

Britvic plc
Corporate Responsibility Report
2007/8



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All About Britvic Company Facts

- 2,100 employees in GB
- Seven factories*
- Two main offices
- One national distribution centre
- Revenue £716.3m, up 5.7%
- Operating profit £80m, up 8.5%

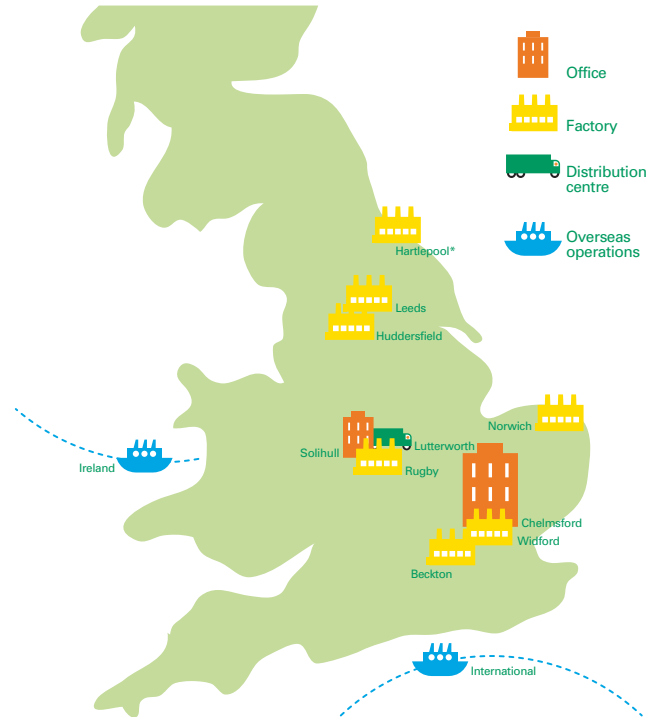
Market Facts

- 1.4bn litres sold annually
- Second largest supplier of branded soft drinks in GB
- Number one supplier in licensed on-trade
- Number two supplier in take-home

Where We Are

We have production facilities located across seven sites in GB, with our headquarters in historic Chelmsford, where Britvic first originated. We have approximately 2,100 employees working for us within our GB business from our sites and from their homes.

We also have bases overseas through our Britvic Ireland subsidiary and our Britvic International division.



*It is currently proposed that Hartlepool production may move to Widford from February 2009.

Britvic Brands

Squash



Pure juice



Juice drinks



Plain water



Water plus



Cola



Fruit carbs



Non fruit carbs



Lemonade



Glucose



Mixer



Sports drinks



Message from our Chief Executive

Our Future

I am pleased to comment on our 2008 Corporate Responsibility Report, the first from Britvic since becoming a public company.



Paul Moody
Chief Executive

Britvic has always taken its responsibilities to the environment and our various stakeholder communities very seriously. Employees across our business work every day to meet high standards of quality and safety, as well as environmental awareness.

In recent years, public expectations have rapidly evolved and our responsibilities have taken on a new shape. Quality and safety are still important priorities, but so too are environmental and social dimensions.

Many of these areas have been reflected in our ways of working for some time. Our efforts to minimise environmental impacts, for example, have been a central theme for many years and are formalised in Board level commitments.

Through our Corporate Responsibility programme we have identified the areas where we plan to do more. We have given these work streams the authority and the impetus to deliver improvements wherever they are required.

Importantly, we are acknowledging through management decisions the complementary interaction between commercial, environmental and social factors. Successful, brand led companies are ones that serve the needs of their consumers in particular. As our consumers' attitudes change, so must ours if we are to respond effectively.

Our Corporate Responsibility programme is subject to a long-term vision and plan. The targets we have selected today are milestones that will help us to assess progress and to refine our policies and practices.

I am pleased at the progress we have made in all areas. I am sure, however, that there are opportunities to modify and enhance our approach that can benefit our stakeholders and ultimately support our commercial success. The targets outlined in this report are continuously under review and will be adjusted to reflect our ambition over time.

We will share our progress annually with updates at other, appropriate, intervals. If you would like to know more, please do not hesitate to contact my team or me.

This report delivers our commitment to producing a comprehensive overview of our Corporate Responsibility programme. It also complements and enhances information published in our Annual Report 2007 and on the corporate responsibility section of our website: www.britvic.com

The scope of this report covers the activities over the past two years of Britvic Soft Drinks in Great Britain. It does not cover those of Ireland and Britvic International, though there are plans to do so in future.



Management Introduction

Our Aspirations

We've learned a great deal over the two years since we formalised our Corporate Responsibility strategy at Britvic. This report, our first, sets out our journey so far, the progress we've made, and the challenges we have yet to overcome. We will also set out some aspirations for the future to take us to the next stage of our journey.



John Gibney
Finance Director and
CR Programme Sponsor

A handwritten signature in black ink that reads "John Gibney". The signature is written in a cursive style and is positioned above a thin horizontal line.

The history of our journey

We were already aware of the need to talk more openly about our responsibilities when the Company went public at the end of 2005. It was clear that investors and customers were interested, employees increasingly wanted more information, and consumers expected healthier alternatives and more insight into how our products were made and sourced. Our ambition was to properly articulate our vision, recognising that as one of the leading soft drinks companies in Great Britain, corporate responsibility was a non-negotiable part of our business.

Highlights

We've made strong progress to date. New governance systems are in place, policies on environment, supply chain, community and marketplace issues have been implemented or updated. We've committed to stretching targets and initiatives that will improve our performance across a range of indicators, from energy efficiency to product labelling.

Challenges ahead

Society is demanding more of business. Whilst we have made good progress on enabling our business to respond, we need to empower our brands in a similar manner. We have already begun to realise this with one of our water brands by mapping its social, environmental and economic footprint. We are also determined to understand more about how our raw materials are sourced, and to be more systematic in how we share and communicate our progress – and challenges – with our stakeholders.

Our vision for the future

Environmental issues such as climate change and carbon management are making headlines almost daily. We will play our part in reducing our carbon footprint and addressing issues such as packaging waste. Additionally, we will not lose sight of the social and economic impacts in our 'value chain' on our consumers and the local communities in which we operate.

Two years have gone quickly. We're pleased with our progress to date, but we acknowledge we have a long way to go. We welcome the challenge and look forward to reporting back to all of our stakeholders next year!



Market Facts

Understanding our Industry

Our world has changed much since the 1930's when the British Vitamin Products Company invented a way to bottle fruit juice without preservatives. This legacy lives on in both our name and our purpose – which is creating and building brands that delight consumers... always!

Take-Home Soft Drinks Market in Context

Category	£ millions	% change
1 Soft drinks	6,068	2.8
2 Chocolate	3,324	6.0
3 Snacks	1,741	5.0
4 Sugar	1,229	5.1
5 Toilet tissue	1,005	6.2
6 Yogurt	1,003	5.2
7 Butter and margarine	963	6.5
8 Detergent	956	0.2
9 Instant coffee	591	4.3
10 Tea	557	2.2

Soft drinks meet consumer needs for all sorts of reasons and all sorts of occasions: for taste and enjoyment, for hydration, and increasingly, for health and nutrition.

In 2007, the soft drinks market grew 2.4% to a total value of £8.5bn. Volume sales dipped slightly, largely as a result of the summer wet weather, by 2% to 7.6bn litres.

