin inner city football team.

In the Republic of Ireland, our presence at music festivals is widespread including the Bulmers Forbidden Fruit Festival, Body & Soul and Metropolis along with more local events such as Beatyard, the Kilkenny Trad Festival, the Busking Festival in Clonmel and Bulmers Live at Leopardstown.

In Northern Ireland, Tennent's continues to partner with the Irish Football Association in Northern Ireland supporting football at both a national and local level. We also support a number of live music events including Belsonic, Vital and CHSQ which is Northern Ireland's biggest music festival. The annual

sponsorship of this and other live music events helps bring world-class musicians to Northern Ireland.

Scotland

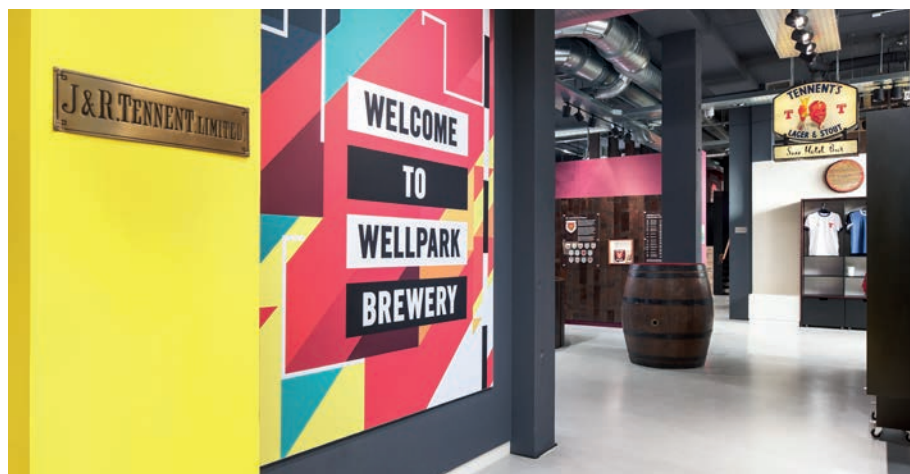
The Group also supports a diverse range of sporting, charitable and community projects across Scotland and has also endeavoured to use its support of sports to generate opportunities for community engagement and fundraising. In addition, the Tennent's Training Academy also continues to provide a range of training courses to the local community.

In February 2018, as Official Beer of the Scotland Rugby, Tennent's Lager ran a "Best Seat in the House" Charity Raffle, allowing fans to opportunity to watch a match in a pitch side dugout with friends and a former player at Murrayfield Natwest6Nations fixtures. The initiative raised £18,000, with proceeds being split between the Scottish drinks industry charity, The BEN and Scottish Rugby charities - My Name's 5 Doddie Foundation and the Murrayfield Injured Players Foundation.

In June 2018, the Group through Magners Cider donated £10,000 in memory of Simon Eyles, to a "Race to the Tower" event which

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saw over 30 of the team at Admiral Taverns taking part in an ultra-marathon, a run/walk of 53 miles across the Cotswolds.

In September 2018, Tennent's Lager launched a new limited-edition gift pack in support of its sponsorship of Scottish Rugby. The packs included two 568ml pint cans and a commemorative glass. 25p from each pack was donated to the My Name's 5 Dottie Foundation. The charity was set up by Scottish rugby legend Dottie Weir - who revealed he had been diagnosed with Motor Neurone Disease (MND) - to raise funds to aid research into the causes of MND and investigate potential cures.

Another hugely successful Question of Sport dinner was held at the Old Fruitmarket, Glasgow in November 2018, in aid of The Kids Out Charity, whose aims are to support and benefit disadvantaged kids across Scotland. The dinner was attended by over 300 guests, raising approx. £60,000 from table sales, auction and raffles together with sponsorship monies donated by Tennent Caledonian staff who participated in the Glasgow Half Marathon.

Tennent's Training Academy

The award-winning Tennent's Training Academy – situated on the Wellpark

Brewery site - continues its work in supporting charities and schools with a programme of training and learning sessions across a range of hospitality sectors. Our diverse range of courses and classes have seen continued growth with over 45,000 students now having passed through our doors.

For the past five years the Tennent's Training Academy have been working closely with Glasgow City Council Education Services to provide alternative provision for pupils who are attending Assisted support needs and Social, Emotional behavioural needs schools.

The successful Yes Chef programme, aimed at rehabilitating young adult males recently released from prison, has seen sponsorship of six students who will train over three months before cooking and serving a seven-course meal for 200 delegates at the Glasgow Hilton.

The Magners Employability Scheme sees the continued partnership between Magners, the Celtic FC Foundation and the Tennent's Training Academy to teach new skills to adults who are registered as

long-term unemployed. This intensive ten-week project has helped 37 participants gain employment in the hospitality sector or move into further education since it began in 2015. This year one student has secured a role at the new Tennent's Visitor Centre.

