



Chairman's Statement

The last year was characterised by several key themes.

Delivery

Edrington is in an enviable position with its brands, capabilities and global network. It is imperative that we take advantage of that position and deliver for the benefit of all stakeholders in the business – our shareholders, colleagues, business partners and the communities in which we operate. As our new Chief Executive, Scott McCroskie explains overleaf, 2018/19 has been another excellent year in terms of financial delivery.

However, for Edrington, "Giving More" requires us to go further than simply delivering great growth in revenue and profit. This has been another year where the company's great people across the world have been motivated to give more through hundreds of fundraising activities that are making a real difference in their communities.

I am confident that The Robertson sisters, would be proud of the ongoing giving more culture that runs through the fabric of Edrington thanks to our motivated workforce.

Focus

The most successful businesses build deep capabilities in a particular area and focus their energy and resources accordingly. This simple insight is driving and will continue to drive our strategy and focus on premiumisation. Over the last year, that has led to the disposal of Cutty Sark and The Glenturret. We were pleased that we realised a good price for both, and wish the businesses and their employees every success under their new ownership.

Going forward we will continue to pursue the same strategy as we seek to deliver the new vision that we will build the world's leading portfolio of exceptional super premium brands and give more back to society as a result. We have an outstanding platform on which to pursue this vision.

Transition

While our strategic focus remained constant, 2018/19 was a year of transition internally.

After 33 years with the business, and 15 as Chief Executive, Ian Curle retired at the end of our financial year. During Ian's tenure as CEO, Edrington was transformed in multiple ways. The business grew from 850 employees, 99% of whom were in Scotland to a force of 3,000 people, 70% based outside Scotland. To achieve that growth while maintaining and deepening the Company's culture was a remarkable achievement.

During Ian's leadership, The Macallan grew to become the World's most valuable malt whisky. The opening of The Macallan Distillery and Visitor Centre in May 2018 was an indication of our ambition for the brand and represented an important milestone in the development of Edrington. We thank Ian for his very significant contribution to Edrington and wish him a long and happy retirement.

Following an extensive global search, we concluded that the best person to lead the business forward was Scott McCroskie, previously Managing Director of The Macallan. Scott represents both continuity and change. I look forward to working with Scott on the next phase of the evolution of the business.

Finally, I would like to thank and congratulate our worldwide staff on their efforts and contribution during the year. Edrington is a very special company, and we can look forward to exciting and fulfilling years ahead.

Crawford Gillies
Chairman

12 June 2019



Chief Executive's Review

This annual report details another successful year for Edrington and the launch of our new 2025 strategy.

During the last year we once again invested heavily across every aspect of this very special business.

We started the year with the launch of The Macallan's new distillery and visitor experience and carried on that momentum by focusing on crucial areas from our use of exceptional oak casks, more premium packaging, increasingly digital consumer communications and building capabilities of the great people that make up Edrington.

This investment paid off, delivering a 6% year on year growth in core contribution in 2019 – our third consecutive year of growth. That growth has created the perfect environment for us to embark on our new strategic vision - Edrington 2025, through which we will give more by building the world's leading portfolio of exceptional super premium spirits.

MARKET CONTEXT

This is a time of significant political and economic volatility and uncertainty. The spirits industry is a truly global business, with a proven record of adapting to changes caused by global political events.

Like many businesses with significant trade with Europe, we are working hard to be as prepared as possible for any outcome from the ongoing Brexit situation.

We are monitoring the ongoing trade disputes between the US and Europe to prepare for any potential tariff impact that could affect Scotch Whisky.

And of course, technology is transforming aspects of every business and how global consumers shop and interact with brands. Keeping track of constant consumer behaviour change, powered by technology, is a key driver of our future success.

PERFORMANCE HIGHLIGHTS

Last year got off to the best possible start with the opening on The Macallan Estate of the brand's incredible new distillery and visitor experience – a spiritual home worthy of the world's most valuable single malt Scotch Whisky.

While the launch of the new distillery was the pinnacle of the year, we also invested heavily across every other area of The Macallan in the past 12 months as we strived to perfect all areas of the brand.

The results of this effort have resulted in strong growth for The Macallan with global demand once again outweighing supply.

There is much to celebrate in the last year for Edrington's portfolio of malt whiskies and even more to look forward to in the future, with transformation happening across all brands.