Soft drinks remain one of the biggest categories in 'take-home' (grocery). In 'on-premise' (pubs, restaurants etc.), soft drinks are the third largest category and could soon overtake spirits, currently ranked second.

The split in the market is significant, with take-home accounting for 2.5 times the value of soft drinks in on-premise.

Across both sectors, the largest category of soft drinks remains cola. The consumer focus on premium and healthy options is driving growth in other significant categories of pure juice, juice drinks and water (although all experienced weather related issues in 2007). Although small, categories such as smoothies and sports drinks are in strong growth as consumers look for added benefits through their consumption.

Who we are and what we sell

Our portfolio

We have a wide range of soft drink brands. They include wholly owned brands such as Robinsons, Britvic and Tango, plus brands that we franchise in the UK and Ireland such as Pepsi and 7UP for PepsiCo. Our products are made and packaged to meet a wide range of consumer needs, occasions and expectations.

A variety of channels

Our drinks reach consumers in different ways: through our retail customers, such as the major supermarkets and tens of thousands of small local shops; and through our 'on-premise' customers – pubs, restaurants, hotels and cinemas. We also sell drinks through vending machines.

A growing business

GB is our primary market with £677m revenues in 2006/7. We also have a growing overseas presence, exporting to over 50 countries through our subsidiary Britvic International Ltd (£26m revenue in 2006/7). Britvic Ireland, a subsidiary of Britvic acquired from the C&C Group Plc in September 2007, is the second largest branded soft drinks business in Ireland with revenues of €270m (year to 27 February 2007).

Total Take-Home Sub-Category Performance

Value and volume	% change	% share
Cola	2	21
Pure juice	5	17
Juice drinks	-4	14
Glucose and stimulant drinks	1	11
Plain water	0	8
Fruit carbonates	25	8
Squash	24	3
Dairy and dairy substitute	-3	8
Smoothies	-6	15
Water plus	-2	7
Sports drinks	-7	8
Non-fruit carbonates	-4	8
Lemonade	-3	6
Traditional mixers	-5	3
Cold hot drinks	31	4
Total soft drinks	36	1
	-11	3
	-13	3
	16	3
	15	1
	3	2
	2	3
	-2	2
	-6	7
	3	2
	-2	3
	-23	0
	-21	0
	2.8	
	-2.0	

Source: Nielsen Scantrack, MAT 29 December 2007.

Value (£m) ■ Volume (m litres) ■

Both tables are sourced from Britvic Soft Drinks Report 2008.



Consumer Trends Our Changing World

The world of soft drinks is faced with a constantly evolving, thinking consumer whose needs and demands change with time, place and occasion. Success depends on responding to new and sometimes competing consumer interests.

58%

of consumers
have changed their
buying habits to
be more healthy

Nielsen Homescan Panel Survey September 2007.

In recent years two major trends have emerged that affect our business. These are a focus on health and well-being and a need for business to take charge of its full impacts – particularly the environmental and social ones.

Health and well-being

Lifestyles have changed dramatically over the past 20 years. People are busier, yet their lives are more sedentary. We want to live longer and healthier lives. Modern life brings with it many challenges, not least the growing incidence of obesity. As a result of this, consumers want products that help them offset these concerns, products that are more natural, lower in sugar, nutritional, and fortifying.

This trend will continue to drive businesses such as ours to deliver better and healthier options. In recent years we have:

- Increased the choice of juice drinks for our consumers and provided them with enhanced nutritional information – both on pack and on our website.
- Developed diet and no-added-sugar (NAS) choices across a wide range of our products.
- Re-launched several key brands, including our Robinsons range of squashes, with more natural ingredients.
- Introduced ambient juice drinks – preservative-free drinks that can be stored at ambient temperature and count towards the five-a-day of fruit and vegetables.

The environment and ethical sourcing

These two issues increasingly define how we source, produce and sell our products:

A growing concern for our environment and all that entails

Disposal of our packaging is the most visible sign of our environmental impact in society, but our environmental responsibilities extend much further: better use of energy and water resources, reduced carbon emissions, waste and recycling are all issues that have important implications for our business.

We've made some good progress in these areas and are setting ourselves higher targets for the years to come. We have also initiated a project that will consider the full life cycle analysis of our products, taking a sample of our portfolio and determining the social and environmental impacts from soft drink sourcing and production to end use and disposal.

Consumer interest in the provenance of what they eat and drink

We need to demonstrate responsibility in the way that we source the things we buy – especially ingredients, such as fruit. The debates on how companies can best source more ethically are wide and far ranging. We have taken our first steps on this journey.



Britvic Governance Accountable Business

At Britvic we have always prided ourselves on running our business responsibly. Good business management is essential to ensure accountability, transparency and to avoid conflicts of interest. We are committed to the highest standards of corporate governance and this means ensuring proper controls, checks and mechanisms are in place.

5.3m

shares in Britvic held
by employees

Key mechanisms

Britvic's Board of Directors oversees the management of the business. The Company supports the principles laid down in the revised Combined Code on Corporate Governance as issued by the Financial Reporting Council in June 2006.

There are currently seven members of the Board, including the Non-Executive Chairman, the Chief Executive, the Finance Director, three further independent Non-Executive Directors (including a Senior Independent Director) and the PepsiCo nominated Non-Executive Director. The Board represents a balance of skills and experience considered appropriate for the requirements of the business.

The Board is separate from the day to day running of the business, but is linked to our operations in a number of ways.



It meets ten times each financial year, and has a formal schedule for decision making including the approval of annual and interim results, annual budgets, material acquisitions and disposals, material agreements and major capital commitments. The Company Secretary is responsible for ensuring Board procedures are followed, and maintaining a record of attendance at meetings.

At least once a year the Board reviews the annual budget and the Company's medium-term plans. The business reports monthly on its performance against its agreed budget. The Board receives a monthly update on performance and reviews any significant variances on a monthly basis.

There are a number of standing Committees of the Board, including the Nomination Committee, the Remuneration Committee, and the Audit Committee. All Committees meet several times a year and are comprised of and chaired by Non-Executive Directors.

Like any other business, we have shareholders. Our major shareholders, at 28 November 2007, included: Snowdon Acquisitions Limited, AXA S.A., Barclays PLC, PepsiCo, Inc., J.P.Morgan Chase & Co., Newton Investment Management Limited, Legal & General Group plc, Deutsche Bank AG, Aviva plc and its subsidiaries.

Board level representation for corporate responsibility is currently held by our Finance Director, John Gibney.



“The Board recognises the growing importance of Corporate Responsibility and has reviewed the progress Britvic has made across a wide range of areas. Consequently, the Board fully endorses Britvic’s first Corporate Responsibility Report and the commitments made by the business to delivering its longer term goals in this crucial area.”

