

Behaving responsibly for 150 years



RESPONSIBLE BUSINESS REPORT 2025



Behaving responsibly for 150 years.

We are pleased to introduce our most up to date Responsible Business Report which sets out our ambitions, progress and future plans related to our responsibility agenda. Our approach and narrative remain consistent. The report also contains updates and highlights on what has been achieved over the past 12 months.

We are proud of our brands and business. We are also proud of the positive contribution we believe we make to society. It is our belief that how we act reflects who and what we are.

For 150 years we've been brand owners and builders, offering a diverse and differentiated portfolio of brands that people love and our business has grown as a result. The continued financial strength of our business is important not only to our employees and our shareholders, but also on a broader basis, where our performance positively impacts a wide range of stakeholders and the UK economy.

Our overarching business purpose is to build great brands for everyone – for our shareholders, consumers, customers and for society as a whole. Our values include a commitment to behave responsibly. Our responsibility agenda has always been woven into the fabric of our business and, in today's world, as we grow and develop, it's more important than ever that we play our part in addressing the key issues facing society, such as the need to tackle the impact of climate change.

We are also mindful that our actions can contribute towards global improvements. The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries – developed and developing – in a global partnership.

While there will be actions we take that contribute both directly and indirectly to many of the SDGs, we have focused our SDG connections where we believe we can most directly play our part. These are:



3 GOOD HEALTH AND WELL-BEING

Good health and wellbeing

Ensure healthy lives and promote wellbeing for all at all ages



5 GENDER EQUALITY

Gender equality

Achieve gender equality and empower all women and girls



8 DECENT WORK AND ECONOMIC GROWTH

Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible consumption and production

Ensure sustainable consumption and production patterns



13 CLIMATE ACTION

Climate action

Take urgent action to combat climate change and its impacts

Behaving responsibly for 150 years

We focus our specific responsibility goals and commitments on those areas where we believe we can make the greatest positive economic, environmental and social impact, supporting our contribution to a sustainable future for all. We also engage with a wide range of stakeholders to ensure that our priorities are aligned. As such, behaving responsibly at AG Barr is underpinned by four key commitments which we believe to be material matters to both our business and our key stakeholders:

* Further information on employee engagement and women in leadership is provided within the non-financial KPI section.
 ** Science-based targets as approved by the Science Based Target Initiative (SBTi).
 *** Net-zero achievement in accordance with SBTi requirements. Reductions are targeted across Scope 3 emissions associated with purchased goods and services and upstream and downstream transport and distribution. See page 21 for more information.
 Note: Goals below stated in calendar years.

We act with integrity



Key focus areas

- Safety and wellbeing
- Employee engagement
- Responsible policies and practices

Long-term goals

Accident incident rate

- Zero work-related reportable accidents

Employee engagement*

- 2026 Goal: 80%

Women in Leadership*

- 2026 Goal: 45%

We respect the environment



Key focus areas

- Carbon reduction
- Packaging
- Water and waste
- Sustainable sourcing

Long-term goals

Never again send non-hazardous waste to landfill

Carbon emission reduction across our own operations (Scope 1 & 2 emissions market-based approach)**

- 2030 Goal: 60% reduction from a 2020 base year
- 2035 Goal: 90% reduction from a 2020 base year

Carbon emission reduction across our wider supply chain (Scope 3 emissions)**

- 2030 Goal: 25% reduction from a 2020 base year
- 2050 Goal: 90% reduction*** from a 2020 base year

Improvement in water usage efficiency

- 2026 Goal: 12% improvement from a 2020 base year

Packaging

- 2035 Goal: 100% circular or renewable packaging

We support healthy living



Key focus areas

- Calorie reduction
- Responsible advertising and marketing
- Labelling

Long-term goals

To continue to advertise responsibly, offer a wide range of pack sizes to assist with portion control and, by providing clear nutritional information, enable our consumers to make informed choices.

We give back



Key focus areas

- Community engagement
- Charity partnership
- Employee volunteering

Long-term goals

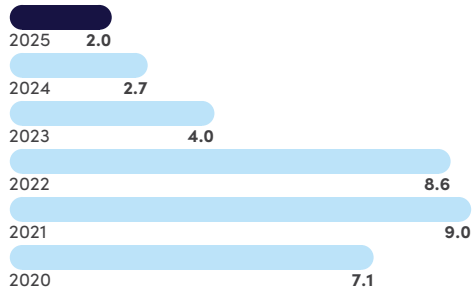
To support good causes across our communities, through financial donations and by increasing awareness and supporting fundraising and volunteering across our own teams.

NON-FINANCIAL KEY PERFORMANCE INDICATORS

In support of our responsibility commitments we measure a range of non-financial KPIs as set out below:

Accident incident rate

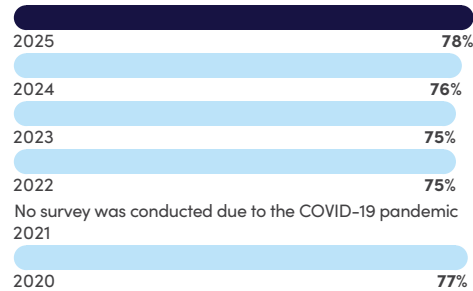
2.0



Number of accidents (RIDDOR) per 1,000 people – relative to both our employees and agency workers. 2023 includes Boost and MOMA data from the dates of acquisition. Further information is provided in our safety and wellbeing culture section on pages 5 to 6.

Employee engagement

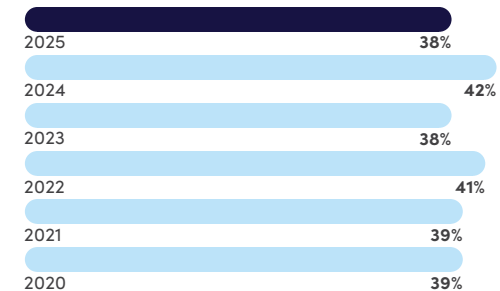
78%



As measured by our annual employee survey. 2023 excludes Boost and MOMA which were not part of the AG Barr Group at the time the survey was conducted.

Women in leadership

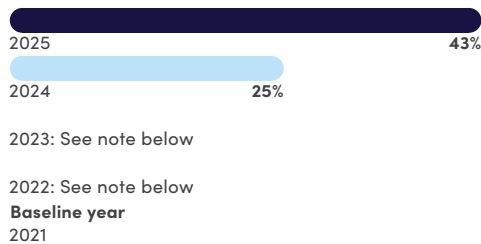
38%



Number of females defined as leaders/senior managers at the close of the financial year. See page 8 for further information.

Carbon emission reduction across our operations

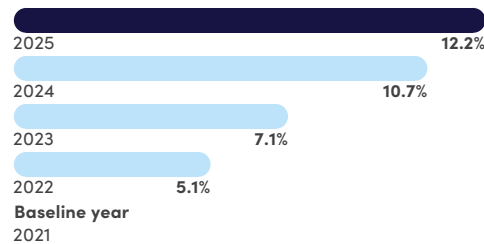
43%



Percentage reduction in total Scope 1 and Scope 2 greenhouse gas emissions versus 2021 baseline year using a market-based approach. The 2021 baseline has been recalculated to reflect the addition of the MOMA and Boost businesses to our Group, the latest emission factors and a change in methodology to include emissions from carbon dioxide lost in process in Scope 1 emissions. Scope 1 and 2 data for 2022 and 2023 has been omitted above, as the methodology and operations covered do not align with the other years and therefore the data is not comparable. See page 22 for further information.

Improvement in water usage efficiency

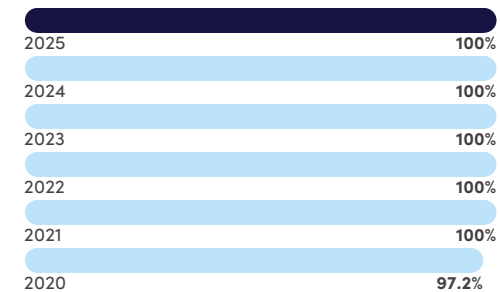
12.2%



KPI reset in 2021 following detailed analysis of our water footprint, our refreshed water strategy and action plan. Ratio of total water used relative to total litres of product produced. Further information is provided in our waste and water section on page 14.

Non-hazardous waste diverted from landfill

100%



Quantity of non-hazardous waste from Company-owned sites diverted from landfill relative to total non-hazardous waste.

Non-financial and sustainability information statement

The information presented here and throughout the report (as cross-referenced in the accompanying table), complies with the requirement under sections 414CA and 414CB of the Companies Act 2006 to provide information on certain non-financial matters. Our Responsible Business Report provides the required information in relation to content on environmental matters, our employees, community issues and social matters, as well as setting out our non-financial metrics. Our business risks are included within our Risk Management section. The Responsible Business Report also complies with the Streamlined Energy and Carbon Reporting (SECR) requirements as required by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. We have complied with the requirements of Listing Rule 6.6.6R(8), except for Metrics and Targets B given that our Scope 3 emissions are disclosed in arrears, by including climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and recommended disclosures, except for Metrics and Targets B given we are unable to disclose Scope 3 emissions for the current year. We have also complied with the requirements of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (SI 2022/31) and the Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022 (SI 2022/46), collectively referred to as CFD thereafter.

It is the Group's policy to conduct all of its business in an honest and ethical manner. It is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates.

The Group is a UK Real Living Wage accredited employer.