We continued our investment in Highland Park, resulting in growth in consumer recruitment in key cities across the world, the launch of the brand's first ever 50-year-old and the opening of its first ever shop in the heart of Kirkwall in Orkney.

In The Glenrothes we have a single malt with the history, craft and flavour that could make it our next prestige brand. With the launch of the distinctive new Soleo range, the return of age statements and a digital first approach to consumer communication, The Glenrothes is attracting the attention of discerning whisky drinkers from China to the US.

Naked is also one to watch as this blended malt has had a good year, attracting the attention of both consumers and bartenders in influential bars in sixty countries across the world. We all look forward to recruiting more consumers in the year ahead in the exciting contemporary whisky category.

While the blended Scotch Whisky category remains challenging, The Famous Grouse is still a major force, thanks to its quality, history and authenticity, and it remains the No1 blended Scotch in the UK and six other markets. Sales of The Famous Grouse declined in the past year, but despite that its market share grew in core markets.

Brugal was one of Edrington's best portfolio performers last year, delivering another year of double digit contribution growth. We will see continued focus on the premiumisation of Brugal.

Edrington is proud of its track record of innovation in premium spirits. The last year saw us increase our stake in Tequila Partida, and enter the American Whiskey market with a strategic investment in the ultra-premium Wyoming Whiskey. Combined with Snow Leopard Vodka and our Noble Oak Bourbon, we see great opportunities for these brands in the US, the number one market in the world for super premium spirits.



Chief Executive's Review (continued)

STRATEGIC FOCUS

Central to the Edrington 2025 strategy is our new vision - we will **give more** by building the world's leading portfolio of exceptional super premium spirits.

We will achieve that vision through relentlessly focussing our efforts on developing the right capabilities, targeted investment in our brands and assets and through ever sharper ways of working.

We will transform every aspect of our operations to create a diverse and inclusive workplace where everybody feels supported, prepared and ready to give their best in our pursuit of increased premiumisation of our brands.

All underpinned by the Edrington values of **giving, integrity, excellence and respect** and a dedication to learning that helps us all to inspire, engage, collaborate, deliver, and encourage an environment open to change.

CULTURE

Central to the Edrington 2025 strategy is a new vision building on the ethos of **giving more** that was enshrined in the business by the Robertson sisters when, in 1961, they set up Edrington and The Robertson Trust.

Giving More is important to Edrington's great people. It has been hugely satisfying to see them take part in fundraising activities around the world in the past year.

In the UK we continue to boost these fundraising efforts through match funding from both our principal shareholder, The Robertson Trust and Edrington. So every pound raised becomes £3 for hundreds of causes.

And through Giving More International we donate 1% of pre-tax profits to good causes chosen by Edrington's overseas offices, amounting to almost £10m since its inception in 2012.

Not to mention the difference our people make around the world by volunteering their time to help charities, ranging from those helping newborns in Vietnam; supporting young homeless people in the US; to assisting adults with disabilities in Scotland; and through hundreds of hours of mentoring for young people starting out in their careers.

I would like to say a huge thanks to the dedication and engagement of all of our people that have contributed to yet another stunning year of Giving More for Edrington.

IAN CURLE

I'd like to pay tribute to Ian Curle on his retirement at the end of the past financial year.

We all owe a debt of gratitude to Ian for guiding and inspiring us over his 15 years as our CEO. He worked tirelessly to turn Edrington from a successful Scottish blending and bottling company to a global brand building business with the World's most valuable single malt – The Macallan - at the heart of our portfolio.

We wish Ian a well-deserved and happy retirement.

LOOKING FORWARD

The past year has been another year of growth and change for Edrington.

Against the backdrop of an uncertain global landscape our regions have experienced growth, particularly with our premium spirits.

For me, it's a huge honour to become the CEO of Edrington and to work with all our great people as the current custodians of the company and our exceptional spirit brands.

I am proud of what we have already achieved, and I am certain that with an intensified focus on premiumisation, we can deliver outstanding success in the future.

We're already part of a very special business, and success in our new Edrington 2025 strategy will mean we can continue to give more.