Gerald Corbett, Chairman

plc Board

1 Gerald Corbett

Independent Non-Executive Chairman

2 Paul Moody

Chief Executive

3 John Gibney

Finance Director

4 Ben Gordon

Independent Non-Executive Director

5 Joanne Averiss

Non-Executive Director

6 Michael Shallow

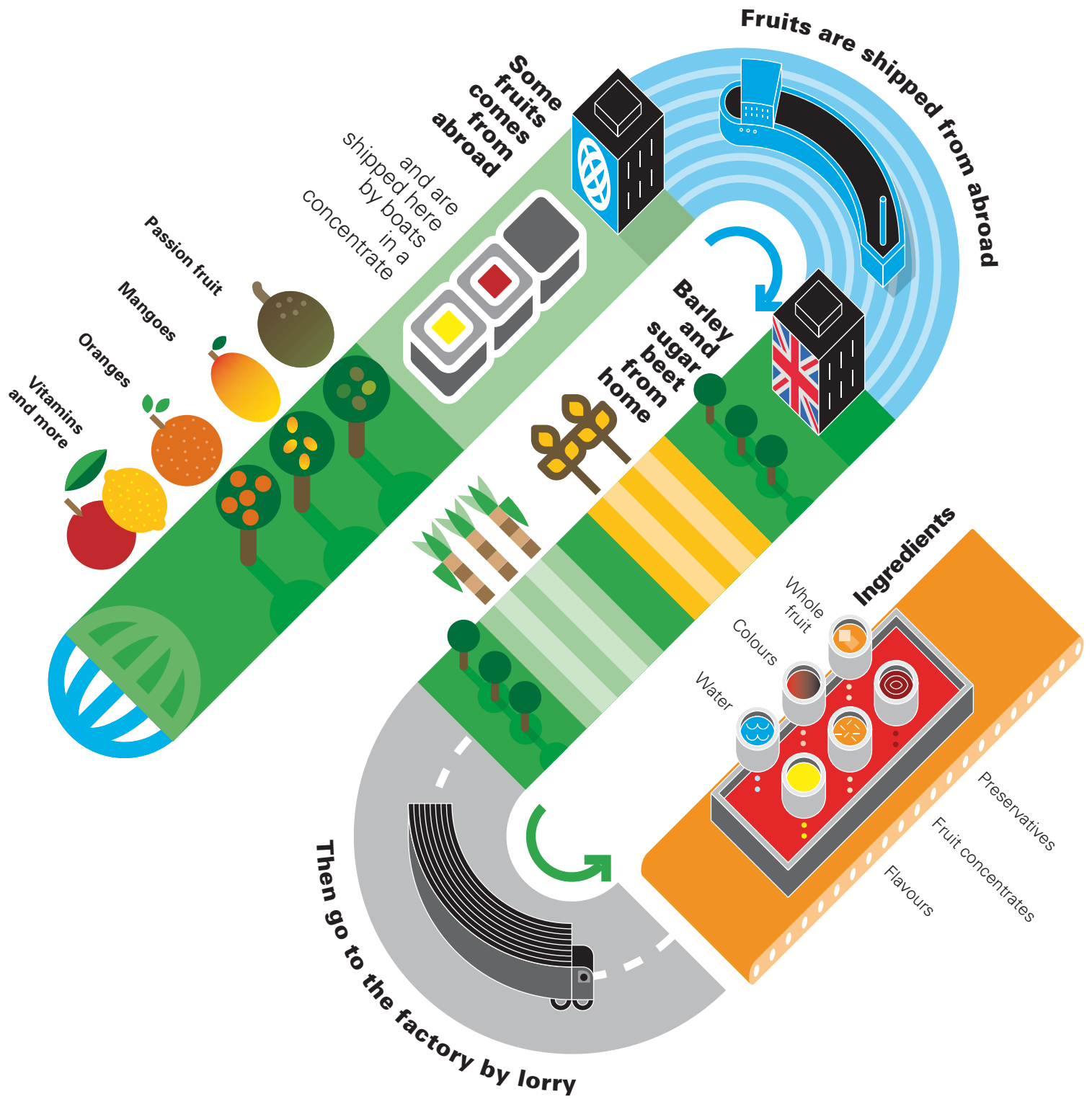
Independent Non-Executive Director

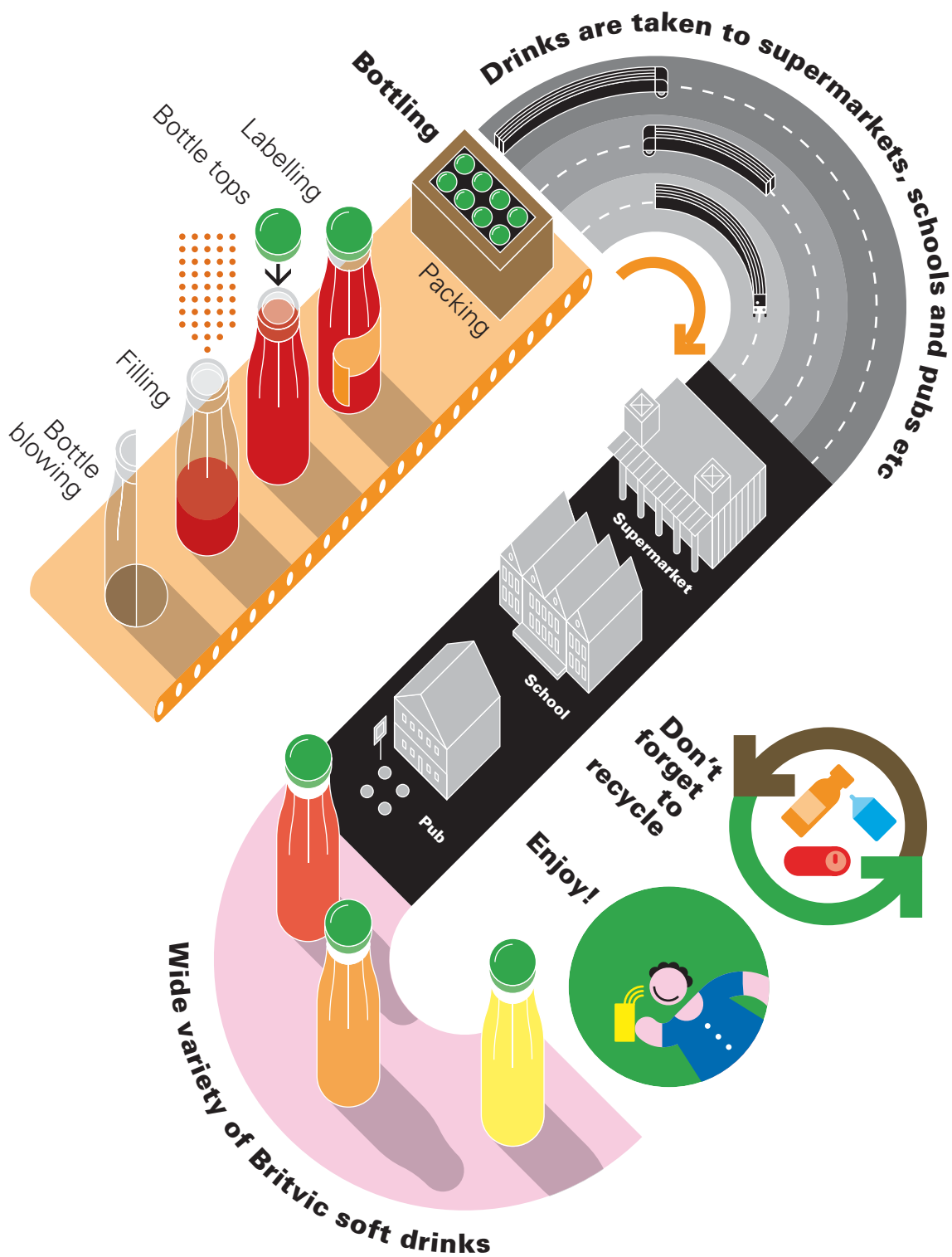
7 Bob Ivell

Senior Independent
(Non-Executive) Director



How Britvic Works And What Britvic Makes





Our Stakeholders

Open Dialogue

Our stakeholders have vested, and differing, interests in our business – its performance, its impacts, and its broader social responsibilities. Sometimes they are wholly supportive of what we do, at other times, less so. Regardless of their attitudes, listening to and understanding their concerns is critical to our own approach to managing our corporate responsibilities.