Theme	Cross reference (within Annual Report & Accounts unless otherwise stated)	Page reference
Environmental matters	Responsible Business Report – We respect the environment	10 to 23
Employees	Business model Responsible Business Report – We act with integrity	Pages 6 to 7 of our Annual Report Pages 5 to 9
Social matters	Business model Responsible Business Report – We support healthy living Responsible Business Report – We give back	Pages 6 to 7 of our Annual Report Page 24 Page 25
Non-financial metrics	Responsible Business Report – Non-financial KPIs	Page 21 of our Annual Report
Business risks	Risk Management	Pages 55 to 63 of our Annual Report
Business model	Business model	Pages 6 to 7 of our Annual Report
SECR	Responsible Business Report – SECR reporting	Pages 22 to 23
TCFD and CFD	Responsible Business Report – TCFD and CFD disclosures	Pages 15 to 22
ABC Governance	Audit & Risk Committee Report	Pages 81 to 82 of our Annual Report
Supplier controls	Responsible Business Report – Sustainable sourcing	Page 14
Policies & Procedures	Including Supplier Code of Conduct (Human Rights), Modern Slavery Statement, ABC and Employment Protection Policies	www.agbarr.co.uk/responsibility/policies-terms-of-business-and-brand-rules/

The Group publishes its Modern Slavery Act Transparency Statement annually. This explains the steps that we take to seek to ensure that there are no incidents of modern slavery within the business and our supply chain, in accordance with the UK Modern Slavery Act 2015. The Board reviews the Group's operational, legal and compliance framework to prevent modern slavery in its supply chain, which includes employee training, contractual terms and conditions, and due diligence processes related to the selection and ongoing assessment of our suppliers.

The Group's Anti-bribery and Corruption Policy (ABC Policy), available on the Group website, emphasises the Group's zero tolerance approach to bribery and corruption. It sets out the Group's responsibilities, and of those working for it and parties acting on its behalf, in observing and upholding its position on bribery and corruption in compliance with applicable laws, and provides

information and guidance to those working for the Group and parties acting on its behalf on how to recognise and deal with bribery and corruption issues. The ABC Policy is clearly communicated to all Group employees and ABC training is provided to employees on induction and on a regular basis thereafter. In order to successfully complete the training, employees must answer various questions correctly to indicate that they comprehend the training material. The Group maintains an anti-bribery and corruption register, which records details of corporate hospitality, and gifts given and received by employees over a specified value. The Group's international teams undertake appropriate due diligence on all third parties acting on its behalf and maintain a third party anti-bribery and corruption register; further details are set out in the ABC policy. The Audit and Risk Committee reviews the effectiveness of the Group's anti-bribery systems and controls annually, and also reviews and approves the

Group's ABC Policy on an annual basis. No bribery and corruption issues arose during the year.

The Group Security Dealing Code prohibits employees from engaging in insider trading. The rules are designed to ensure that employees do not misuse, or place themselves under suspicion of misusing, information about the Group which they have and which is not publicly available.

Our Supplier Code of Conduct, available on the Group website, sets out the minimum standards we require our key suppliers to meet, including human rights, and forms part of their contractual commitment to us. As a UK business, we comply with the full spectrum of employee protection legislation. We believe our existing policies ensure the rights of our own employees are respected fully and our robust supplier controls provide assurance when considering human rights impacts beyond our direct control.

COMMITMENT 1

We act with integrity



Safety and wellbeing culture

We work hard to create a culture in which health, safety and wellbeing are our top priorities. Our ultimate goals in this area are zero work-related accidents and the provision of safe and healthy working environments for all. We continuously improve our management systems to underpin our objectives and to ensure compliance with all health and safety related legislation as a minimum. Our thorough and varied health and safety management activity programme is designed to keep safety at the top of everyone's agenda, with actions ranging from safety awareness initiatives and safety training, to site audits and reporting.

Over the past 12 months we have continued to review our workplace activities and focus on reducing risk through the implementation of suitable control measures. Our health, safety and wellbeing related activity has included:

- Ongoing review and roll-out of updated risk assessments and safe systems of work.

- Internal training, including dynamic risk assessment, contractor control and accident investigation.
- Provision of IOSH Working and Managing Safely courses across our supply chain teams.
- IOSH Managing Safely/Safety for Managers courses.
- Two-way communication via health and safety committees and representatives across all business areas.
- Continued partnership with the Keil Centre, supporting and validating our performance against our safety cultural maturity targets.
- Health, Safety and Wellbeing Days – a series of face-to-face events carried out across all of our sites to help drive improved behaviours, awareness and decision making.
- Health and Safety Awards – recognising those employees who have gone above and beyond to improve the safety of themselves and others.
- Health and Safety pulse surveys gauging the views and priorities of employees.
- Robust internal audit programme to help ensure compliance with legal requirements and identify and implement continual improvement opportunities.
- Use of health and safety management system software that provides easy to use and robust accident and near miss reporting.
- Continued success of our driver safety programme for everyone who drives a car as part of their work activities. This comprises a driver risk assessment and tailored e-learning modules.
- Focused leadership training for our health and safety representatives at Milton Keynes and Cumbernauld.
- Mental Health awareness training included in our leadership academy programme, and training for Mental Health First Aiders across the business.



Safety

Accident incident rate reduced from 2.7 to **2.0**

We are pleased to report that our accident incident rate, the number of RIDDOR accidents per 1,000 people, reduced from 2.7 to 2.0 during the past 12 months. This, along with our ISO 45001 certification, are clear validations of the hard work that is ongoing to continually improve our safety standards and culture.

Our accident incident rate KPI, as detailed in our non-financial KPIs on page 3, includes those accidents involving our own and agency employees, however as part of our regular accident monitoring and reporting processes, any accidents that occur on our premises by contractors or other third parties are recorded, fully investigated and the learnings taken into account.

Our Forfar factory has achieved 6 years with zero lost time accidents.

We will continue to work hard towards delivering our safety goals in the year ahead.

From a wellbeing perspective we support our employees across a wide range of areas. From hybrid working arrangements, which provide greater flexibility to office-based employees, to the provision of training and resources to raise awareness of wellbeing issues, such as mental health and sleep, we work hard to create a culture where open conversations are encouraged and our people are properly supported.

Employee Engagement

For 150 years we have developed a positive, results-driven and supportive culture. As we grow our business both organically and through acquisition, it is important that we retain the entrepreneurial spirit of the most recent additions to our Group, while also ensuring that we continue to value and nurture the unique essence of what makes AG Barr a great business to be part of.

Underpinning everything that we do is our belief in performance through people – positive and engaged teams are central to our success.

Communication is key to this engagement and we use a wide range of channels and tools to suit the different needs and preferences of our people.

Safety

6 years
with zero lost time accidents at Forfar factory

Employee Engagement

2025: 78%

(2024: 76%)



Employee values

Underpinning our corporate values, our three business divisions – Soft Drinks, FUNKIN and MOMA – each have their own employee values, which play an important role in building teams and strengthening performance.

For our Soft Drinks division, which comprises our largest group of employees, employee values are embodied by the Barr Behaviours. Created by our own people they represent what is important to a business that has been successful for over a century – Being Brilliant, Always Learning, Results Driven and Relationships Matter.

The employee values for FUNKIN and MOMA are more reflective of the entrepreneurial and agile nature of their businesses.

From recruiting new employees to developing existing teams, these employee values support how our teams work together to enhance performance and are fundamental to our success.

[For more information on our employee values visit our website at agbarr.co.uk](https://www.agbarr.co.uk)

Learning and development

Our business recognises the direct links between learning and an engaged population of employees. We have a multi-year learning and development (L&D) strategy that will ensure that all our employees have the required skills and knowledge to thrive in their current roles as well as build skills and capability for the future.

Evolving our learning culture requires a multi-faceted approach and our newly refreshed learning management system (LMS), the ‘Learning Barr’, ensures equity of access to learning for all employees.

During the year we have taken steps to centralise all of our internal learning resource into one team – this ensures a consistent employee experience and drives a business wide view of learning and development.

The focus in 2025/26 will continue to centre on driving confidence and capability across all roles and teams. The Learning Barr allows employees to drive their own learning, with face-to-face and e-learning options available to all. Additionally, we will continue to drive the ‘Squiggly Career’ philosophy and will continue to liaise with our external L&D partner, who have been an important part of empowering our employees to drive their own career development.



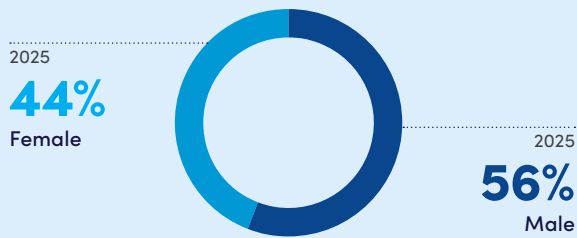
Learning and development

Our Transformational Leadership programme

A twelve month project – involved 80 of our most senior leaders and focused on delivery and creating value, with the help of external guest support.

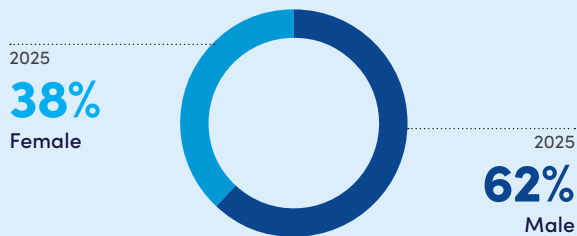
GENDER DIVERSITY AS AT YEAR END

Board & Company Secretary



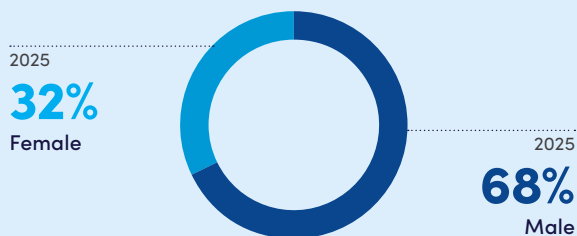
	2024	2025
Male	6	5
Female	4	4
Total	10	9

Leadership team



	2024	2025
Male	62	72
Female	44	45
Total	106	117

All employees



	2024	2025
Male	699	663
Female	331	318
Total	1,030	981

Diversity, equity and inclusion

We strive to be an inclusive employer that supports our employees regardless of their gender or background and tackles any barriers that are preventing them from being their best. We continue to focus on delivering small steps focused on positive change.

We aim to recognise and celebrate individuality as we continue to encourage, respect and value difference. We are focused on building a workforce that is truly representative of the communities we serve.

Our Group Diversity, Equity and Inclusion Policy sets out our specific aims in this regard, as follows:

- To ensure that all employees and job applicants are treated fairly. In particular, we are strongly opposed to any employee, job applicant or supplier being treated less favourably on the grounds of gender, age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, ethnicity, race, nationality, religion or belief, or sexual orientation.