Scott McCroskie
Chief Executive

12 June 2019



Financial Review

MANAGEMENT KEY PERFORMANCE INDICATORS	2019	2018	% movement
Volume (case equivalents)	7.8m	7.7m	2%
Presented in constant currency rates:			
Core revenue	£679.8m	£623.7m	9%
Brand investment expenditure	£137.3m	£127.8m	7%
Core contribution	£231.8m	£218.7m	6%
Presented in actual currency rates:			
EBITDA	£247.4m	£232.9m	6%
Profit before tax (pre-exceptional)	£201.6m	£190.8m	6%
Profit for the year (pre-exceptional)	£91.6m	£87.9m	4%
Free cash flow	£87.7m	£91.0m	-4%
Net debt/EBITDA	1.8	2.3	
Strategic Inventories	£756.2m	£709.3m	7%

STATUTORY KEY PERFORMANCE INDICATORS	2019	2018	% movement
Earnings before interest and tax	£218.2m	£204.8m	7%
Profit before tax	£196.6m	£189.0m	4%
Profit for the financial year	£158.7m	£86.6m	83%
Total equity	£928.8m	£780.6m	19%

Volume

The total quantity of cases sold, where a case equivalent is measured as 12 70cl bottles at 40% abv.

Core revenue

Total revenue from our sales of continuing Edrington branded products on a constant currency basis.

Brand investment expenditure

Advertising and promotional expenditure on our core brands, excluding discounts on a constant currency basis.

Core contribution

Profit from our branded sales and distribution adjusted for the impact of foreign currency and after the deduction of overheads.

Profit before tax (pre-exceptional)

Profit before exceptional items and the deduction of tax.

Profit for the year (pre-exceptional)

Earnings after tax and minority interests excluding exceptional items.

Free cash flow

Net cash flow excluding the movements in borrowings, shares, dividend payments, expansionary capital expenditure and non-cash exceptional items.

Net debt/EBITDA

The ratio of bank and private placement debt at hedged rates, where applicable, after deduction of cash balances to reported earnings before interest, tax, depreciation and amortisation.

Strategic Inventories

The net book value of our maturing inventories of whisky and rum and the casks in which they are held.



Financial Review (continued)

Group Financial Performance (stated on a constant currency basis)

The financial performance of the Group this year reflects the continued strong demand for our brands, with an acceleration in the rate of revenue growth and a further increase in the investment in our brands. We restructured our portfolio to increase the focus on Super Premium and strengthened our balance sheet to enable us to continue investing in the future growth of our brands.

Core revenue

Core revenue grew by 9% to £679.8m, with double-digit growth on The Macallan, our malt whiskies (Highland Park, The Glenrothes and Naked) and Brugal rum.

The growth in core revenue was faster than the 2% volume growth, reflecting the increased premiumisation of our portfolio and the benefits of both product mix and price increases.

Brand investment

We invested £137.3m in brand-building marketing activities this year, a 7% increase on last year. Our ratio of brand investment to core revenue of 20% reflects our focus on growing the long term equity of our Super Premium brands.

Core contribution

Core contribution increased by 6% to £231.8m this year, continuing the consistent growth trend we have seen over the last three years.

Contribution growth was slower than revenue growth as we chose to invest in higher quality packaging for our Super Premium brands and added resources and capabilities in areas that we believe will drive the long-term growth of the Group.

The Macallan grew by 6%, the Malt Whiskies grew by 9%, despite a 26% increase in brand investment and Brugal rum grew by 26%. As a result of the continued challenging trading environment for blended scotch, there was a decline in contribution from The Famous Grouse of 8%. While we could not pass cost increases on through pricing, we did successfully grow market share in a number of key markets.

With the exception of a flat result in Europe, where the growth in our Super Premium brands was offset by the decline in Standard, we experienced contribution growth in all of our

other regions, as global demand for Super Premium spirits brands remained strong.

Statutory results

Statutory group revenue grew by 6% to £754.4m and pre-exceptional profit before tax increased by 6% to £201.6m. These results reflect a lower level of non-core income being offset by the benefit of weaker Sterling.

Profits attributable to Edrington Shareholders (before exceptional items) grew by 4% to £91.6m.

Exceptional items

We have treated the financial impacts of the following one-off events as exceptional in the year:

- > With our increasing focus on Super Premium, we took the opportunity to dispose of the Cutty Sark and The Glenturret brands during the year, recognising exceptional gains in the income statement of £68.0m and £22.3m, respectively.
- > We invested in our route-to-market by establishing a wholly-owned distribution company in Mexico, a market which we believe has great potential for our brands. We incurred £4.9m of pre-trading set up costs.
- > Following a fire in a rum maturation warehouse in the Dominican Republic, we received insurance proceeds exceeding the book value of the lost assets totalling £1.3m and consider this gain to be exceptional.
- > As a result of the High Court ruling on the equalisation of Guaranteed Minimum Pensions in final salary schemes, we have made an allowance for additional pension costs of £2.0m.

