

Strategic Report (continued)

Year to 31 March 2021

EDRINGTON DISTILLERS LIMITED

Corporate Governance

The directors priority is to ensure that they have acted both individually and collectively in the way that they consider, in good faith, to be most likely to promote the success of the company for the benefit of its members as a whole with regards to all its stakeholders and to the matters set out in paragraphs a-f of Section 172(1) of the Companies Act 2006. The group operates as a whole on the matters listed below therefore the details on how the directors have regard to the matters set out in paragraphs a-f of Section 172(1) in the following sections of The Edrington Group Limited annual report and within the Directors' Report.

(a) the likely consequence of any decision in the long term	Wates Principles – pages 13-15
(b) the interests of the company's employees	Wates Principles – pages 13-15 Stakeholder Engagement – pages 17-20
(c) the need to foster the company's business relationships with suppliers, customers and others	Stakeholder Engagement – pages 17-20
(d) the impact of the company's operations on the community and the environment	Stakeholder Engagement – pages 17-20
(e) the desirability of the company maintaining a reputation for high standards of business conduct	Corporate Sustainability and Responsibility – pages 23-27
(f) the need to act fairly as between members of the company	Stakeholder Engagement – pages 17-20

Cutting our Carbon Footprint

The company falls under the long-term ambition of the parent company, Edrington.

In 2020, our reported CO2e emissions reduced by 25% compared to 2019. Our carbon intensity ratio (kg CO2e per litre of pure alcohol produced) reduced by 10%. The company considers that these numbers reflect the impact of the global pandemic on the business, which resulted in the temporary closure of our distilleries in Scotland and almost no business travel.

We report our emissions in line with the Greenhouse Gas Protocol Corporate Standard. This document reports Scope 1 and 2 emissions from our operations as well as the majority of Scope 3 emissions from business travel in line with the Streamlined Energy and Carbon Reporting requirements (SECR). Additionally, we now include Scope 3 emissions relating to the grain whisky used in The Famous Grouse blended Scotch.

In 2020 we sourced 31% of our energy requirements from renewable sources in the UK. This is ahead of Scottish Government targets, and we expect to make further progress during 2021.

The streamlined energy and carbon reporting (SECR) disclosures relating to the company are included within the SECR disclosures made in the annual report of The Edrington Group Limited. The company has taken advantage of the exception from the requirement to make SECR disclosures in these financial statements.

Approved and signed by order of the Board



P. A. Hyde
Director

29 September 2021