England

Following the acquisition of Bibendum, the business reformed its Social Cru which plans and implements social and charitable events. During FY2019, the business raised funds through a number of initiatives for its nominated charities The Benevolent and Save the Children. Further initiatives are planned for FY2020

North America

C&C's North American Cider business is committed to social, ethical, and environmental responsibility. In FY2019, the Vermont business continued its commitment to local orchard partners as well as to its allied industry associations. The team voluntarily serves on the board of directors for the Vermont Tree Fruit Growers Association, the Vermont Cider Makers Association, and the United States Association of Cider Makers. The Vermont business also hosts annual meetings for the University of Vermont's outreach to apple growers and provide in-kind donations of marketing materials, digital marketing, consumer education and technical expertise to promote overall cider awareness.

Supporting Local Businesses

When it comes to obtaining finance as a licensed trade operator, going through the traditional avenues of banks and building societies is becoming increasingly difficult. Nurturing and maintaining the on-trade is a key priority in particular for our business and we offer a range of financial supports in this regard. We can provide everything from small loans for repairs all the way up to

larger sums for major refurbishments or to purchase new premises. Over the last eight years, we have invested over £56m into the Scottish on-trade and over £38m into the on-trade in Northern Ireland.

Heverlee

Heverlee is created in association with the Abbey of the Order of Premontre (known as Park Abbey) and is inspired by the beers first brewed by the monks in medieval times. The Abbey lies just outside Leuven and is the largest of its kind in Belgium, founded in 1129. Today, every pint of Heverlee sold supports the major multi-million Euro restoration of Park Abbey ensuring Heverlee is as bound to the Abbey's future as we are indebted to its past.

Employees

Developing, engaging and rewarding employees fairly is fundamental to the success of our business and also to the relationships that we have with the local communities in which we work.

We are an equal opportunities employer. We aim to create a working environment in which all individuals are able to make the best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. We have a formal equal opportunities policy that commits us to promoting equality of opportunity for all our staff and job applicants. For our operations in Northern Ireland this includes adherence to the MacBride Principles. Our policy states that we do not discriminate on the basis of age, disability, marital status, ethnicity, creed, sex or sexual orientation. The policy also requires our staff to treat customers, suppliers and the wider community in accordance with these principles as well.

Health and Wellbeing of Employees

The health and wellbeing of employees is paramount. As with any manufacturing



business, a key objective is to minimise and ultimately eliminate accidents. The Group maintains low accident rates at its sites and time lost to accidents.

As part of the programme to enhance safety, during FY2019, a major transport review was conducted at the Clonmel facility resulting in changes to vehicle routes in order to improve pedestrian segregation and lessen risk of collision. A safety behaviour programme was also re-launched to encourage safety interventions and involvement by all staff in the resolution of safety issues. This has resulted in an overall increase in safety interventions across the Group.

A Health and Safety day also took place in Clonmel in April 2018 with over 100 staff across the site taking part in workshops on food safety, safety culture, fire safety, first aid, chemical awareness and dignity in the workplace.

This increased level of engagement is also resulting in many more hazards being identified and remedied within the workplace, which helps with longer term performance improvements.

During FY2019, Wellpark Brewery embarked on a programme of site fabric improvement in order to improve the environment that staff work in. This involved major improvements to lighting ambience and intensity, improved drainage in wet working areas and replacing flooring with new resin materials in the bottling hall.

The continuation of the Health and Safety days at Wellpark has had a significant impact regarding the engagement of employees. Presentations and training have been tailored to particular risks for groups of staff, including the Executive and operations management teams, with engineers receiving specialist training in the use of handling equipment and lockout-tagout techniques for safe isolation of equipment for repair. Operations staff also received presentations on fire safety, energy utilisation, food hygiene and a presentation on safety behaviours by a leading psychologist. A number of similar training programmes are planned at Matthew Clark during FY2020.

The Group encourages employees to manage their wellbeing and make available advice on how to improve their health and wellbeing generally. Where

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possible we avail of facilities local to our sites to enhance opportunities for the improvement of health and fitness. This year there has been an increased focus on mental health with initiatives run in various parts of the business. In Bibendum a 'Healthy Wine Minds' session was facilitated over the summer looking at a positive approach to managing mental health while in Tennent's there are regular "Mentally Healthy Workplace" workshops to encourage positive discussions around mental health and ensure employees can access the support they need. Tennent's has also recently launched their first Mental Health first aiders at all sites. An Employee Assistance Programme (EAP) and Health checks are available in many areas and this is something we intend to continue to improve upon in FY2020.