Profits attributable to Edrington Shareholders including these exceptional items grew by 83% to £158.7m.

Cash flow and financial position

Given the current uncertainty in the global trading environment and the ongoing lack of clarity in relation to the Brexit process, we are pleased to have significantly strengthened our Group balance sheet this year, with cash proceeds from the brand disposals reducing both our net debt and our leverage ratio.



Financial Review (continued)

Net debt at the 31st March 2019 was £466.6m, a decrease of £106.7m from 2018.

The reduction in net debt reflects £116.6m of net cash proceeds from the disposals of the Cutty Sark and The Glenturret brands and greater cash inflows from the growth in trading, partially offset by increased investment in maturing whisky stocks and warehousing, as we continue to focus on the long-term growth of our brands. We also invested in the breadth of our Super Premium portfolio during the year with the acquisition of a minority share in Wyoming Whiskey and an increase in our investment in Partida Tequila.

The group is financed by both US private placement notes and bank debt. During the year, we successfully refinanced a significant portion of our debt by returning to the US private placement market and raising £220m of debt with maturities of between 10-15 years. This increased the average maturity of our debt to 6 years, more in line with the long-term investment horizon of our business.

The net debt to EBITDA ratio at 31st March 2019 was 1.8 times (2018: 2.3 times), comfortably within the limit of our debt covenants.

We strengthened our financial position this year with total equity increasing by £148.2m to £928.8m. Total assets increased by £81.0m to £1,985.0m, primarily as a result of our investment in maturing whisky stocks. £24.4m of the increase was in property, plant & equipment, reflecting warehouse construction and cask purchases. Inventories, of which maturing whisky stocks account for the majority of the value, increased by £46.5m. The acquisition of a minority share in Wyoming Whiskey and additional equity in Partida Tequila also increased our investments by £13.4m.

Total liabilities decreased by £67.1m to £1,056.3m, primarily reflecting the reduction in net debt following the sale of the Cutty Sark and The Glenturret brands.

Post-employment benefit obligations

The Group operates two defined benefit pension schemes for employees of its principal UK subsidiaries. These have been closed since 2014. At the 31st March 2019, the Group had a surplus of £7.1m in relation to the post-employment benefit obligations of these schemes, as calculated in accordance with accounting standards. This is a reduction of £12.3m from the £19.4m asset recognised at 31st March 2018.

During the year, the trustees of both schemes approved and actioned a partial buy-in of pensioner liabilities. The difference between the insurance premium paid at the date of the buy-in and the IAS19 valuation of the buy-in policies at the balance sheet date, reduced the value of the schemes' assets by £6.8m.

Changes in the demographic and discount rate assumptions increased the present value of the schemes' liabilities by £19.2m, while we also made a £2m allowance for additional costs related to the equalisation of Guaranteed Minimum Pensions. Deficit repair contributions of £14.3m were made in the year.

While this surplus position reflects the required accounting treatment for the post-employment benefit obligations, on an actuarial basis, the defined benefit schemes are in deficit. At the 31st March 2019, the deficit was valued at £68.9m, £22.8m lower than last year. As such, the Group is committed to making annual deficit reduction payments of £14m until 2026.

Derivatives and financial instruments

The Group uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange and interest rates. The fair value of these instruments at 31st March 2019 is included in the Statement of Financial Position.

Assets of £28.3m (2018: £26.8m) related primarily to cross currency swaps. These are used to hedge the value of our private placement debt which is denominated in US dollars. The value of the asset increased relative to the prior year, primarily due to the strengthening of the US Dollar against the pound.

Liabilities of £6.9m (2018: £4.6m) principally reflect the fair value of forward foreign exchange contracts held at the 31st March 2019. The liability increased from the prior year in line with the movement in the year end exchange rates on our key trading currencies which we hedge on a rolling 24-month basis.

Share capital and dividends

Dividends for the year year amounted to 41.7p compared with 40.9p in respect of last year.

A first interim dividend of 12.2p (2018: 12.0p) per share was paid on 30 November 2018. The directors agreed a further interim dividend of 29.5p (2018: 28.9p) per share which will be paid on 12th July 2019.