- To embrace diversity, valuing and respecting everyone's differences, allowing us to make the most of individual talent. We welcome different and fresh ways of thinking, encourage innovation and a culture of speaking up to identify areas for improvement.
- To promote a work environment that is inclusive of all employees, where people can be themselves at work and their opinions are valued.

Our leadership team across the business is responsible for implementing this policy and ensuring that their teams and employees are aware of their responsibilities.

The gender balance across the organisation has been maintained at 68% men and 32% women, broadly indicative of our industry. On our journey towards greater gender equality we set a new KPI in 2020 related to women in leadership, targeting 45% women across the leadership population by 2025.

The key metrics from our latest Barr Soft Drinks Gender Pay Report are detailed below:

Gender Pay Report

Mean Gender Pay Gap

-13.7%

(2023: 1.4%)

Median Gender Pay Gap

-5.5%

(2023: -4.6%)

Mean Bonus Pay Gap

22.5%

(2023: 19.1%)

Median Bonus Pay Gap

-16.7%

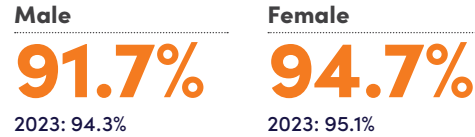
(2023: -5.0%)

Positive numbers are favourable to men and negative numbers are favourable to women.

Our mean gender pay gap has shifted since 2023 and is now favourable to women. Last year, it was slightly favourable to men. This shift in mean gender pay gap in the past year was as a result of females being recruited into the most senior roles in the organisation, balanced with men being recruited into more junior roles. As per last year, our median pay gap is favourable to women.

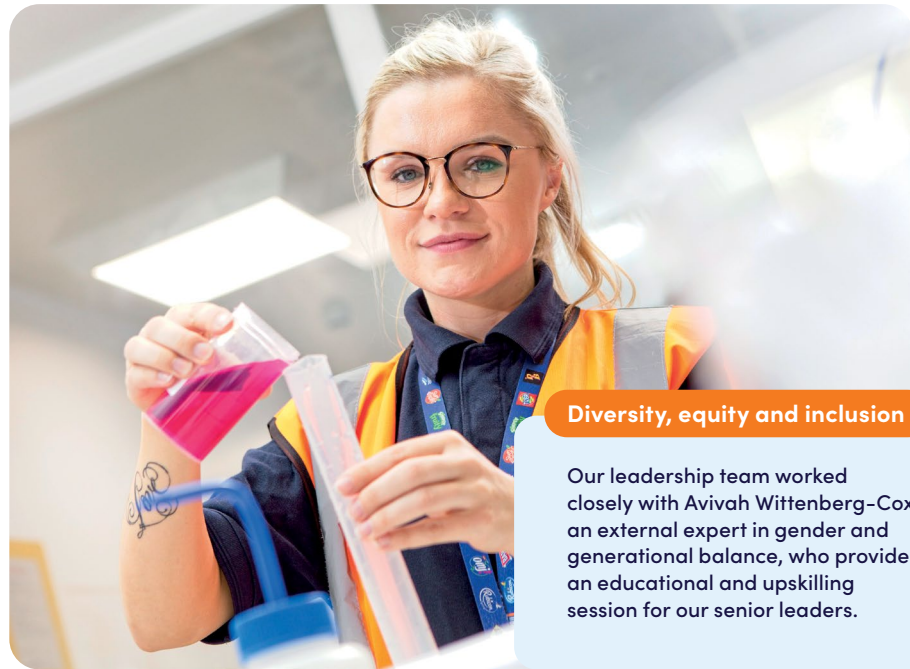
Our mean bonus pay gap is favourable to men, which is a result of the executive directors having significantly higher bonus potential, and both being male. The median bonus pay gap remains in favour of women, reflecting the higher representation of women at senior levels in the organisation.

% employees receiving a bonus payment



Our focus is on making diversity, equity and inclusion not a “separate thing to do” but to embed it into our day-to-day business. We are on a journey and are confident that our focus areas for the year ahead will support further positive progress.

The full Barr Soft Drinks Gender Pay Report is available on our website at www.agbarr.co.uk



Diversity, equity and inclusion

Our leadership team worked closely with Avivah Wittenberg-Cox, an external expert in gender and generational balance, who provided an educational and upskilling session for our senior leaders.

Reward

Our approach to reward aims to link remuneration with the delivery of our key strategic priorities and our overarching purpose, to build great brands for everyone – for our shareholders, consumers, customers and for society as a whole.

We strive to offer a fair and transparent total reward package that drives a performance-led culture and is linked to both the long-term sustainable success of the business and our values.

We target our pay close to the market median, ensuring we can attract and retain high-calibre employees. We operate a bonus scheme designed to reward and motivate strong individual and collective performance.

We offer employees a modern and flexible range of benefits, offering choice to our increasingly diverse workforce. Our flexible benefits scheme allows eligible employees to select the benefits most suitable to them personally, using an allocated monetary allowance. Healthcare features prominently, with a selection of health-related benefits made available either on a core benefit basis or within the suite of flexible benefits made available to employees.

We comply fully with all the regulations associated with rewarding our employees fairly and are a UK Real Living Wage accredited employer.

More information on how we ensure that our approach to remuneration supports our strategy is available in the Directors’ Remuneration Report.

Responsible policies and procedures

We have high expectations of our suppliers, our partners and ourselves. Across 150 years of operation, we have developed robust and responsible policies that guide what we do and how we work with others. The key policies, statements and guidelines we rely upon and that support our responsibility commitments are available on our Group website at www.agbarr.co.uk.

Risk and regulation awareness

We have a robust risk management framework in place that is embedded across the business. In addition to the Group corporate risk register, governed by the Board, business division and functional risk registers have been developed across our teams, allowing a wide range of employees at different levels to contribute to our risk assessment and assurance processes.

Our reputation is extremely important to us and it is the responsibility of every employee to act professionally, fairly and with integrity. This requires an understanding of the regulatory risks we face and how we can all play a part in mitigating these risks.

In support of this, we require employees to complete the following five mandatory training modules:

- Introduction to Risk
- Data Protection
- Competition, Pricing and Confidentiality
- Anti-Bribery and Corruption
- Anti-facilitation of tax evasion

Further details on our risk management actions can be found in our Annual Report.

COMMITMENT 2

We respect the environment



Safety in focus

Science-based targets explained

In 2015, 196 governments signed the Paris Agreement, which aims to keep average temperature increase to well below 2°C above pre-industrial levels. More explicitly, the agreement sets out to limit the temperature increase even further to 1.5°C.

The Science Based Target Initiative (SBTi) enables companies to demonstrate their leadership on climate action by publicly committing to science-based greenhouse gas (GHG) reduction targets. Science-based targets provide clearly defined pathways for companies to reduce GHG emissions. Targets are considered science-based if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement.

SBTi requires companies to focus initially on reducing their emissions from their direct GHG emissions (Scope 1), their indirect emissions, including the consumption of purchased electricity (Scope 2), and then on their wider indirect emissions (Scope 3).



We take our environmental responsibilities seriously, constantly seeking to minimise our impact on the world we operate in. We focus on energy, waste and water reduction, limiting the impact of our packaging as well as working towards our long-term carbon reduction targets.

We have been accredited to the Environmental Standard ISO 14001 since 2003. This certification provides a framework against which we have developed comprehensive environmental procedures and monitoring systems. These processes have allowed us to measure our environmental performance and focus our activities on delivering long-term improvements.

Carbon reduction

We have an important role to play in the transition to a low carbon and climate-resilient economy.

Aligned to the Science Based Target Initiative's (SBTi) Net-Zero Standard, we have SBTi approved near and long-term science-based emission reduction targets and an SBTi verified science-based net-zero target of 2050.

Our first full carbon footprint assessment took place in 2020/21 and this represents our baseline emissions year. We have built up data year-on-year since 2020/21, which has allowed us to assess our impact and track progress towards our long-term goals.

With continued support from the Carbon Trust we have now completed a full carbon footprint assessment for our 2023/24 financial year covering our Scope 1, 2 and 3 greenhouse gas emissions.

Following reporting best practice, during the year we recalculated our baseline emissions data and re-submitted our near and long-term net-zero targets to the SBTi for approval, along with new Forest, Land and Agriculture (FLAG) emission reduction targets and a new commitment to no deforestation from the end of 2025. The recalculated baseline will reflect the addition of the MOMA and Boost businesses to our Group, the latest emission factors and a change in methodology to include emissions from carbon dioxide lost in process in our Scope 1 emissions (previously Scope 3). We are also intending to change our baseline year from 2020 to 2023 for the following reasons:

- **Acquisitions:** following the acquisitions of MOMA and Boost in 2022, we have recalculated our emissions to produce the most accurate reflection of AG Barr's footprint at the Group level. This follows the operational control approach for our environmental reporting and ensures consistent target setting across the Group.
- **FLAG emissions:** we use certain natural materials in our products, from our ingredients to packaging, and we are monitoring and setting targets based on our Forest, Land, and Agriculture (FLAG) emissions. The earliest complete year of data we have for these emissions is 2023.
- **COVID-19:** as for many businesses, our previous 2020 baseline data was impacted by the COVID-19 pandemic and therefore unrepresentative of our typical emissions production. In order to fully understand the success of our net zero strategy going forward, we need to compare future emissions data to a representative start point.

A detailed breakdown of our 2023/24 greenhouse gas emissions is contained within the Metrics and Targets section of our TCFD and CFD disclosures on pages 15 to 22. These disclosures also contain our Streamlined Energy Carbon Reporting (SECR) report which sets out our Scope 1 and 2 data for the 2024/25 financial year.

The additions of MOMA and Boost to our Group in 2022 resulted in an increase in our total carbon footprint. However, our carbon emissions across our operations (Scope 1&2) for 2023/24 reduced by 25% compared to our baseline year (2020/21) despite the underlying business increasing sales volumes. The percentage decreases over time are included in our Non-Financial KPIs on page 3. We delivered a number of positive carbon reduction initiatives across the year, including plastic lightweighting and an increase in our overall use of recycled plastic across our packaging.

