



BREWERS, WINE MERCHANTS, HOTELIERS

Adnams Social and Environmental Impact Policy

I Priorities

- 1.1 Values-based** - Our social and environmental policies are derived from the commitments expressed in our Values. There are explicit statements in those Values about the community and the environment, but we also refer to sustainable success, fulfilled customers and employees, total quality, integrity and pride – all of which have relevance to our impact on society and the environment. 'Doing Things Right' in this context essentially means being a good neighbour, in the widest meaning of that phrase.
- 1.2 Business benefits** - We should be able to measure and prove real business benefits from the implementation of social and environmental policies. Some of these will be obvious (eg cost savings from energy efficiency) but others will be harder to measure (reputational benefit resulting in enhanced brand perceptions or 'license to operate'). Nonetheless, we need to measure outcomes.
- 1.3 Integration** - 'Society' means employees, suppliers, customers, consumers, other stakeholders and the local community (including the communities associated with our pubs) – in other words it extends to all that we do. Likewise the environment. Social and environmental policies therefore need to mesh with everything from employment policy to our definition of 'shareholder value', and the ways that we measure performance must be integrated with other benchmarking systems, on a consistent basis.
- 1.4 License to operate** - Pressure groups and regulators, shaping and reflecting public opinion, determine our 'license to operate'. Social and environmental policy, effectively implemented, will increasingly determine our ability to 'influence the influencers' to our advantage. This is particularly relevant in a world which has learnt to distrust all that business stands for and in an industry which has always been threatened by those who believe that alcohol is a social evil.
- 1.5 The Company of reference** - Just as we aim to be the brand of reference in each of our chosen markets (i.e. the brand by which others are measured) so we should seek to be the Company of reference for all aspects of our Social and Environment Policy. This fulfils our own aspirations, builds our reputation and champions the issues that we advocate. It also enables us to fulfil one of the key criteria of Leadership i.e. stand tall and advocate our approach in the wider world.

2 Impact on Society

2.1 Policy Summary

Adnams seeks to ensure that its impact on society expresses the Company's Values, delivering business and society benefits within the context of long-term sustainable success.

2.2 Scope

Society starts in the workplace, includes our relationships with suppliers, customers and other stakeholders, extends from our local community to distant consumers. The key areas of impact are as follows:-

Employees. We aim for an informal, energised, team-working culture and a workforce which is better trained, more fully empowered, highly motivated, personally fulfilled.

Suppliers. We aim to deal with our suppliers with integrity, building genuine partnerships, of mutual benefit. We aim to enlist our suppliers in commitment to our values, particularly in the context of good environmental practice and fair employment.

Customers. We aim for true customer satisfaction, above and beyond the transaction. This involves understanding our customers' needs and building relationships based on integrity.

Consumers. We aim to build consumer loyalty on the basis of distinctive quality and a shared commitment to social values.

Shareholders. We aim for shareholders who are proud of Adnams and stick with us for the long term – because we deliver a richer promise in terms of 'shareholder value'.

Community. The well-being of our local community is essential to our own success. We aim to build a network of relationships which deliver sustainable benefits, to our mutual advantage. We need to explore ways in which we can extend that process to communities further afield, upon which we may impact through our commercial activities.

Influencers. We aim to build positive understanding with lobbyists, legislators, opinion formers. Socially responsible policies are key to this process.

3 Environmental Impact

3.1 Policy Summary

Adnams is committed to managing the environmental impacts of its operations in positive ways, setting objectives and targets to achieve continuous improvement in environmental performance.

3.2 Scope

Environmental policy is largely about minimising negative impacts but should also encourage better environmental management, for positive impact.

Energy. Promote energy conservation and more efficient energy management.

Materials. Reduce the consumption of materials wherever possible, and aim to recycle the maximum.

Wastes. Reducing and recycling wastes wherever practicable. Only dispose of wastes by environmentally approved methods.

Emissions. Prevent pollution and emissions wherever possible and manage any such emissions in environmentally friendly ways.

Employees. Train, inform and motivate employees to undertake their individual responsibilities for environmental management and to initiate continuous improvement.

Suppliers. Communicate and negotiate with suppliers to apply comparable environmental standards to our own, when operating on our behalf.

Customers. Communicate our policies, engage their interest and approval, building a shared community of purpose.

Shareholders. Propagate environmental commitment as part of package of 'shareholder value'.

Community. Demonstrate positive environmental management as part of building a strong relationship with our community.

Influencers. Demonstrate environmental responsibility in practice, to enlist support and justify our 'license to operate'.