Summary

The Group has enjoyed another year of growth with strong demand for our brands and an increased focus on Super Premium following the successful restructuring of our portfolio.

We have significantly strengthened our balance sheet and are well-positioned to continue investing in the long-term growth of our brands whilst navigating the on-going economic and geopolitical uncertainty.



Financial Review (continued)

Principal Risk and Uncertainties

The responsibility for risk management and internal control systems resides with the board, with a framework to support the process for identifying, evaluating and managing financial and non-financial risks. The Audit Committee is responsible for the direct oversight of the Group Risk Management Committee and the internal control function.

Edrington's risk management processes minimise its exposure to unforeseen events and identified risks, allowing the business to focus on delivering its strategic objectives.

The board regularly reviews the principal risks facing the Company including those that would impact its business model, future performance and solvency. It carried out its most recent triennial strategic risk review in March 2018 to help update the principal risks facing the Company and it is envisaged that the next triennial review will be carried out in March 2021. These reviews allow the board to assess the Company's risk appetite and ensure that the nature and extent of the significant risks facing the business are identified and adequately managed. In line with best practice, the assessment includes a review of the impact and likelihood of each risk, together with the controls in place to mitigate the risk.

Risk categories are predominantly macroeconomic or operational in nature. Macroeconomic risks relate to the external environment and the international markets in which Edrington operates, over which the Company has less control. Operational risks include issues such as product quality, supply chain, or failure in business technology. The environment in which Edrington operates is becoming increasingly volatile and constantly evolving, so the Company will remain vigilant to be sure that new risks are identified and assessed timeously, and that appropriate actions are taken to mitigate the impact of these risks on the business.

During the year the Audit Committee reviewed reports received from the internal audit teams. These have allowed the committee to assess the general control environment, identify control weaknesses and quantify associated risks.

The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only therefore provide reasonable assurance against material misstatement or loss.

The following represent what the board believes to be the most important risks and uncertainties that may impact the Company's ability to deliver its strategy effectively.



Financial Review (continued)

Identified Risk	Impact	Mitigating Actions
Adverse political and social attitudes to alcohol	<p>Damage to the reputation of Edrington or its brands.</p> <p>Impact on market access or the ability to promote its brands.</p>	<p>Edrington supports a responsible approach to alcohol and considers this a core element of its strategy to grow a sustainable, long-term business. The Company operates a CSR strategy that includes a Code of Conduct and a global Marketing Code reinforced by a global online training programme.</p> <p>Edrington's policies and campaigns are reviewed annually by the Marketing Code Committee.</p> <p>Edrington is a member of national and international organisations that work to encourage the responsible promotion and consumption of alcohol and reduce alcohol-related harms.</p>
Geopolitical and Economic Conditions	<p>Economic or political instability restricts market activity, affecting market access, demand or increased costs.</p>	<p>Brexit and geopolitical instability in a number of regions and markets continues to present a risk to trade and profitability. We are monitoring all developments closely but future trading relationships with the EU etc. are ultimately matters that are outwith our control. The Brexit Committee, which reports into the Group Risk Management Committee, meets regularly to monitor Brexit developments and oversee contingency planning.</p> <p>Edrington's diverse geographic spread reduces the exposure to specific market risks. Direct ownership of the Company's route to market in its major markets provides local insight combined with a robust central overview. This enables the Company to react quickly and flexibly to such changes.</p>
Consumer Preferences	<p>A change in consumer preferences for one or more of Edrington's brands in one or more key markets where a decline in brand popularity and/or market contraction would result in a reduced share of market and or sales volumes.</p>	<p>The board closely monitors financial and operational key performance indicators which include a review of brand performance and equity strength across market segments and geographies.</p> <p>Edrington conducts an annual market and brands strategic planning process building on local market and brand strategy reviews. The board has also recognised the differing contribution and strengths of each of its principal brands globally and regionally and has strategically focused management in a way which recognises the different needs and focusses of each brand.</p>
Brand Protection	<p>Ineffective or inadequate protection of intellectual property rights, resulting in reputational damage, an increase in counterfeit goods and a drop in sales volumes and/or market share.</p>	<p>The Company invests considerable effort in proactively protecting its intellectual property rights. Edrington has a clear brand protection strategy and processes aimed at addressing the principal exposures and risks likely to affect alcoholic beverage brands. A specialist Brand Protection Committee reviews the principal components of brand protection: intellectual property management; authentication and security technologies for products and packaging; digital media, channel and communications monitoring; products and packaging compliance; commercial behaviours, alongside brand security education, surveillance and enforcement.</p>