We remain fully committed to achieving our science-based targets. For our Scope 1 and 2 emissions we have a deliverable and realistic net-zero roadmap. This roadmap builds on the progress we have already made and extends into future initiatives, including moving to biogenic carbon dioxide, air source heat pumps and other degasification projects.

For our Scope 3 targets, including purchased goods and services as well as upstream and downstream transport and distribution, we are working closely with our key suppliers and partners to reduce emissions.

Our roadmap to net-zero sets out our progress and plans.

Carbon reduction

Renewable energy

We are procuring REGO backed renewable electricity across all our operational sites, reducing Scope 2 market-based emissions by 4,630 tCO₂e (98.77%) in comparison to location-based emissions.

In focus

Our 2023/24 greenhouse gas emissions

Scope 1

3%

Direct emissions from activities we control (6,888 tonnes)

Scope 2

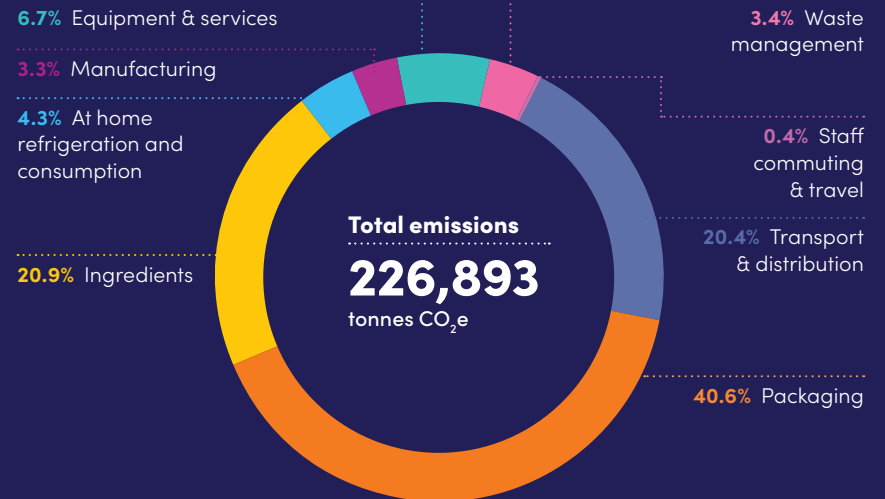
0.02%

Market-based. Indirect emissions from purchased energy (47 tonnes)

Scope 3

96.9%

All other emissions that occur in the value chain (219,959 tonnes)



The road to net-zero

Our ambitious commitments are being delivered through our **No Time To Waste** environmental sustainability programme, which brings together our net-zero, plastic and packaging, waste, water and sustainable sourcing workstreams. No Time To Waste is central to the achievement of our science-based targets.

Further information is available on pages 15 to 22 within our TCFD disclosures.

Packaging

We believe that packaging should be treated by all as a valuable resource and recycled, not discarded as litter or waste.

We continually seek to reduce the amount of packaging we use. Our **No Time To Waste** plastic and packaging workstream has established a clear strategy, with a long-term goal of 100% circular packaging. This means a future where we first reduce, then recycle and reuse our packaging in order to minimise waste. Last year, packaging constituted 40.6% of total emissions across our value chain, therefore reducing the environmental footprint of our packaging will be a critical part of our journey to reach net-zero.

Our packaging strategy is aligned with the commitments of the UK Plastics Pact, to which we became signatories in 2022. The Pact's targets include 100% of plastic packaging to be reusable, recyclable, or compostable, and all plastic packaging to average 30% recycled content (which currently sits at 26% across the UK market).

Along with FUNKIN, we now use packaging for all our MOMA products that can be fully recycled, and we use clear on-pack recycling messages to help ensure it is disposed of correctly. To facilitate recycling, we've extended our tethered caps to the majority of our soft drinks portfolio to ensure the whole pack – container and cap – can be recycled together.

Along with plastic, aluminium is a key packaging material across our product and this year we've achieved 62% recycled aluminium content, reducing our use of virgin aluminium by 100 tonnes compared to the previous year.

We're pleased to report that our multipack film wrap is made with 100% recycled plastic. Furthermore, the majority of our Barr Soft Drinks bottles have a minimum 30% recycled content, and 42% of the PET we used during the year was recycled (rPET), up from 37% in the previous year.

During the year, we moved to a minimum of 30% rPET content across the majority of our Barr Soft Drinks portfolio. However, the availability of high

quality, food grade recycled plastic has remained an ongoing issue across the food and drink industry, in the UK and beyond. Along with many other companies, we have had to reconsider our rPET commitments due to challenges around its quality and consistent availability, as well as the delay to Scotland's DRS, which was expected to give us access to greater volumes of higher quality rPET. We will review our levels of rPET content across all of our products once the UK's DRS scheme is introduced and improves access to higher quality rPET. Aligned to this, we remain fully supportive of the introduction of a UK DRS in late 2027.

We remain fully committed to achieving our net-zero science based carbon emission targets and moving to 100% circular or renewable packaging as and when new technology in non-fossil fuel based PET allows. However, we recognise that the transition may not be linear. We continue to work with our suppliers on sustainable alternatives to rPET.

Plastic and packaging

Lightweighting has also been crucial to our sustainable packaging strategy, and we've implemented technical changes in our production lines to remove 1g from each plastic bottle we use. Reducing the material in our packaging reduces our emissions and waste production.



OUR PROGRESS →

2020

- ESG Board Committee established
- Launch of No Time To Waste environmental sustainability programme
- Switch to 100% renewable electricity
- Introduction of 100% recycled packaging film on Barr Soft Drinks consumer multipacks

2021

- Completion of first full carbon footprint assessment
- 45% reduction in greenhouse gases since 2015
- Electric vehicle charging points installed at all main Company-owned sites
- Fully electric fork lift truck fleet
- Introduction of plant-based bio cartons

2022

- SBTi approved science-based targets and net-zero commitment
- Full compliance with TCFD
- FUNKIN glass bottle recycled content increased from 14.6% to 42.5%
- New signatory of UK Plastics Pact
- Successful trial of Hydrotreated Vegetable Oil (HVO) as fuel alternative to diesel

2023

- 20% of trucks fuelled by renewable bio-methane (Bio-CNG)
- Introduction of first cap attached plastic bottles
- Further packaging lightweighting
- 30% rPET introduced in all PET plastic bottles produced at our Milton Keynes site

← OUR PLANS

2030

- Reduce Scope 1 and 2 GHG emissions by 60%
- Reduce Scope 3 GHG emissions from purchased goods and services and upstream and downstream transport and distribution by 25%

2030-35

- Further degasification through heat pumps
- Supplier engagement and collaboration programme
- 100% circular or renewable packaging

2025-30

- Plastic and aluminium packaging lightweighting
- Increased use of recycled content and renewable materials
- Supplier engagement and collaboration programme
- Transition of remaining truck fleet to renewable fuel
- Reduce Company car fleet and move to electric vehicles

- Degasification at our main manufacturing sites through heat pumps
- Installation of lower energy intensive manufacturing equipment at our Cumbernauld site, including new PET and can filling lines
- Reduction of CO₂ as a manufacturing processing aid, process improvements in manufacturing, and transition to biogenic CO₂ sources
- Key suppliers transition to green electricity

2024

- 100% recycled plastic film on all multipacks
- Set Forest, Land and Agriculture emissions reduction targets for validation by the SBTi
- Set updated science-based targets for validation by the SBTi
- Aluminium recycled content increased to 62%
- MOMA moved to fully recyclable packaging
- Procuring REGO backed renewable electricity across all our operational sites

2035

- Become net-zero across our own operations

2035-50

- Further use of recycled content and renewable materials
- Logistics partners move away from diesel
- Suppliers and logistics partners deliver on their net-zero commitments

A NET-ZERO FUTURE →

2050

Become net-zero across our full value chain



Water and waste

As a multi-beverage business, water is a key ingredient, as well as a necessary resource we rely upon across our operations. Water scarcity is an increasing concern both in the UK and across our international supply chain, and we continue to monitor and map the risk of water restrictions along our value chain.

We are pleased to report further improvements in our water usage efficiency. We used 781,109,500 litres of freshwater in production, meaning we exceeded our water efficiency target for 2025 with a ratio of 1.72 litres of freshwater used for every litre of product we produce. This represents a 12.2% improvement in efficiency compared to our 2020/21 baseline, due in part to a number of initiatives across our manufacturing sites. More information can be found in our non-financial KPI section on page 3. We've also implemented a reduction in process water usage for rinses at our Cumbernauld site, which has the potential to save c.15 million litres of water per year and, through our water utilisation programme at Milton Keynes, we aim to implement these learnings across our operations.

As part of our sustainable sourcing strategy we also know that the most significant water use in our value chain is in agriculture. The crops that we rely upon for many of our products, such as mangos, are grown in hot, potentially water-stressed areas, and we are working in partnership with our global suppliers through our Supplier Code of Conduct to ensure adherence to environmentally responsible practices, including water stewardship.

For the fifth consecutive year, we're pleased to announce that 100% of our non-hazardous waste was diverted from landfill. Our objective is to maintain this performance on a permanent basis, as we aim to improve our waste management

through initiatives such as waste auditing and packaging return and reuse.

We are also targeting waste reduction across our own operational sites. Our Brilliance in the Making continuous improvement manufacturing programme operates across our production sites and identifies and delivers initiatives that generate efficiency, waste and water improvements. The programme demonstrates the benefit of efficiency improvements for both our operations and in reducing our environmental impact. During the year we reduced our total solid waste to 3.0kg waste produced per 1,000 litres of product produced, exceeding our 2024/25 target. Our Environmental Representatives across our production sites are crucial for implementing our Group-wide waste and water strategies throughout the organisation, and are encouraged to flag resource and process inefficiencies if they occur.

We are aware of the energy and emissions required in recycling and processing waste and have sought to simplify this process where possible, and have partnered with a number of businesses to reuse the cardboard packaging for our raw materials.