Stakeholder	Their issues and interests	How we engage with them	How often we engage with them
Investors 	They are interested in our financial performance and our strategy for growth; how we manage our risks and responsibilities (such as the health and well-being agenda)	We have regular meetings to present trading results, and meet with interested investors on our Corporate Responsibility agenda	We update investors about once every two months in line with a typical financial calendar
Consumers 	They want to know that our products are good and safe to consume	We engage regularly with consumers through focus groups, opinion surveys and our consumer care line	We engage with our consumers every day of the year
Customers 	Their priorities are focused on buying safe and high quality products; increasingly, on how we are responding to the sustainability agenda	We have regular meetings and update them through trade media	We have regular meetings throughout the year
Government 	They want to know we are complying with safety, labelling and marketing regulations, paying our taxes and addressing our environmental impacts	We meet with government bodies such as DEFRA, Department of Health and the Foods Standards Agency. We also meet via our sectoral trade, associations 1-2-1s and stakeholder consultations	Meetings take place as and when required
Employees 	They want to know they have a safe, productive and happy workplace	We engage through Employee Opinion Surveys and via Employee Involvement Forums	We conduct an employee survey twice a year and forums are also held at least twice a year
Suppliers 	They want to keep up with consumer trends and new product developments; fair trading terms and support on ethical sourcing	We meet informally through procurement teams, and formally through industry groups such as AIM – PROGRESS	We have regular contact with our suppliers as required
NGOs 	They are interested in a wide range of issues including environment, ethical sourcing, and health and well-being	We engage via 1-2-1s and written communication	We communicate as and when required
Communities 	For those living close to where we operate, the priority is the safety of our operations and how we support our local communities	Through our community policy we encourage our employees to spend time with their local communities	Engagement takes place throughout the year by all those involved in community activities
Multi-stakeholder initiatives 	There are a wide range of interests: initiatives focused on packaging (WRAP), environment (Climate Change Levy Discount Scheme) and supply chain (SEDEX)	We engage through key operational departments such as procurement, Quality Safety and Environment and Corporate Affairs	We meet regularly throughout the year, as and when required



How We Manage Corporate Responsibility Being Responsible

We have clear processes in place to manage our corporate responsibility. This necessarily involves all aspects of our operations, from top management through to key functional departments, manufacturing sites and employee volunteers. This ensures a co-ordinated approach across the business.



Who is involved

We have a Corporate Responsibility Committee (CRC) which coordinates the setting of goals and the managing of our activities. Membership of the committee is drawn from key functions across the business – human resources, corporate affairs, environment, quality and safety, procurement and customer relations. All of them are responsible for acting and delivering on their respective areas. Employees are also actively encouraged to engage in this area through three employee volunteer places, which are rotated on a yearly basis. Our Board level representative for Corporate Responsibility is John Gibney, our Finance Director.

How we work and how often we meet

We have a Corporate Responsibility roadmap which outlines our targets for the year and allocates responsibility accordingly. We have defined our annual strategy and commitments along five key themes.

The Committee meets four times per year to discuss progress and to identify priority areas for action. At the end of the year we meet to plan for the next year's targets and objectives.

Last year we identified 15 key areas on which we wanted to make progress across our five key themes. We fully achieved 12 of these and are making significant progress on the rest. Progress on last year's objectives can be found on page 26.



Environment

What's the Issue?

Growing concerns for our environment mean we all need to think more about the impacts we have in our daily lives. This includes businesses like ours. Climate change is a reality, and we have a role to play in fighting it. We also have a responsibility for the resources we use and the waste we create. It's a challenge that extends all the way from the farms from where we source our fruit through to the disposal and recycling of our waste.

72%

Reduction in waste to landfill since 2002

- ↓ Water: 14.6%
- ↓ Effluent: 20%
- ↓ Energy: 18.6%
(since 2000)
- ↓ CO₂ emissions: 22.8%
(since 2000)

All per tonne of product produced other than waste to landfill figure which is an absolute reduction.

Principles and commitments

Britvic has long recognised that good environmental stewardship is an essential part of being a responsible business. It's not just good for the planet, it makes commercial sense too.

We also believe that the future sustainability of our business depends on the careful management of the resources we use. Water, for example, is our largest ingredient and vital for our business.

Wherever possible we are working to reduce our impacts on the environment. We have targets to minimise our use of packaging, cut down on waste, recycle water, and reduce the carbon intensity of our operations.

Policies and actions

We currently have a Health, Safety and Environmental policy which sets out our high level commitments.

Packaging

Our aim is to make packaging lighter and more recyclable because it reduces waste to landfill and saves energy. We also use recycled material wherever possible. Our green glass containers contain an average of 75% recycled content; clear glass up to 30%; and steel cans on average of 54%. We have:

- Removed PVC from our Robinsons squash range. PVC is not readily recyclable and is more environmentally harmful to produce.
- Redesigned our Robinsons bottles and light-weighted our bottles and cans.

- Reduced our total packaging waste by 11,000 tons per year.
- Established a packaging strategy team to research best practice and technology options for less, lighter and more recyclable packaging.
- In addition, in April 2007, we became the first soft drinks company to announce its support for the Courtauld Commitment – the government's voluntary action plan to reduce packaging waste, referred to as WRAP – the Waste Resources Action Programme.

Waste

With landfill sites in the UK filling rapidly we need to play our part. We have:

- Reduced our waste to landfill by 72%, from 3,000 tonnes in 2002 to less than 840 tonnes in 2007.
- Set targets for waste reduction at all sites and encouraged our employees to recycle everything by removing desk bins and adding recycling stations.

Chillers

We have over 23,000 chillers in the marketplace. We are:

- Investigating a three-year programme to retrofit equipment. We are looking at more energy efficient lighting, fans, motors and timers that can be set to shutdown when a store is closed. Some of this equipment is as much as 30% more efficient.
- Working in partnership with our suppliers in investigating new technologies such as more efficient and environmentally friendly refrigerant gas.



Our steel cans contain 54% recycled material, on average.

“By investing in in-house bottle blowing we have transferred the energy used by our suppliers to ourselves, but in doing so stopped the transport of millions of empty bottles, removing over 2.7m road miles each year.”