Financial Review (continued)

Identified Risk	Impact	Mitigating Actions
Regulatory Compliance	Failure to comply with local laws and regulations, resulting in regulatory sanction, reputational damage and/or financial loss.	<p>Edrington has a management process to ensure that employees are aware of their responsibilities and all applicable regulatory requirements. Formal training sessions are undertaken throughout the year.</p> <p>Edrington proactively reviews its principal regulatory compliance obligations and controls, including, but not limited to, the new data protection regulations, competition laws, liquor laws, environmental laws, compliance with EU and UN trade and political sanctions, and local statutory laws (e.g. health & safety).</p> <p>These activities are underpinned by a Code of Conduct, a Global Anti Corruption Policy, and a Speaking-Up Policy which apply to all its employees, agents, distributors, contractors and suppliers. Contractual arrangements with key third parties must include provisions to establish required performance standards aligned with the Code.</p> <p>Induction procedures include evidenced completion of a standard on-line training course and assessment which covers the Code and its supporting policies. The course, which is translated into all the main languages spoken across the Company, is also periodically refreshed and retaken at all locations.</p>
Financial Risks	Exposure to market risk (including medium term movements in exchange rates, interest rates risk and commodity price risk), credit risk and liquidity risk, may adversely impact on profits.	<p>Financial risks are reviewed and managed by the Treasury Committee whose remit and authority levels are set by the board. The Treasury Committee's remit is to ensure compliance with the terms of borrowing facilities and to minimise financial risk arising from exposure to fluctuations in interest rates, foreign exchange rates and cash flow. Comprehensive policies are applied covering debt management, interest rate hedging, foreign exchange currency hedging and cash flow reporting. Approved financial instruments and authority levels are articulated through the policies with compliance monitored on a regular basis.</p> <p>The Treasury Committee reviews cash flow forecasts throughout the year and assesses headroom against banking covenants regularly. The Finance team utilises external tools to assess credit limits offered to customers, manages trade receivable balances vigilantly and takes prompt action on overdue accounts. Certain markets operate on a cash-on-delivery basis.</p> <p>Commodity price risk is managed through a combination of medium to long term contracts, covering periods from 2-3 years, and regular tender and review processes with suppliers.</p> <p>The spirits industry is sensitive to changes in tax and excise regulations. The effect of any future tax increases on the Company's sales in a given jurisdiction cannot be precisely measured and is ultimately outwith the Company's control.</p>



Financial Review (continued)

Identified Risk	Impact	Mitigating Actions
Financial Risks (continued)		Edrington's financial control environment is subject to review by both internal and external audit. The focus of internal audit is to proactively work with and challenge the business to ensure an appropriate control environment is maintained.
Cyber	Theft, failure or corruption of digital assets and/or key systems could have an adverse impact on the business and profits	<p>Led by our business technology function, the business has carried out a business wide information risk management review, enhanced by its cyber incident response plan, and implemented a user awareness training and education programme.</p> <p>Edrington has also increased system patching, updates and monitoring, carried out penetration testing, performed a SAP System User Role Review to eliminate excessive access and segmented the network to protect mission-critical networks from general access networks.</p>
Major Operational Failure	Major supply chain failure affecting supply of raw materials or equipment, loss of maturing inventory or the customer orders process.	<p>Assets managed by the business include intangible brand assets, plant and equipment, people and business technology. Disaster recovery, incident management plans and contingency measures are in place and tested regularly.</p> <p>Edrington's wood and cask supply is reviewed regularly and long-term agreements and processes established to provide reasonable assurances of a sufficient and sustainable supply of casks that meet Edrington's high quality requirements.</p> <p>Contingency bottling/blending options are refreshed and tested to ensure that Edrington's operations can be maintained in event of loss or impairment of its own facilities.</p> <p>Energy and water supplies are reviewed to ensure continuity, sufficiency and quality of supply. A contract to supply renewable energy to The Macallan distillery over the long-term, contributes to fossil fuel reduction targets.</p>

Approved and signed on behalf of the board

Paul A Hyde
Chief Financial Officer

12 June 2019