Sustainable sourcing

As climate change and a rising population put pressure on our limited natural resources, it is important for all our raw materials to be sourced sustainably and used effectively.

As one of our **No Time To Waste** workstreams, sustainable sourcing is key to ensuring our high-quality ingredients and materials are sourced and manufactured in a fair, ethical and environmentally responsible way.

Our Supplier Code of Conduct sets out the key supplier principles we work to and the minimum standards we require our suppliers to meet, which form part of their contractual commitments to us.

Water and waste

Our Milton Keynes site has begun the latest project to optimise our water usage, with workstreams focussed on rinse reductions and Clean In Place (CIP) optimisation. Beyond technological changes, this project will also involve employee training to improve maintenance and metering, allowing us to more thoroughly monitor our water and waste production.



This Code is fundamental to ensuring we work with suppliers who uphold the highest standards with respect to human rights, conditions of employment and who actively reduce their environmental footprint. We ensure our critical suppliers have embedded sustainable and ethical practices in their organisations, and that they are committed to maintaining these principles within their own supply chains.

Our key suppliers must acknowledge their compliance on an annual basis through our stringent supplier approval process, which uses questionnaires and audits to confirm adherence to our standards across a broad range of requirements. For many years we have used the Supplier Ethical Data Exchange (Sedex) platform, a not-for-profit global membership organisation dedicated to driving improvements in ethical and responsible business practices. We also use the Sedex Supplier Approval Questionnaire as an important secondary validation step which allows independent benchmarking of suppliers on a consistent measurable basis.

The output from these questionnaires also allows us to collaborate and engage with our suppliers to set objectives and action plans to deliver sustainable and continuous improvements. This includes active and ongoing dialogue with our

key suppliers related to their carbon reduction plans – their actions support the delivery of our Scope 3 science-based targets, and ultimately our net-zero ambition. We monitor the proportion of our key packaging and ingredients suppliers with Science Based Targets in place, and will expand this process to include other environmental metrics into our supplier evaluation as data becomes available.

We will implement a no deforestation commitment and policy with effect from the end of December 2025. This covers our primary deforestation – linked commodities such as cocoa, coffee, sugar and palm oil, and details the traceability of information and monitoring procedures we will implement to ensure no deforestation occurs along our supply chain.

Materiality and stakeholder engagement

We regularly engage with internal and external stakeholders to ensure that our responsibility agenda addresses the material issues.

Governance

Our responsibility agenda is integrated into our strategic, financial and business planning, as well as our risk management processes, with ultimate accountability sitting with the Board.

Our Executive teams are responsible for the delivery and execution of our responsibility actions and programmes, supported where appropriate by sub-committees and functional or project teams. Further information on the governance of our climate-related risks and opportunities is detailed in our TCFD and CFD disclosures, as follows.

Independent assurance

We have continued to work with third party assurers, the Carbon Trust. Over the past 12 months, they have completed a review and verification of our Group operations for Scope 1, 2 and 3 emissions for the year ended January 2024 against the 14064-3 standard.

Scope 1 and 2 verification for the year ended January 2025 is underway.

Having developed the world’s first certification for organisational CO₂e Reduction Standard and product carbon footprints, the Carbon Trust is a leading carbon footprint certification body.

ESG-related corporate ratings

During 2024, we received a Silver Medal classification from EcoVadis, placing us in the top 15% of companies reporting through the platform. We understand that our customers have their own Scope 3 emissions targets and supplier engagement goals, so we endeavour to meet those requirements by completing additional external reporting through organisations such as EcoVadis and Manufacture 2030.

We have also maintained our ‘AA’ rating from MSCI, through an assessment that includes corporate governance and behaviour, along with industry-specific ESG-related risks. This classifies us as ‘leaders’, sitting in the top 15% of our reporting peers.

We have a Climate Disclosure Project (CDP) B classification.

[Further information on our corporate governance framework can be found on pages 68 to 80 in our Annual Report.](#) →



TCFD and CFD disclosure

The Task Force on Climate-related Financial Disclosures (TCFD) and the Climate-related Financial Disclosure (CFD) requirements both provide a framework for companies to report the potential financial impacts from climate change on their business. They also require reporting of the progress made by the organisation against the targets set to mitigate climate-related risks and to reduce its impact on the environment.

These frameworks are designed to help investors and wider stakeholders understand how businesses are managing climate-related financial risks, across four key areas:

Governance – setting out the respective roles of the Board and management team in managing risks and opportunities.

Strategy – identifying risks and opportunities over different time horizons and explaining how these impact strategic and financial planning.

Risk Management – having processes in place for managing identified risks and including these within the overall risk management framework.

Metrics and Targets – explaining how both climate change impact and exposure to risks are measured, setting targets and tracking ongoing progress.

Using this framework we set out our full disclosures below.

Governance

Board of Directors

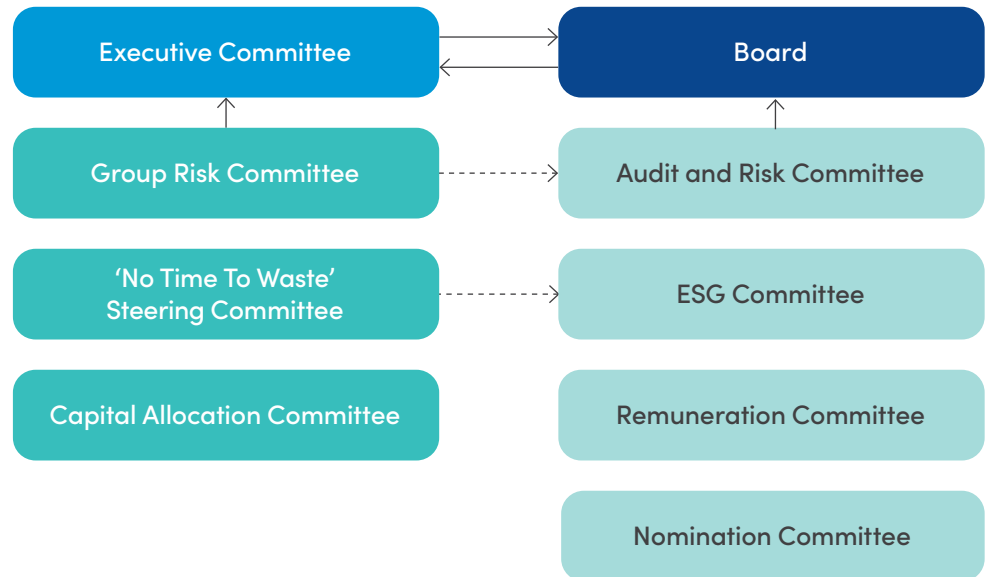
The AG Barr Board has accountability for the oversight of climate-related risks and opportunities impacting the Group.

The Board of Directors considers climate-related risks and opportunities when reviewing and agreeing the Company strategy, agreeing future objectives, budgets and KPIs, setting policies and when considering potential M&A activity.

The Board carries out a full review of the Group corporate risk register and principal risks, including those related to climate change, twice a year. In addition, the Board regularly discusses climate-related issues across a variety of Board meeting agenda items. These include matters arising from its sub-committees, particularly from the Environmental, Social and Governance (ESG) Committee, as well as from general business updates, where climate-related issues

will often be integral. Examples during the year include discussions on science-based targets, our net-zero roadmap, as well as the approval of our strategic capital investment programme, incorporating projects which will contribute to greenhouse gas emission reduction. During the year, the Board received ESG training from an independent third party adviser.

A structured process for identifying and quantifying emerging risks and opportunities across the Group, similar to our risk management approach, provides a framework to support broader thinking on new and emerging areas, including those related to climate change. With input from all of our Executive teams, this plays an important role in the Board’s strategic planning process. The Board completed a robust assessment of the Group’s emerging risks, including those related to climate change, during the year.



Corporate climate-related targets, set by the Executive teams and ratified by the ESG Committee, are monitored by the Board on a regular basis.

The Board, in turn, delegates some elements of its responsibility to its various sub-committees, as set out below:

- The **Audit and Risk Committee** has the delegated responsibility to monitor our internal financial controls as well as our internal control and risk management systems. Its risk management oversight includes the review of our Group corporate risk register and principal risks, including those related to climate change, at least twice per year.
- The **Environmental, Social and Governance Committee** assists the Board in fulfilling its oversight responsibilities with respect to the Company's management of all relevant ESG matters. The ESG Committee has delegated responsibility for approving the Company's environmental sustainability strategy and reporting back to the Board. It meets four times a year as a minimum. The ESG Committee owns, and is responsible for monitoring and updating, our material risks and opportunities related to climate change. A full review was undertaken during the year against three climate scenarios. See the Strategy section for the output.
- The **Remuneration Committee** is responsible for determining our remuneration policy, including how climate-related factors are taken into consideration and reflected in reward. Executive directors' long-term incentive plan awards, by way of illustration, include an environmental sustainability performance measure. Further information is available in our Directors' Remuneration Report.
- The **Nomination Committee** is responsible for Board appointments and succession planning.

Business Divisions

Our Executive teams across our business divisions are responsible for managing the climate-related risks and opportunities faced by our Group on both a long-term strategic basis and day to day. Our strategic planning process considers both the risks and opportunities arising from climate change and a specific process related to emerging risks and opportunities. The Executive teams are supported across a number of areas as set out below:

- Our **Group Risk Committee** ensures that a strong framework is in place to manage operational risks effectively, including those associated with climate change. The Committee oversees our principal risks and uncertainties, and reviews the effectiveness of risk management and compliance systems in managing those risks. The aim of the Committee is to ensure that employees understand the importance of good risk management, that a supportive risk management culture is embedded across the Group and that risk management processes are clearly deployed.
- The **No Time To Waste Steering Group**, chaired by the Chief Executive Officer, governs our Group-wide environmental sustainability programme. The **No Time To Waste** Steering Group has overall responsibility for setting the Group's environmental sustainability strategy, for achieving the Company's climate change objectives, and for monitoring and managing risks and opportunities related to climate change. In the following year, this Steering Group will be expanded to become an ESG Steering Committee, reporting to the ESG Committee. The **No Time To Waste** programme encompasses five key workstreams associated with reducing the effects of climate change, with a risk register in place across the programme. The risks identified, along with opportunities arising from the climate change agenda, are reviewed on a monthly basis.