Martin Rose,
Supply Chain Director



Improve the environmental performance of our packaging

In 2007 we kicked-off a project to improve the environmental performance of our packaging. We have already made our packaging fully recyclable and now we also aim to:

- Increase the use of recycled materials in our packaging.
- Remove a total of 5,000 tonnes of packaging (primary and secondary) by December 2010 based on 2007/8 volumes.
- Investigate relevant alternative bioplastics for quality and suitability of packaged soft drinks by December 2009.
- Develop relationships with key customers and identify brand opportunities to work together on packaging waste reduction by December 2008.
- Standardise our on-pack consumer communication for the recyclability and recycled content of our packaging by December 2009.
- Provide WRAP with an annual report in line with our Courtauld Commitment obligations.



We intend to reduce our CO₂ emissions by 20% by 2010 compared to 1990.

11,064
tonnes of packaging
material removed
(annualised)

**Packaging Material Saved Per Year
(based on 2006/7 volumes)**



Total 11,064 tonnes removed (annualised)

- Glass 6,639t – 60.0%
- Plastic 3,284t – 29.7%
- Metal 1,141t – 10.3%

Water

This is a precious resource that we recognise must be used wisely and efficiently. We are committed to reducing the amount of water we use for processing, heating, cooling and washing.

Where possible we recycle water from one use to the next through closed systems or other water saving initiatives.

We have reduced our overall water to product ratio by 14.6% since 2002. The water ratio is total water usage divided by litres of product produced.

We were one of the first companies to sign up in January 2008 to an industry action plan – the Federation House Commitment – to cut water usage by 20% by 2020.

Energy

We are committed to reducing the carbon intensity of our operations. Our production operations at our factory sites are the primary cause of our carbon output and hence our focus.

- We support the Climate Change Levy Discount Scheme and have reduced our carbon emissions per tonne of product by 22.8% since 2000.
- We have made good progress in reducing our energy consumption through site level initiatives led by local 'energy champions' and a team working to identify improvements.

In addition, all our manufacturing sites have EMS and ISO 14001 certification with the exception of one which is due to be accredited in 2008.

Our future plans

We have set ourselves ambitious targets for packaging, waste, water and energy. We aspire to:

- Reduce CO₂ emissions by 20% by 2010 compared to 1990 (per tonne of product). Aspire to a 30% reduction by 2020.
- Contribute to an industry-wide absolute target to reduce water use by 20% by 2020 compared to 2007.
- Support industry initiatives to reduce the total level of packaging reaching households by 2010 compared to 2005.
- Send zero food and packaging to landfill by 2015.
- Work on our food miles by introducing contractual conditions with our hauliers.
- Evaluate opportunities to use renewable energy resources.

We will report progress against all of these objectives annually.

See Britvic.com

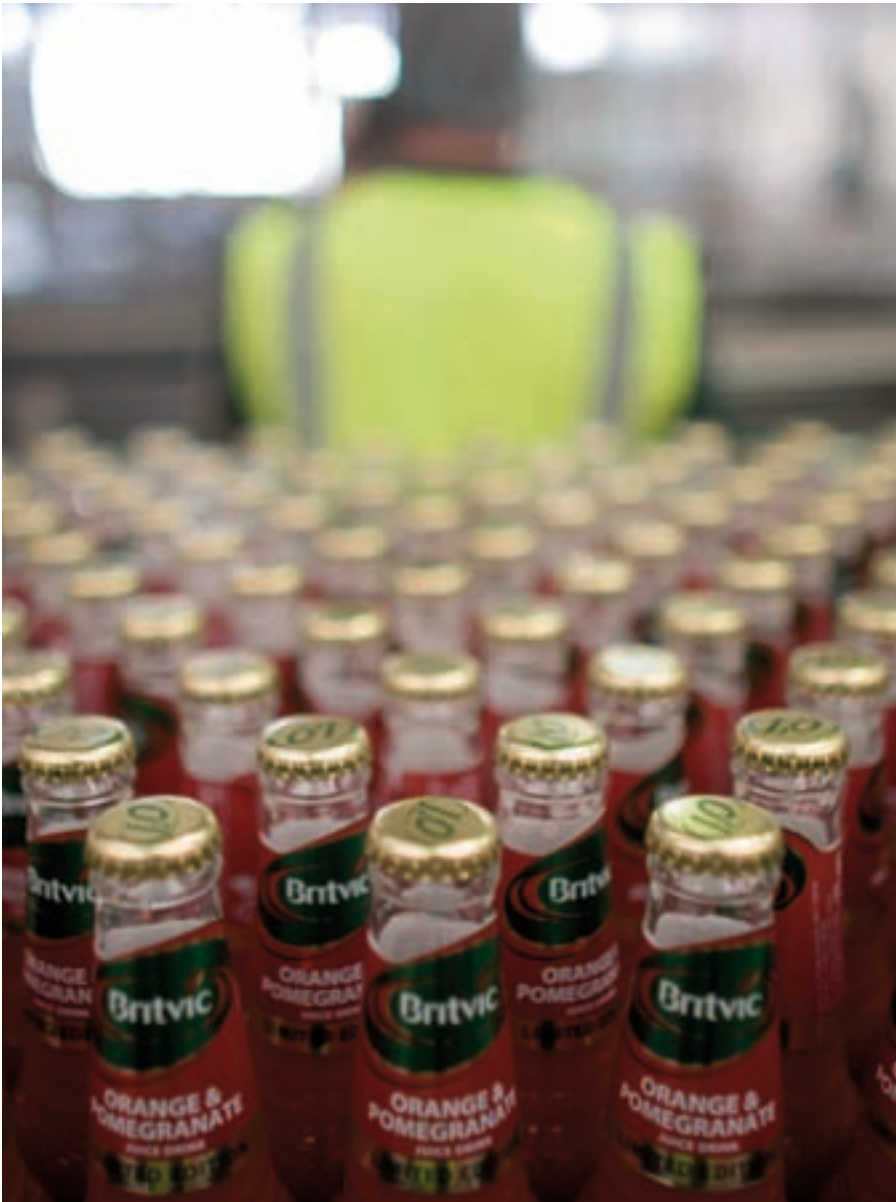
For more information on:

- Health, Safety and Environment policy
- Further details of our environmental performance



We have reduced our relative water use by 14.6% since 2002.

“We have encouraged employees at each site to come up with practical ‘green’ ideas and champion environmental efficiencies. Through this culture of empowerment we make CR part of our everyday operations and have driven measurable improvement.”
Graham Dale,
Head of Quality, Safety and the Environment



Water efficiency

We have been looking at ways to reclaim water and convert it back into the production processes at our factory in Widford.

By using these new methods we have saved around 1,000kg of steam per hour, reduced our water usage by 62%, and cut our CO₂ emissions by 19 tonnes per annum.

We have similar water saving initiatives at our other production sites.

For example, a team at our Leeds factory managed to save 25m litres of water each year on just one production line. They identified two ways of adapting the existing machinery with some simple devices, at a cost of just £750.

Not all opportunities are so straightforward but our teams continue to investigate improvements wherever they can be found.

We are committed to 20% absolute reductions in water use by 2020.

Marketplace

What's the Issue?

Consumers are at the heart of our business. What concerns them, concerns us. We live in a world in which lifestyles have changed dramatically. Health and well-being issues are driving consumers' choices. They want products that are more natural and healthier. They are also increasingly interested in the environmental footprint of the products they buy.

54%

volume of carbonates sold with no-added-sugar

Action	2007/8	2008/9
GDA roll out across the portfolio	>90%	100%
Consumer careline details on pack across the portfolio	>60%	>90%
Artificial colours in products	0.14%	0%

All figures by volume.

