

Dairy Crest Group plc (the “Company”)
Corporate Responsibility Committee (the “Committee”)
Terms of Reference

These terms of reference were approved by the board of the Company (the “Group Board”) on 13th March 2017 and were adopted by the Committee on the 13th March 2017.

1. Authority

The Committee is a committee of the Group Board in accordance with Article 99 of the Company’s Articles of Association. The Committee has delegated authority, on behalf of the Board and in connection with the fulfilment of its responsibilities, to

- seek any information it requires from any employee, contractor or agent of the Company;
- require any employee to provide information or attend meetings, as required;
- require the assistance of any employee;
- engage the services of appropriate third party service providers or obtain outside professional advice or information from third parties, the costs of which shall be borne by the Company.

2. Purpose

The purpose of the Committee is to ensure on behalf of the Group Board that corporate responsibility and sustainability (“CR”) are integral, to the Group’s business, operations and culture, including but not limited to:

- (a) Providing leadership on CR.
- (b) Overseeing the creation and implementation of the Group’s CR plan.
- (c) Ensuring that all parts of the business:
 - i. allocate appropriate resources and accountability for the delivery of the Group’s CR plan (“CR Plan”);
 - ii. plan appropriately for the delivery of their accountabilities under the CR Plan;
 - iii. report on progress with the CR Plan;
 - iv. effectively communicate progress on those elements of the CR Plan they are managing.
- (d) To oversee internal and external auditing of the Group’s CR performance.
- (e) To oversee external reporting of the Group’s CR activity, progress with the implementation of the CR Plan and achievement of CR targets
- (f) To provide the Group’s Board with an overview of the social, environmental and ethical impacts of the Group’s activities, including action being taken to act as a responsible business and in so doing to improve the Group’s business effectiveness by, amongst other things:
 - i. having a positive social impact on rural and local communities;
 - ii. reducing its impact on the environment in areas of its supply chain where it can add most value including sustainable sourcing of ingredients;
 - iii. addressing social responsibilities to its consumers in relation to products placed on the market;

- iv. ethical responsibilities to its employees with regard to providing a safe and inclusive place of work, encouraging talent, flexibility and diversity in its workplace; and
 - v. to ensure the Group's CR activities are aligned with shareholder value and return.
- (g) To review and update annually its terms of reference, recommending any changes to the Board and to evaluate its own membership and performance on a regular basis.

3. Membership

- (a) The Committee shall comprise of the Group's Non-Executive Directors, together with such other persons (for example senior executives of the Group) as the Committee shall nominate from time to time.
- (b) Other persons may be invited by the Committee to attend all or part of any meeting of the Committee.

4. Chair

The Non-Executive Director appointed to the role by the Group Board shall act as chair of the Committee. In his absence, he shall nominate a member of the Committee to act as chair and in the absence of such nomination, the members of the Committee who are meeting shall agree amongst themselves who shall act as chair for the relevant meeting.

5. Quorum

The quorum necessary for the transaction of business shall be four members representing each of four principal components of the CR Plan referred to as Climate, Colleague, Consumer and Community.

6. Frequency of Meetings

The Committee shall meet as and when required but in any event it shall aim to meet not less than twice annually.

7. Conduct of Meetings

Except as outlined above, meetings of the Committee shall be conducted within and subject always to the provisions of the Articles of Association of the Company governing the proceedings of directors and the Company's business generally.

8. Minutes of Meetings

The Company Secretary, or such person nominated by him to act on his behalf, shall take formal minutes, including agreed action points. The Company Secretary shall circulate draft minutes, promptly following each meeting.

9. Reporting Responsibilities

The Committee chairman shall, as required and in any event not less than twice a year, report to the Group Board on behalf of the Committee.