- Our **Executive Committee** is responsible for identifying and managing emerging risks and opportunities at an AG Barr Group level. This committee conducts an annual review prior to making recommendations to the Board, the output from which forms part of our Board's annual Strategy Review.
- Our **Capital Allocation Committee** is responsible for ensuring the best use of our capital resources in line with our strategy and plans. This includes the review and approval of capital expenditure programmes related to environmental sustainability, taking into account the risks and opportunities in investment decisions.

Strategy

Our Board has ultimate responsibility for agreeing our business strategy, taking into account, and reflecting where appropriate, the risks and opportunities associated with climate change. As detailed above, the Board's strategic thinking and decision making is supported and informed by our Executive teams and by a number of Board sub-committees.

As detailed in the Metrics and Targets section that follows, our key climate related objective, borne out of our strategy, relates to our achievement of our science-based targets and our ultimate net-zero commitment. Our associated net-zero road map is set out on page 13.

Our strategic timeframes are as follows:

- Short-term: 0 to 1 year
- Medium-term: 1 to 5 years
- Long-term: 5+ years

These timeframes have been selected to align with our annual budgeting process, our internal integrated planning process (3 to 5 years) and our longer term thinking on emerging risks and opportunities.

The opportunities, as well as physical and transition risks considered material to our Group, are detailed below, along with our strategic responses. A full review was undertaken during the year against three climate scenarios, with the resilience of our strategy specifically tested against scenarios where global temperatures rise by more than 2°C (RCP 4.5).

Our methodology for defining material financial and strategic impacts on our business is aligned with our risk management approach, detailed in the Risk Management section that follows. Gross risk impacts that fall in the categories of 'moderate', 'major' or 'critical' would be deemed to be material:

Physical risks

Associated with increased severity of extreme weather events such as cyclones and floods (acute), and associated with changes in precipitation patterns and extreme variability in weather patterns, rising mean temperatures and rising sea levels (chronic).

Risk Type & Description	Timeframe	Potential financial impact
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Chronic risk

The risk that long-term climate change impacts the future availability, quality and cost of the natural ingredients required to manufacture our products, such as sugar, fruit and water.

Long-term



Strategic response:

We have dedicated Sustainable Sourcing and Water workstreams within our No Time To Waste environmental sustainability programme with ambitious strategies in these areas. By way of illustration of action taken related to fruit availability, we have developed a network of suppliers who can supply materials from different origins and have set up a programme to approve products from different geographical sources, such as passion fruit from Vietnam, in addition to our existing supply from Ecuador, thus reducing the risk of supply issues and ultimately protecting availability.

We have developed a raw material origin tracker which allows us to see beyond our direct suppliers and understand specific geographic locations of raw material processors. By reviewing this data we can better understand the mitigating actions we can take and spread our raw material sourcing across broader geographical areas.

As a core ingredient, we have three approved mango suppliers who source from two distinct districts in India to provide us with diverse sources of the fruit. We are also engaging with suppliers to establish alternative sources from other countries, such as Bangladesh, to mitigate against poor crop yields.

Engagement has now commenced with the Sustainable Agricultural Initiative to support us in working with our suppliers to help mitigate and manage longer-term climate change impacts.

Our well communicated sugar reduction programme also provides mitigation against some of the risks associated with sugar availability. With a portfolio now less reliant on sugar we have reduced our exposure to potential longer-term sugar sourcing issues.

Acute risk

The risk that an extreme weather event impacts the crop or yield of a natural ingredient used within our products or that an extreme weather event causes supply chain, transport or customer service disruption – such as a flood at one of our strategic supplier locations, resulting in a lack of supply for some key materials and loss of sales. The greatest risks to our business operations in terms of extreme weather events are likely to be severe winter weather affecting our ability to service customers, or an extreme weather event at a key supplier, e.g. flooding. Severe storms could also affect harvests, transport and/or logistics. Logistical challenges could lead to an immediate, but likely short-term, impact on sales while any harvest impact could lead to reduced supply and higher raw material prices.

Long-term



Strategic response:

In addition to broadening our supplier base to mitigate key supplier risk we ensure that we retain appropriate levels of inbound raw material stock and outbound finished stocks. We also discuss with suppliers their disaster mitigation recovery plans.

We have a fully researched suite of contingency recipes using alternative ingredients where appropriate should short-term weather events impact raw material availability.




Workstreams have been established at our Milton Keynes site to improve water usage efficiency and explore production changes to pre-empt water restrictions.

Potential financial impact movement:





Transition risks

Associated with changes to policy and legislation, technology, the market and reputation.

Risk Type & Description	Timeframe	Potential financial impact
<p>Policy and legal risk The risk of higher costs as a consequence of planned/potential regulation such as a carbon tax or a waste incineration tax.</p> <p>The IEA Net-Zero Emissions by 2050 climate scenario identifies a potential need to introduce carbon pricing for all industries in developed countries starting from \$140 per tonne CO₂e in 2030, rising to \$205 per tonne CO₂e in 2040.</p> <p>Strategic response: We have approved science-based targets that will see us becoming net-zero across our own operations by 2035 and across our full supply chain by 2050, if not sooner. We have already begun our decarbonisation journey in areas such as moving to 100% renewable electricity and 100% electric forklift trucks.</p> <p>We are also focused on reducing, reusing and recycling across our packaging. We're expanding our use of fully recyclable packaging. We now have 100% recycled plastic film across consumer multipacks and a minimum of 30% rPET across our Barr Soft Drinks portfolio. Discussions are also underway with our glass bottle and aluminium can suppliers on how we can work together to increase recycled content in the products they provide. We are reducing packaging where possible, such as a reduction in the weight of our factories' outer stretch wrap. Our long-term objective is to move to 100% circular or renewable packaging across our entire portfolio.</p> <p>In addition, we are positive supporters of the implementation of the Deposit Return Scheme (DRS) in the UK, which will help to mitigate Extended Producer Responsibility ('EPR') costs for the business – the latest government proposals in this area have confirmed that containers subject to DRS will be out of scope of EPR.</p>	Medium-term	
<p>Market and technology risk The risk that energy and other related costs rise as industry transitions to new sustainable business models e.g. renewable electricity, packaging material supply, bio fuel etc, and/or national targets for grid decarbonation are not achieved. This could result in increased costs to the business as our supply base passes these increases through and impact the reduction of our purchased electricity emissions (Scope 2) in line with our net-zero targets.</p> <p>Strategic response: Volatile input costs, particularly energy related, are mitigated where possible by timely procurement and long-term contract management, such as our long-term renewable electricity agreement. We monitor market conditions carefully and ensure that decision-making takes into account external trends and economic forecasts, ensuring availability can meet our supply needs at an acceptable cost.</p>	Medium-term	
<p>Market risk The risk that consumer or customer behaviours change in relation to single-use packaging or as a result of regulatory changes designed to reduce the impact of climate change, such as DRS, resulting in a reduction in demand for our products or consumers switching to brands perceived as more sustainable.</p> <p>Strategic response: We are positive supporters of the implementation of an interoperable UK-wide DRS scheme. By incentivising consumers to return their drinks containers, DRS will set drinks packaging apart, as drinks containers will become part of a truly circular economy.</p> <p>The delivery of our net-zero roadmap, and specifically our drive to reduce, reuse and recycle across our packaging, are key to improving our environmental credentials and further building trust with consumers.</p>	Medium-term	

Opportunities

Associated with resource efficiency, energy sources, products and services, markets and resilience.

Opportunity Description & Type	Timeframe	Potential financial impact
<p>Energy source opportunity Use of lower-emission energy sources, such as photovoltaic panels and heat pumps for the generation of electricity, heat and steam, leading to a reduction in greenhouse gas emissions.</p> <p>Strategic response: These initiatives present a significant opportunity to reduce our Scope 1 (by the reduction of gas consumption from heat pumps) and Scope 2 (from on-site electricity generation from photovoltaic panels) emissions, thereby mitigating the on-cost associated with the potential introduction of carbon pricing while also potentially delivering utility cost reductions.</p>	Medium-term	
<p>Market opportunity The opportunity that consumer behaviours change, with consumption patterns shifting towards products perceived to be more environmentally friendly, resulting in sales opportunities. More environmentally conscious consumer behaviours could include supporting companies who have clear plans to achieve net-zero or who are actively engaged in DRS schemes. It could also extend to the favouring of domestic produced products. This opportunity could also lead to the attraction of new talent to our workforce.</p> <p>Strategic response: Communication with our customers and consumers is key to ensuring our environmental sustainability plans and progress are well understood. We provide regular updates to our customers via our sales teams and we are increasingly communicating directly with consumers, both on pack and through traditional and social media channels. The acquisition of the MOMA business illustrates how sustainability factors are now integrated into business and corporate development decision-making. The MOMA brand champions UK oats and British farming and, as a dairy milk alternative, oat milk is one of the most sustainable options.</p>	Long-term	

We believe that our strategic actions are currently providing an acceptable degree of long-term resilience, taking into consideration different climate-related scenarios.

Risk management Identifying risks

Each department or function in the Company has its own risk register that is reviewed on a regular basis. Climate-related risks, including those associated with existing and emerging regulatory requirements, are identified and assessed alongside other business risks during

the departmental reviews. Departmental risk registers feed into the Group corporate risk register, which is reviewed by our Group Risk Committee every two months.

The Executive Committee, as already detailed in the Governance section, is responsible for the Group's emerging risks and opportunities register, with a longer-term horizon than that considered by the departmental units.

The ESG Committee owns, and is responsible for monitoring and updating, our material risks

and opportunities related to climate change. The ESG Committee is supported by a cross-functional group of senior executives who help input into this process both in terms of risk identification and assessment aligned to varying climate scenarios. A full review was undertaken during the year against three climate scenarios. The three scenarios were used in order to represent best-case, intermediate and worst-case situations against which to consider impacts and likelihoods.