Principles and commitments

Britvic is one of the leading soft drinks companies in GB. We therefore recognise we have a role to play in selling our drinks responsibly. We do this by:

- Helping consumers make informed choices. We have a wide variety of soft drinks, including no-added-sugar drinks, and 100% juices. We have clear labels that give guideline daily amounts of calories, sugar, fat, saturates and salt (GDAs).
- Responsible marketing. We do not advertise full sugar drinks to children and have marketing guidelines to ensure our products are sold responsibly.
- Responding to consumer concerns about the environmental impacts we have in the production and sale of our products – our actions and plans are set out in the Environment section.

Policies and actions

We have responded to today's marketplace challenges by focusing on two core areas: rebalancing our portfolio, and improving the amount of information on our products. We have completed a number of steps.

Re-balancing our portfolio

- Removed artificial colours and flavours from the entire Robinsons and Tango range and reduced sugar levels in a range of brands, including Tango, J2O and Fruit Shoot.
- Invested in new manufacturing technology ('aseptic') which allows juice products to be made without preservatives and kept at ambient temperature.
- Focused our innovation on more natural products, such as Fruit Shoot 100% for children and Robinsons Smooth Juice for families.

Informed choice

- Our GDA¹ on-pack scheme has been rolled out across over 90% of our relevant packs, including Pepsi, 7UP, Robinsons, Tango and R Whites. We have plans to extend the labels to encompass the rest of the relevant Britvic portfolio during 2008/9.
- We have introduced on-pack contact details for our care-line and provided product nutritional information for our products on our corporate website.

Additionally, we have started work on assessing the social, economic and environmental footprint of our brands.

Our future plans

We recognise the need to build on the steps we have already taken. We have several priority areas.

On health and well-being

We will continually review the availability and delivery of nutritional information. We also plan to pilot a programme encouraging healthy and active lifestyles and will bring forward further proposals in 2008/9.

On sustainability

We will complete the social, economic and environmental 'footprints' of a sample of our brands by September 2009. One footprint assessment is underway and we will publish our progress during 2008/9.

Consumer engagement

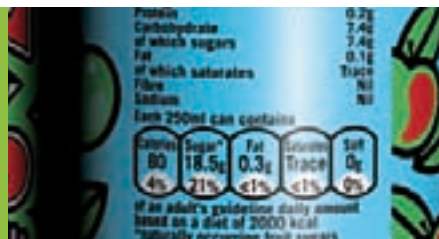
We will continue to engage with our consumers on the issues that matter to them. We are considering ways of enhancing consumer input into our activities and will report on progress in our next Corporate Responsibility report.

See Britvic.com

- For more information on:
- Marketing to children policy
 - Food safety policy
 - Nutritional information for all of our products



¹ GDA (Guideline Daily Amounts) is the food and drink industry system which shows the percentage of recommended daily amounts of sugar, salt, fat and calories.



We rolled out GDA labelling across the majority of our portfolio within 18 months.

“Our consumers increasingly want to make a positive environmental and social impact with the products they purchase. We are adapting to these challenges and developing the strategies that will meet their needs.”
Simon Stewart,
Marketing Director



Robinsons Get Good

Robinsons Fruit Shoot ‘Get Good’ initiative has run for several years, supporting parents with their children’s sporting interests.

In 2007/8 we teamed up with a leading provider of kids sports coaching, to give mums the chance to win a fun-packed day of sport for their child and a friend at 50 venues throughout Scotland, England, Wales and Northern Ireland.

The Robinsons Fruit Shoot Get Good Sports Days are designed to help kids get active and develop their sport skills, but it also gives mums a well deserved break during the Easter holidays!

The sports days are for children aged five to 11 and are run by expert instructors. The days include a range of activities and skill sessions in football, rounders and athletics.



We will trial a programme to encourage healthy and active lifestyles by 2008/9.

Supply Chain

What's the Issue?

We depend on over 2,000 suppliers to provide us with everything we need to make and sell our products – everything from the fruit in our juices, our packaging and machinery, through to services such as distribution and advertising. We are responsible for ensuring these goods and services are responsibly sourced.

80%

of our packaging and ingredients suppliers are now reporting environmental and social data through SEDEX

Overall Procurement Expenditure



- Indirect 42%
- Ingredients 29%
- Packaging 29%

See Britvic.com
For more information on:
• Ethical trading policy



Principles and commitments

Packaging and ingredients account for 60% of our business purchases. We have chosen to focus first on where we spend the most money.

Where these goods and services come from and how they are produced are matters that not only concern us, but increasingly our consumers, our customers, employees and our investors.

We have to consider several things in our approach to procurement: quality, risk, delivery, cost, regulatory issues, labour and environmental factors.

We have clear core standards in place which we expect our suppliers to comply with, and management systems that are working to ensure this. We now look to deepen our understanding of our supply chain and how we can best act to benefit everyone – from primary producers growing orange, apple and passion fruit, through to our consumers enjoying the end products.

This is not an easy job, but we have begun the journey.

Policy and actions

Policies

Our new packaging and ingredients suppliers undergo a pre-qualifying process to assess their quality, food safety systems and performance. We also monitor them through our Supplier Performance Monitoring Process.

Suppliers are expected to comply with our Ethical Trading Policy. This sets out the standards we expect from ourselves and them. Based on the Ethical Trading Initiative's Base code¹, it covers employment rights, health and safety and environmental management. We have undertaken to report annually on the progress of this policy and its implementation.

¹ The ETI, or Ethical Trading Initiative, is an alliance of companies, trade unions and NGOs working to improve global supply chain conditions.

In addition:

- We require all new packaging and ingredients suppliers to be members of the Supplier Ethical Data Exchange (SEDEX²) as a pre-condition.
- All employment agencies we use in the UK are checked for Gangmaster licences.

Actions

- In 2006 we joined SEDEX, which allows us to better assess standards in our supply chain.
- In 2007 we rolled out our Ethical Trading Policy to all our ingredients and packaging suppliers and developed processes to monitor compliance.
- In 2008 we joined an industry-wide initiative (AIM-PROGRESS) along with other large manufacturers. Through it we hope to identify areas where we can jointly work on supply chain concerns in order to improve working conditions.

Our future plans

We have clear ambitions to:

- Have all our packaging and ingredients suppliers signed up to our ETP and SEDEX by the end of 2008.
- Have all our indirect suppliers signed up to our Ethical Trading Policy within five years and reporting via SEDEX where appropriate. We will report key milestones each year.
- By the end of 2008, identify priority areas in our fruit supply chain on which to work with key suppliers, and bring forward plans for future years.
- Strengthen our work with broader industry initiatives such as AIM-PROGRESS as they arise.

² SEDEX is a technology-based database that enables companies and suppliers to maintain and share audit data on labour practices in their supply chains.



We have rolled out our Ethical Trading Policy across all our packaging and ingredients suppliers.

“We understand our responsibilities to our communities – both local and global – and the expectations of our customers and consumers. Our programme of commitments will ensure rigorous standards amongst our suppliers – no matter where they are based.”
Alan Beaney,
Strategy Director



Ethical Trading Policy

In 2007 we developed our first Ethical Trading Policy. The policy builds on our well established quality systems and has already been rolled out to our direct suppliers as a condition of trade with Britvic.