Development

We continually strive to support our employees in achieving their full potential and have created a variety of development opportunities this year.

We launched "Raising the Bar", a comprehensive training and development programme aimed at ensuring Tennent's employees have the skills, confidence and knowledge to deliver, developing them personally and professionally. Starting with our Field Sales teams in FY2019 "Raising the Bar" will be rolled out to Distribution and Operations employees during FY2020.

Investment in young talent was an area of focus in FY2019 and in Tennent's we supported apprenticeships and graduates across a range of careers including Commercial, Digital Marketing, Logistics, Engineering and Operations. We are proud to be working with the National Skills Academy for Food & Drink and the SQA, along with a number of other brewers, to develop Scotland's first Brewing Apprenticeship which launched in calendar 2019.

We continue to support professional development across the business and this year have supported employees through further education and professional exams including SVQ's in Management, CIMA qualifications.

Further emphasis was placed this year in delivering a comprehensive range of skills training including line management and recruitment training, and we have a tailored suite of development options for high potential employees.

We continue to invest many training hours in specialised and compliance training, where appropriate, such as food safety, HACCP, manual handling, forklift driving, chemical handling, wine appreciation, brewing, first aid and fire safety.

Diversity

We are committed to increasing diversity in our business through access, opportunities and training. During FY2019 we brought in diversity monitoring through recruitment. In November 2018 we trained 50+ managers at all levels across the business in Unconscious Bias in partnership with ENEI.

An analysis of Directors, senior managers and other employees by gender as at 28 February 2019 is as follows:-

	Male Number	Female Number	% Female of Total
Directors	9	3	25%
Senior Managers	74	30	29%
Other employees	2,263	786	26%

Engagement

Employee communication forums continue to be a key platform in many areas of the business to facilitate two way communication and dialogue on key messages, strategy and performance as well as creating an opportunity for ideas and suggestions from employees to be heard. These forums operate in a variety of ways depending on what is appropriate in the various areas of the business. Due to the success of this model similar forums have been launched or refreshed in additional areas such as Bulmers, Matthew Clark and Bibendum.

Newsletters are published regularly in some areas of the business as a means of sharing internal and operational news. Additionally, employees in some areas of the business have an opportunity to meet with one of our business leaders on a regular basis in a very informal communications forum where they hear a business update, have an opportunity to ask questions and give whatever feedback they would like.

An employee engagement survey was undertaken across many areas of the business in FY2019. This is a great opportunity for employees to share their thoughts and feedback with the business. Participation, while good at 59%, was down on the prior year's high level of 73% and a focus will be placed on higher participation in FY2020. Following the survey each department has identified areas they would like to see improvement in and work continues in relation to this.

Human Rights

We do not condone and will not knowingly participate in any form of human exploitation, including slavery and people trafficking. We refuse to work with any suppliers or service providers who knowingly participate in such practices or who cannot demonstrate to us sufficient controls to ensure that such practices are not taking place in their supply chains. Our approach is reflected in our Sustainable and Ethical Procurement Policy, which we circulate to suppliers. We also carry out diligence audits and checks on our suppliers to ensure that they have in place and adhere to appropriate ethical policies including our Sustainable Ethical Procurement Policy, with KPI's for those areas where we believe the potential impact on the Group is material. A process is in place internally to address and remediate any instances of non-conformance with our Sustainable and Ethical Procurement Policy.

A copy of our Anti-Modern Slavery Statement is available on our website.

Anti-Bribery and Corruption

We have re-launched our Anti-bribery Policy with its accompanying training and communication following the acquisition of Matthew Clark and Bibendum.

The Policy and the accompanying training materials are designed to be straightforward and direct so that it is clear to all employees what they may or may not do as part of normal business transactions. The Policy applies to everyone in the Group equally. It is written to ensure that legitimate and honest

business transactions can be distinguished from improper and dishonest transactions. This Policy and the accompanying training will be tracked as part of the internal audit monitoring process to monitor understanding and adherence to the Policy. KPI's have been established for those areas where we believe the potential impact on the Group is material. In 2018, no incidences of bribery or corruption were uncovered across the Group.

Tax

The Group takes its responsibilities as a corporate citizen seriously. This includes respecting and complying with local tax laws and paying the required and appropriate levels of tax in the different countries where we operate. We claim the allowances and deductions that we are properly entitled to, for instance, on the investment and employment that we bring to our communities. We benefit from having always been an Irish company, established in the Republic of Ireland's corporate tax environment, with our major cider production unit located in Clonmel and the Group headquartered in Dublin. The majority of the Group's profits are earned in the Republic of Ireland and the UK, which both have competitive corporation tax rates compared with the European average. In the Republic of Ireland and the UK, we remit substantial amounts of duty on alcohol production.