**Best-case climate scenario
IEA Net-Zero Emissions (NZE) by 2050
aligned to 1.5 °C pathway**

Scenario narrative & context

Under this scenario, the global energy sector reaches net-zero emissions of CO₂ by 2050 by deploying a wide portfolio of clean energy technologies and without offsets from land-use measures. It also depends on a high degree of fair and effective global co-operation and collaboration. All countries are required to contribute to deliver the desired outcomes.

This scenario assumes that all regions introduce pricing of CO₂ emissions alongside other policies designed to bring about clean energy transitions in the NZE Scenario. For advanced economies the assumed carbon price by 2030 is \$140 per tonne of CO₂.

**Intermediate climate scenario
IPCC RCP 4.5 pathway**

Scenario narrative & context

Emissions start declining by approximately 2045 to reach roughly half of the levels of 2050 by 2100.

Global temperatures rise between 2°C and 3°C, by 2100, sea levels rise and many plant and animal species are unable to adapt.

**Worst case climate scenario
IPCC RCP 8.5/SSP5**

Scenario narrative & context

Limited efforts are made by governments and businesses to reduce greenhouse gas emissions, leading to temperature rises of 4°C above pre-industrial levels by 2100.

In this scenario, the emphasis turns to protecting the population and operational assets from the catastrophic impact of the changing climate as opposed to reducing the emissions themselves.

We chose this scenario to assess the potential physical risks on our business and supply chain, as it is supported with long-term data ranges on temperature, precipitation and rise in sea-levels. The data from the scenario extends to 2100 and allows us to take long-term views on risks, considering the impact of market change in the locations of our own assets and at the origin of our key materials.

Assessing risks

Our Group corporate risk register guidelines provide the framework for defining financial and strategic impacts on our business. This framework applies equally to climate-related risks and categorises five levels of risk impact: 'insignificant', 'minor', 'moderate', 'major' and 'critical'.

The Group corporate risk register guidelines also include definitions for the likelihood of the risks, including: 'rare', 'unlikely', 'possible', 'likely' and 'almost certain'.

Different parameters are taken into account when assessing the potential impact of a risk, including financial, environmental and other aspects such as health and safety and corporate reputation. Each risk is given a risk rating before and after mitigating actions.

Gross risk impacts that fall in the categories of 'moderate', 'major' or 'critical' would be deemed to be material.

From a financial perspective, a 'moderate' impact is defined as impacting financial turnover or profit by between 3% and 10%, a 'major' impact is defined as impacting financial turnover or profit by more than 10% and less than 25%. A financial impact of 25% or more on turnover or profit would be deemed 'critical'.

Managing risks

The resolution of moderate impacts requires the input from our Executive teams. The resolution of major and critical impacts requires the input from the Board and/or its sub-committees.

The Group Risk Committee reports back to the Audit and Risk Committee, attended by Board Directors. Similarly, the ESG Committee reports to the Board on the material climate-related risks identified.

Mitigating actions are developed for each risk and their effectiveness is reviewed on an ongoing basis. New actions are triggered in order to further reduce the net score of each risk, especially for any risks that sit outside of the Board risk appetite. Functional risk registers are reviewed in depth by the Group Risk Committee according to an annual schedule to ensure that risks are well represented and that actions are taken to reduce the level of risk for the business.

Metrics & targets

The mitigating actions for our key climate-related risks, identified through our ESG Committee and our multi-functional and business-wide risk management process, are being managed primarily through our **No Time To Waste** environmental sustainability programme. This programme has identified a number of long-term climate-related goals, with the key deliverables being the achievement of our science-based targets and the ultimate delivery of our net-zero by 2050 commitment. Other climate-related targets and KPIs, including those related to packaging, waste and water, are detailed within our long-term goals and non-financial key performance indicators on pages 2 to 3.

Our metrics and targets focus primarily on the reduction of Scope 1, 2 and 3 greenhouse gas emissions, identified as a cross-industry, climate-related metric category.

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Environmental targets form part of the business metrics assessed during the year and where appropriate are linked to individual reward. The Long Term Incentive Plan (LTIP) for Executive Directors includes a measure aligned to environmental sustainability.

Our SBTi approved science-based carbon reduction targets are in line with the latest climate science recommendations necessary to meet the goals of the Paris Agreement and limit the temperature increase to 1.5°C above pre-industrial levels. These targets are detailed below and set out our commitment to be net-zero

across our own operations by 2035 and across our wider supply chain by 2050, if not sooner.

As referred to above, during the year we recalculated our baseline emissions data and re-submitted our near and long-term net-zero targets to the SBTi for approval, along with new

Forest, Land and Agriculture (FLAG) emission reduction targets and a new commitment to no deforestation from the end of 2025. If these new targets are approved by the SBTi, they will be disclosed in next year's Responsible Business Report.

Our science-based targets

Overall Net-Zero target

We commit to reach net-zero greenhouse gas (GHG) emissions across the value chain by FY2050 from a FY2020 base year.

Near-term targets

We commit to reduce absolute Scope 1 and 2 GHG emissions by 60% by FY2030 from a FY2020 base year. We also commit to reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transport and distribution and downstream transport and distribution by 25% within the same timeframe.

Long-term targets

We commit to reduce absolute Scope 1 and 2 GHG emissions by 90% by FY2035 from a FY2020 base year.

We also commit to reduce Scope 3 GHG emissions from purchased goods and services, upstream transport and distribution and downstream transport and distribution by 90% by FY2050 from a FY2020 base year.



Notes: FY2020 refers to AG Barr financial year 2020/21 ended in January 2021. The same convention applies to FY2030, FY2035 and FY2050.

Our 2023/24 greenhouse gas emissions

	Emissions (tCO ₂ e)			
	2020/21	2021/22	2022/23	2023/24
Total Scope 1	7,375	3,848	4,364	6,888
Total Scope 2 – market based	1,904	1,036	180	47
Scope 3				
Category 1a – Purchased goods and services (product-related)	106,392	86,767	117,809	139,375
Category 1b – Purchased goods and services (non-product related)	7,660	11,877	5,276	6,597
Category 2 – Capital goods	1,776	3,311	8,623	8,676
Category 3 – Fuel and energy related activities	2,155	2,158	2,476	2,149
Category 4 – Upstream transportation and distribution	26,429	30,616	24,493	26,410
Category 5 – Waste generated in operations	128	117	190	117
Category 6 – Business travel	363	85	428	506
Category 7 – Employee commuting	448	223	412	444
Category 8 – Upstream leased assets	–	–	–	–
Category 9 – Downstream transportation and distribution	16,367	18,254	18,888	17,998
Category 10 – Processing of sold products	2	348	128	194
Category 11a – Use of sold products (direct)	2,943	–	5,009	5,890
Category 11b – Use of sold products (indirect)	3,055	2,016	3,393	3,867
Category 12 – End-of-life treatment of sold products	5,697	4,236	6,499	7,663
Category 13 – Downstream leased assets	–	–	–	–
Category 14 – Franchises	36	–	–	–
Category 15 – Investments	82	99	108	72
Total Scope 3	173,533	160,107	193,733	219,959
Total Scope 1, 2 & 3	182,812	164,991	198,276	226,893

Note: Emissions for 2020/21 and 2023/24 have been recalculated to take account of a change in methodology to include emissions from carbon dioxide lost in process in Scope 1 (formerly Scope 3). Emissions for 2022/23 have been recalculated to include a full year's emissions for the Boost business. Scope 1 & 2 data for 2021/22 and 2022/23 has been omitted from the non-financial KPI on emissions reduction (page 3, as the methodology and operations covered do not align with the other years and therefore the data is not comparable).

Our total 2023/24 emissions increased year-on-year by 14.4%. The main driver of this was our Scope 3 emissions, which increased primarily as a result of increased production volumes which have accompanied our strong growth performance for the year. Increases in the emission factors used to calculate our Scope 3 data are another cause of this overall increase. As we look to implement our ambitious growth plan in the years ahead, it will be vital to decouple our emissions from the increases in production which will be required to deliver our strategy. Initially, this requires us to continue improving our energy and resource use efficiency, along with our supplier engagement strategy to ensure strategic suppliers implement net-zero targets and reduce emissions along our value chain. Our packaging strategy to lightweight and increase the recycled content of our materials will be required to achieve our overarching goal of reducing absolute emissions.

We have now recalculated our SBTi approved science-based targets and our baseline 2020/21 data to fully include the emissions increase from our acquisitions of MOMA and Boost and the methodology change referred to above. This will allow us to track and report on future progress against our science-based targets, using accurate comparators and ensuring our data and our goals are representative of our enlarged Group.

Our combined Scope 1 and 2 emissions for 2024/25 reduced by 43% compared to the baseline year, as a result of a number of positive actions which reflect the progress made against our net-zero commitment. These are detailed in the SECR section that follows, and further information can be found within our carbon reduction section and net-zero roadmap on page 13.

While our full carbon footprint assessments run a year in arrears due to calculation and validation requirements, our Scope 1 and 2 emissions data is available for the 2024/25 financial year in the SECR section.

TCFD and CFD Compliance Statement

We have complied with the requirements of Listing Rule 6.6.6R(8) by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures. The climate-related financial disclosures made comply with the requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Scope 3 emissions are disclosed a year in arrears due to calculation and validation requirements.

Streamlined Energy and Carbon Reporting (SECR)

We are reporting against the SECR framework for the fifth year, for the period 29 January 2024 to 25 January 2025. We report as a quoted Company and confirm that all the minimum requirements have been addressed and are presented here. All global energy and emissions reported relate to UK operations – there are no non-UK energy and emissions.

Our total energy consumption for 2024/25 was 43,053,114 kWh. This includes the Company's electricity and natural gas usage for our production, distribution and office buildings as well as transport fuels for logistics vehicles and Company cars. This compares to a figure of 44,446,210 kWh in 2023/24.