The policy, based on the Ethical Trading Initiative's Base code includes:

- No forced or child labour.
- Freedom of association for workers and the right to collective bargaining.
- Health and safety.
- Environmental management systems.
- Respect for ILO Core Conventions.

We will monitor those suppliers who do not meet our standards and work with them where possible to ensure compliance.



Workplace

What's the Issue?

Britvic wants to be a great place to work so that we can attract and retain talented employees. We believe that much of our success as a business is about our employees feeling positively engaged at work. We can only achieve this if they are enabled, developed and motivated.

87%

Consistently high employee opinion survey response rate for the past three surveys

Principles and commitments

We want to enable and engage our employees because they make us what we are as a business. We aim to achieve this through four key pillars of our people strategy. These are:

- Providing great leadership which can inspire through vision and coaching.
- Creating an environment where performance is managed through clear communication and constructive feedback.
- Growing capability by nurturing internal talent and attracting the best external talent.
- Embedding the core behaviours that underpin the Britvic culture (what we call our DNA): passion, vision, inspire, team, coach and drive.

We are also committed to ensuring the health and safety of our employees, sites and operations.

Policies and actions

We have a full range of workplace policies which are available to our employees on our intranet. We adhere to legal obligations but seek to do more than just abide by the law.

Involvement – engaging our employees

- In 2004 we set up our Employee Involvement Forums where employee representatives meet twice a year.
- We conduct annual opinion surveys with all employees to understand how they feel about working for Britvic.

Performance management

- In 2007 we introduced a performance management and talent toolkit which sets objectives and gives them a formal process for feedback.
- All Britvic employees are entitled to a performance related bonus.

Development – helping employees fulfil their potential

- Our talent toolkit includes development reviews to ensure employees are equipped with the right skills.

- Training and coaching are provided where appropriate.
- We have a range of tools and processes to help us spot and develop internal talent.

Dignity and Respect – supporting our employees and their needs

- Our 'My Choice Flexible Benefits' system allows employees to tailor their benefits to what is important to them, including childcare and healthcare.
- We host workshops to address dignity at work issues in recruiting, managing absences, and in our induction for new employees.
- We support effective ways of working so that colleagues can work flexibly and feel supported even if they are not in the office.

Well-being – looking after employee health and welfare

We have an occupational health team and health and safety forums which allow employees to raise issues that concern.

- All employees have access to health related benefits.
- Our employee intranet site provides advice on health and well-being.

Our future plans

In the next year we will:

- Embed new tools to support employee choice about working more effectively.
- Develop our employee well-being intranet site to provide greater health information and advice.
- Re-launch an Employee Assistance Programme to provide employees with access to support services for both personal and professional needs.
- Start a Behavioural Safety Programme at all our sites.

See Britvic.com

For more information on:

- School toolkit
- Equality & Diversity policy
- Family Friendly policy
- Ways of Working policy



61% reduction in accident frequency rate over the last five years.

"I'm committed to developing a workplace where individuals thrive and collectively we deliver fantastic results. We embrace flexibility and strive for a culture which inspires our people do great work and have a positive work-life balance."
Doug Frost,
Human Resources Director



School toolkit – making a difference together

Following calls from both teachers and our employees we have developed our first school toolkit. Based on a friendly character called 'Billy', the toolkit helps children understand the process of making soft drinks and provides teachers with a resource that also links into other areas of the curriculum.

The toolkit was developed in liaison with teachers and schools. It is geared towards the five to nines and contains worksheet options and teacher notes on activities such as designing a new soft drink, understanding ingredients, and recognising symbols such as those used for recycling.

Following the success of the toolkit we are also developing a resource for older school-going age groups.



We continue to deliver the highest possible standards of safety amongst our employees.

Community

What's the Issue?

A successful business needs strong communities in which to operate. Britvic's responsibilities extend beyond our commercial activities. We want to support communities by acting responsibly ourselves, and by helping our employees in the charities and community projects they most care about.

£430k

contributed in 2007/8

How We Contribute



- In-kind 61%
- Cash 21%
- Management costs 17%
- Time 1%

We use the LBG model to calculate our contributions to the community. The LBG model provides a standardised way of managing and measuring our Company's community involvement.

See Britvic.com

For more information on:

- Community Investment
- Volunteering Policies



Principles and commitments

We are committed to playing our part in the community. We currently do this through our community investment programme, which includes schemes to encourage, match and support employee giving, as well as volunteering.

Our membership of the London Benchmarking Group (LBG) enables us to measure and publicly disclose our community contributions annually.

We have made a modest, but positive start to our programme. We are committed to growing it, and to making it relevant to the local communities in which we operate.

Policies and actions

We have a formal Community Investment Policy and a Volunteering Policy.

In the past year we have helped our community by:

- Offering a matched funding scheme for employees fundraising activities called £4£.
- Promoting donations in-kind to local community events and charities.
- Encouraging taxable benefit giving through a payroll scheme – GAYE (Give As You Earn). We encourage payroll giving and host drop-in sessions held by the Charities Aid Foundation to drive awareness of this system.
- Launching a new volunteering policy.
- Producing educational resources for schools to support awareness of how soft drinks are made.

- Establishing a national Britvic community fund via the Essex Community Foundation, to which individuals or groups may apply, and are working on plans to enhance this programme further.
- Hosting visits from the School Governors' Association to encourage involvement from our employees on school governing bodies.
- Launching a company charity. We have partnered with UNICEF to support their Emergency Relief Fund. We are doing this in the first instance by introducing a lottery run through our payroll system, with winnings split 75:25 in favour of the charity. Britvic will match all donations made to UNICEF.

Our future plans

We plan to grow our community efforts by:

- Launching a formal Community Investment programme through our Britvic community fund.
- Expanding and embedding our new Volunteering Policy across all our sites.
- Delivering educational tools for schools in support of the government's agenda on health and environmental issues.
- Continuing to increase our cash and in-kind donations to charitable causes.



We contributed heavily to the emergency relief operation following the summer flooding.

“The flooding in Gloucestershire during 2007 left many people without clean drinking water. We donated over 200,000 litres, arranging delivery within days and supporting the challenging logistics on the ground.”

Andrew Richards,
Customer Management
Director



Supporting education in the Cameroon rainforest

We are supporting an educational programme in the Cameroon rainforest with a £25,000 donation from one of our brands, The Really Wild Drinks Co 100% natural juice drink.

This will provide much-needed funding for a community where many young people have difficulties accessing education, and face a life of continued poverty and discrimination. Education will allow them to develop the skills and tools they need to participate in the development process and the confidence to stand up for their rights.

Development of the education project started in 2007. It will be implemented by the Rainforest Foundation in partnership with indigenous organisations and local non-governmental organisations.

Details of our donation to The Rainforest Foundation now feature on Really Wild Drinks cans.



We will continue to support our communities.

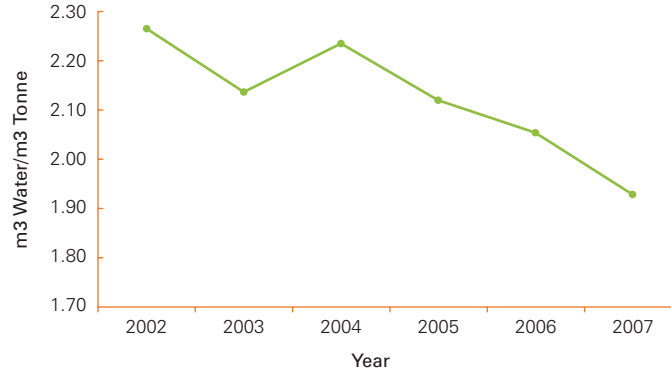
Packaging Material Saved Per Year (based on 2006/7 volumes)



Total 11,064 tonnes removed (annualised)

- Glass 6,639t – 60.0%
- Plastic 3,284t – 29.7%
- Metal 1,141t – 10.3%

Water Usage

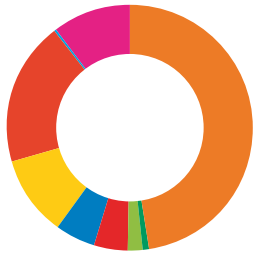


Delivered Energy Usage¹



¹Between 2003–2006 we invested to bring bottle-blowing in-house. This increased our energy consumption but removed over 2.7m road miles each year.

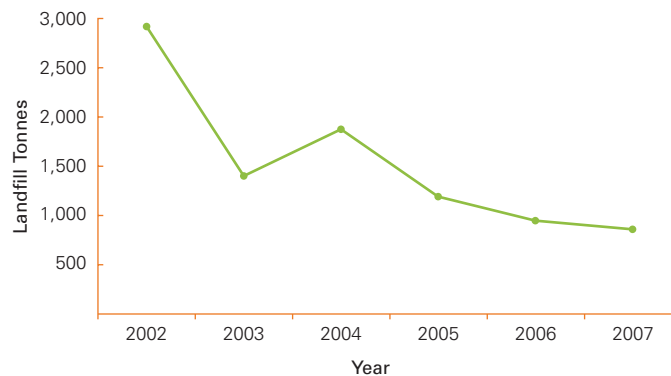
Direct and Indirect Emissions 2006/7



Proportions of CO₂ emitted

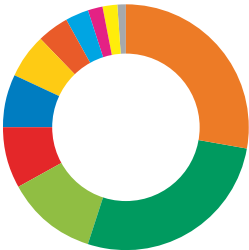
- Production 47.7%
- Depots 0.7%
- Offices 2.0%
- Cars 4.4%
- Commercial 5.2%
- Primary logistics 10.6%
- Third party hauliers 19.1%
- Air miles 0.1%
- Emissions to air 10.2%

Waste to Landfill



Supply Chain

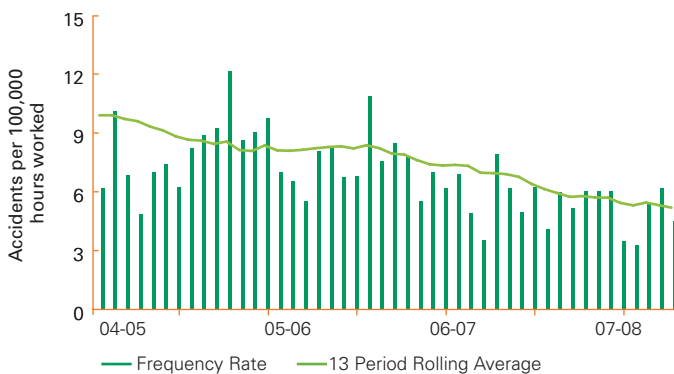
Top 10 Categories of Expenditure Highlighted



- Proportion of expenditure**
- Packaging 28%
 - Ingredients 27%
 - Transport and warehouse 12%
 - Goods and services 8%
 - Sales and marketing 7%
 - Other spend 7%
 - Engineering 4%
 - HR 3%
 - Dispense and vending 2%
 - Utilities 2%
 - IT 1%

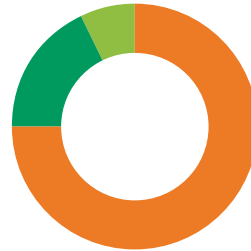
Health and Safety

Accident Frequency Rate



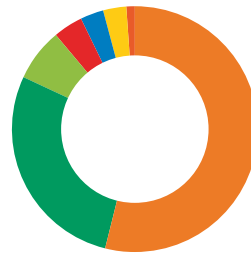
Community

How We Contribute



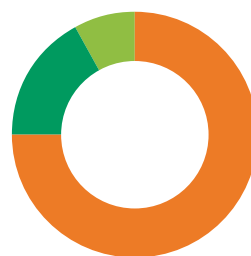
- Charitable gift 75%
- Community investment 18%
- Commercial initiative 7%

What We Support



- Emergency relief 54%
- Education and young people 28%
- Environment 7%
- Other 4%
- Economic development 3%
- Social welfare 3%
- Health 1%

Location of Recipient Organisation



- Local 75%
- Other 17%
- National 8%

2006/7 Goals

How We Have Performed

In the first year of our CR programme we set ourselves a series of goals that would form a base for more stretching ambitions in years to come. We delivered in most areas, with some challenges carried forward into this current year's programme of work.

Top Line Achievements 2006/7

Marketplace

- Introduce GDA Labelling and Consumer Careline on packs
- Establish a Consumer Charter
- Publish CR communications on Britvic.com
- Expand CR activities via Cause Related Marketing

Level achieved

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-
-

Environment

- Publish Environment Policy on Britvic.com
- Launch a consistent Recycling Programme across sites
- Review Fleet Policies with a view to 'greening our fleet'

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-
-

Supply Chain

- Conduct a strategic risk analysis across key suppliers
- Review audit process for all new suppliers

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Workplace

- Embed new core purpose and values with employees
- Review and build upon current Policies
- Empower employees to be involved with CR activities
- Review and enhance Diversity initiatives

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-
-
-

Community

- Encourage a consistent Community Investment programme
- Capture amount of funds actually given by Britvic, including commercial activities

-
-

Key

- Substantially completed
- Less than half-completed
- Limited progress made

Our successes in 2006/7

We successfully enhanced the availability of nutritional information to consumers, through our website and through GDA labelling on pack. We developed a new community investment programme and completed the first stage of a new, ethical approach to our supply chain.

Our environmental impacts were further reduced through new recycling systems across all our sites. While not part of our 2006/7 Corporate Responsibility objectives we also delivered successfully against our internal energy and waste reduction targets.

We have also enabled our employees through the revision of policies and raised the standards of people management with new toolkits and training.

The challenges

In some areas delivery of our objectives was not substantially delivered in the year. With one exception the objectives have been carried forward into 2007/8 and are well underway or now completed.

- Expand activities via Cause Related Marketing: we have now confirmed partnerships with the Rainforest Foundation and grants to local sports clubs through our association with the BBC Sports Personality of the Year.

- Review Fleet Policies: we are continuing to add lower emission vehicles.

- Review audit process for all new suppliers: this has now been completed.

- Review of diversity initiatives: planned for the second half of 2008 and during 2009.

The need for a consumer charter has been reconsidered as our existing policies effectively cover all relevant areas.



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Designed by www.luminous.co.uk

Should you want to know anymore about our CR activities please check our website or contact us anytime at cr@britvic.co.uk





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