Under a location-based approach the total global Scope 1 and 2 carbon emissions associated with our reported energy use and fugitive emissions from refrigerant leaks and carbonation losses for 2024/25 were 9,896.49 tCO₂e, as summarised in the table below:

Carbon emissions (Location-based) ¹	2024/25	2023/24 verified footprint
Scope 1 emissions – (tCO ₂ e)	5,208.85	6,888.11 ²
Scope 2 emissions – purchased electricity (tCO ₂ e)	4,687.64	4,798.94
Scope 2 emissions – purchased steam (tCO ₂ e)	–	–
Total Scope 1 & 2 emissions (tCO₂e)	9,896.49	11,687.05

- ¹ The location-based approach applies US grid average carbon emission factors to all Scope 2 purchased electricity.
- ² The 2023/24 footprint underwent 3rd party verification after the publication of the 2023/24 annual report leading to an adjustment in Scope 1 emissions previously stated at 6,897.47 tCO₂e. Biogenic emissions from HVO and Biomethane combustion in vehicles and sourcing of a proportion of CO₂ for carbonation from biogenic sources led to out-of-scope emissions of 493.83 tCO₂e.

Under a market-based approach the total global Scope 1 and 2 carbon emissions associated with our reported energy use and fugitive emissions from refrigerant leaks for 2024/25 were 5,266.34 tCO₂e, compared to 6,934.65 tCO₂e in 2023/24, as summarised in the table below:

Carbon emissions (Market-based) ¹	2024/25	2023/24 verified footprint
Scope 1 emissions – (tCO ₂ e)	5,208.85	6,888.11 ²
Scope 2 emissions – purchased electricity (tCO ₂ e)	57.49	46.54
Scope 2 emissions – purchased steam (tCO ₂ e)	–	–
Total Scope 1 & 2 emissions (tCO₂e)	5,266.34	6,934.65

- ¹ The market-based approach accounts for zero carbon renewable electricity purchase (backed by REGOs) at all AG Barr's facilities, excluding the FUNKIN, Middlebrook, Boost & MOMA leased sites.
- ² The 2023/24 footprint underwent 3rd party verification after the publication of the 2023/24 annual report leading to an adjustment in Scope 1 emissions previously stated as 6,897.47 tCO₂e. Biogenic emissions from HVO and Biomethane combustion in vehicles and sourcing of a proportion of CO₂ for carbonation from biogenic sources led to out-of-scope emissions of 493.83 tCO₂e.

Methodology

The methodology used is the WBCSD/WRI Greenhouse Gas Protocol – a corporate accounting standard revised edition in conjunction with UK Government environmental reporting guidelines including SECR guidance. The organisational boundary is A.G. BARR p.l.c.'s global operations. An operational control approach has been taken. We have used the UK Government greenhouse gas conversion factors for Company reporting 2024. Scope 2 emissions from purchased electricity have been measured using a location-based approach.

Intensity ratio

For 2024/25 location-based emissions, our emissions intensity, measured as the total Scope 1 and 2 emissions relative to the thousand litres of product produced is 21.73kgCO₂e per thousand litres of product produced. This compares to 25.63kgCO₂e per thousand litres of product produced for 2023/24, as detailed in last year's Annual Report. The decrease is due to energy efficiency improvement actions undertaken during the year – see further details below.

Energy efficiency actions

1. We are procuring REGO backed renewable electricity across all our operational sites, reducing Scope 2 market-based emissions by 4,630 tCO₂e (98.77%) in comparison to location-based emissions.
2. We have procured 17.76% of our CO₂ gas for carbonation from biogenic sources, leading to a 891.00 tCO₂e reduction in Scope 1 emissions.
3. We ran 12 compressed natural gas (CNG) trucks on biomethane to replace diesel. This reduced emissions by 113.99 tCO₂e in 2024.
4. The trucks at our Moston depot ran on Hydrotreated Vegetable Oil instead of diesel, contributing to an estimated reduction of 43.96 tCO₂e.
5. We have installed two new PET lines at our Cumbernauld manufacturing site. The ovens of the new lines consume c.11% less power than the previous lines. High pressure air consumption is 20% less than on the previous line. This results in an estimated annual saving of 390,000 kWh.
6. We have installed a new compressor at our Cumbernauld factory. This has been designed to run more efficiently and to save an estimated 71,250 kWh per annum.
7. We have continued to roll out our Brilliance in the Making continuous improvement programme across our manufacturing sites. Through this programme, we are investing heavily in the training of our staff on better problem solving and teamworking skills. This programme improves energy efficiency through reduction in changeover times, improvements in line reliability and the reduction of waste.

COMMITMENT 3

We support healthy living



Calorie reduction

Our job has always been, and continues to be, about understanding consumers and their changing tastes and preferences, and providing them with great products and choice.

In response to our consumers' changing needs and their desire to reduce total calories consumed, we have continued to significantly reduce the total sugar content and calorie count across our products, both through the reformulation of existing products and the launch of zero sugar products during the year. To aid portion control, we offer our products in a range of pack sizes.

High Fat, Sugar, and Salt (HFSS) products have been subject to price and location restrictions in England since 2022. These products include 'high sugar' standard soft drinks with greater than 4.5g total sugar content per 100ml and, by this definition, 97% of our current Barr Soft Drinks portfolio is HFSS exempt.

Similarly, the UK Soft Drinks Industry Levy (SDIL), known colloquially as the 'sugar tax', has an exemption threshold of less than 5g total sugar per 100ml, therefore 97% of our Barr Soft Drinks portfolio is also exempt from the SDIL.

Responsible advertising and marketing

We take our responsibility in how we market, promote and advertise our products very seriously.

Our Responsible Marketing Code of Conduct (available on our corporate website) sets out our commitment to ensuring that our marketing communications are at all times clear, accurate and not misleading. We comply with the letter and the spirit of all applicable laws and regulations and, where applicable, all voluntary industry codes. Our marketing communications will not use language or present imagery that may be seen as derogatory or offensive to any particular group of people, including those defined by gender, ethnicity, religion or sexual

orientation. We will not seek to mislead our consumers through false, exaggerated or ambiguous claims. Any claims about our products, their benefits, or nutritional content will be substantiated by reliable evidence. Similarly, we will avoid 'greenwashing' and we will not make any environmental claims that are false, exaggerated, ambiguous, or which cannot be substantiated by reliable evidence.

We advertise responsibly, ensuring our advertising is age appropriate, beyond regulatory requirements – for example, across all of our brands we will not target under 12's through direct communication or indirectly by, for example, associating with celebrities, influencers, or events, who or which have a primary appeal to under 12's. In addition, we never advertise HFSS, caffeinated or energy products to under 16s. In advertising our FUNKIN cocktail range, we adhere to an enhanced Code of Conduct for the promotion of alcoholic beverages.

Pricing information and promotional offers will be presented accurately and transparently. Any discounts, promotions, or special offers will be clearly stated, including any terms and conditions that may apply.

Labelling

We are committed to providing clear calorie and nutritional information on our packs and/or our websites to help consumers make informed choices. We were one of the earliest adopters of the government's voluntary front of pack nutritional labelling on all our Company-owned Barr Soft Drinks brands, which is a simple traffic light style scheme, making it even easier for consumers to find the information they need. We integrate calorie-related callouts into our packaging designs to further aid consumer awareness.

We fully comply with all of the appropriate regulations and in some cases go beyond the standards set, such as in the area of energy drinks where our industry code exceeds regulatory requirements.

Research and development

Our in-house research and development team delivers a wide range of innovation and reformulation projects, following regular and thorough consumer research to better understand our consumers' changing preferences.

We aim to help people lead healthier lifestyles and understand that consumer choice is increasingly influenced by nutritional content. We're expanding our products accordingly, already offering non-alcoholic alternatives in our FUNKIN cocktail range, and developing Rubicon products with a higher vitamin content.

COMMITMENT 4

We give back



Engaging with communities

Supporting and working with our local communities has been at the core of our business since we were first established in 1875.

We support a range of charities and community groups across the UK, from local clubs and charity fundraisers to large charities helping people on a national scale. We help in various ways, including financially, through donations, or on a practical level with employee volunteering.

Employee volunteering

Our employees are encouraged to take part in volunteering activities, giving something back to local communities. This year saw employees volunteering for a range of deserving causes, including Marie Curie, The Drinks Trust, Woodlarks Accessible Campsite, Women's Aid, The Scottish Wildlife Trust and Children's Hearing Scotland.

Marie Curie charity partnership

Barr Soft Drinks continued to support Marie Curie as our national charity partner during the year and has donated £150,000 over our three-year partnership. Marie Curie is the UK's largest end-of-life charity and provides support for individuals and their families experiencing terminal illness.

The corporate donation has been supplemented by additional, employee-led fundraising opportunities and individual employee challenges such as trekking to Everest Base Camp. In the spirit of camaraderie, four employees from across the business braved 'Zipline the Clyde' – ziplining 100ft over the River Clyde in Glasgow, and raising £3,000 in sponsorship.

Charity Champions

Employees from across the business are encouraged to join the planning and implementation of our fundraising, particularly as 'Charity Champions'. Our partner charities are chosen through a Company-wide employee vote and we aim to work with charities that reflect the values and concerns of our teams.

Wildflower garden

Our colleagues at FUNKIN planted wildflowers near our Camden site, to improve local biodiversity and support pollinators. As we expand our **No Time To Waste** environmental sustainability workstreams to include nature-related targets and disclosures, charity action like this will complement our corporate environmental strategy which is ingrained in our business activity.

We've also aligned our employee wellbeing strategy with our charitable activity this year, with representatives from Scottish testicular cancer charity Cahonas giving a talk at our Cumbernauld site. The event succeeded in spreading information on the symptoms and reducing the stigma associated with this disease.



Giving back

Good Neighbour Community Giving Fund

In addition to our partnership with Marie Curie, we have launched our Good Neighbour Community Giving Fund, through which employees can nominate charitable organisations local to our sites across the UK. These charities will receive a split of an additional £20,000 each year, and we aim to support a range of organisations across areas of health and wellbeing, environment and sustainability, and social inequality.

AG Barr

BUILDING GREAT BRANDS

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