

# PERNOD RICARD

## Créateurs de Convivialité



Pernod Ricard is the world's No 2 in wines and spirits with sales of €8,824 million in FY 2021. Created in 1975, the Group developed and expanded to Singapore in 1989. Owner of 16 of the Top 100 Spirits Brands, the company holds one of the most prestigious and comprehensive brand portfolios in the industry, with distributions across 160+ markets and by its own salesforce in 73 markets. The Group's decentralised structure empowers its 18,500 employees to be true on-the-ground ambassadors of its vision of "Créateurs de Convivialité." Reaffirmed by its strategic plan, "Transform and Accelerate" Pernod Ricard focuses on investing in long-term, profitable growth for all stakeholders.

### "GOOD TIMES FROM A GOOD PLACE"

After launching its 2030 Sustainability & Responsibility roadmap "Good Times from a Good Place" in 2019, Pernod Ricard is taking bold next steps to address environmental topics and social responsibility aligned with the UN SDGs.

### PERNOD RICARD'S 4-PILLAR ROADMAP

Pernod Ricard's 2030 Sustainability and Reporting (S&R) roadmap focuses on 4 main pillars.

#### 1. Nurturing terroir

Every Pernod Ricard product takes its character from the land where it's grown in. This commitment focuses on nurturing every terroir and its biodiversity, responding to the challenges of climate change to ensure quality ingredients now and future generations.

#### 2. Valuing people

Convivialité is about sharing, warmth, care and respect for people everywhere. This commitment wishes to uphold human rights, increase diversity and fairness for all people across its supply chain and implement efforts towards responsible procurement and sustainability training, particularly for bartenders.

#### 3. Circular making

With a goal to help preserve natural resources, the group is moving towards a more circular business model – from packaging, to promotional items produced, to the way products are distributed and how they are ultimately recycled; actively striving to minimise carbon footprint and protect natural resources.

#### 4. Responsible hosting

The company is committed to fighting alcohol misuse in society by taking action on harmful drinking and engaging with its stakeholders for real change.

#### PLANS FOR ASIA

Moving forward, it aims to take an even more consistent and proactive approach across all markets in Asia. Pernod Ricard plans to develop and amplify locally relevant S&R stories for global brands; create more sustainable value chains; proactively advocating for a balanced regulatory environment; and amplify communication to raise its corporate profile on S&R and leverage new media opportunities.

Since Asia has predominantly sales and distribution affiliates, all employees have a minimum of 1 sustainability-related work objective depending on their functional unit.

#### KPI indicators for sustainability

Within its 2030 plans, Pernod Ricard aims to work towards measuring their sustainability impact through tangible KPI indicators. For instance, the Group aims to ensure that 100% of key raw materials are produced or sourced according to selected sustainability standards by 2030. The company also intends to engage a strict no single-use plastics purchase for all products, and have 100% of its packaging be recyclable, reusable, compostable by 2025.



## Targets pitted to the UN SDGs

Under Pernod Ricard's 2030 sustainability plans, all pillars are aligned with the UN SDGs. The strategy primarily contributes to eight UN SDGs while also impacting and addressing 14 SDGs across its value chain.

## DIGITAL PLATFORMS FOR SUSTAINABILITY



### Sustainable packaging tool: "EcoPack Tool"

In addition to its multi-expertise Sustainable Packaging Panel, Pernod Ricard also built an online "EcoPack Tool" to ensure compliance with its Sustainable Packaging Guidelines. These guidelines contain a list of eco-design principles the company must follow to achieve its sustainable packaging targets within the 2030 S&R Roadmap 'Good Times from a Good Place'.

### Digital farming initiatives

Pernod Ricard is further incorporating digital initiatives into its production sites. Currently integrating Pellenc's new Connect system into its operations, Pernod Ricard intends to conduct yield mapping to attribute grapes to the geolocation of the source of the fruit, providing information on the variability of the vineyard yield. This step forward allows the company to provide a tangible yield result to compare all other precision viticulture approaches.

### VALUING PEOPLE AT PERNOD RICARD

Pernod Ricard's "Valuing People" commitment means that it values its employees, suppliers and communities. Encompassing responsible procurement as well, Pernod Ricard's commitments align with the United Nation's SDGs: Decent Work and Eco-

nomie Growth, and Gender Equality. The company conducts environmental and social due diligence for all suppliers through its Responsible Procurement process, Blue Source. All suppliers are required to sign and comply with a set of supplier standards and medium or high-risk suppliers are subjected to an Ecovadis assessment and/or a SMETA audit.



### Business partnerships across the value chain

By partnering and supporting its stakeholders within its value chain, Pernod Ricard has built a strong working relationship and trust with its partners.

Through the "Bar World of Tomorrow", in partnership with the Trash collective and the Sustainable Restaurant Association; Pernod Ricard Singapore is supporting bartenders by creating a platform for learning, discussion and exchanges on sustainability practices behind the bar based on course content covering all aspects of sustainability – from fresh ingredient use to responsible serving of alcoholic beverages to waste management. The programme is currently running across several markets in Asia since 2021.

Partnering with ecoSPIRITS, Pernod Ricard is piloting an innovative closed-loop distribution system to reduce waste and carbon emissions from the production and transportation of glass bottles and other pack-

aging. The transportation of premium spirits would be done in bulk and delivered to bars in ecoTOTES, fully reusable 4.5-liter glass containers. Once empty, ecoTOTES will be returned to the ecoPLANT, where they are sanitized and refilled. With over 80 bars across Hong Kong and Singapore joining the pilot program, the initiative will reduce carbon emissions by an estimated average of 66% compared to the traditional distribution model.

Recently, the company completed its inaugural sustainability-linked bond issuance for EUR750M. The deal represents Pernod Ricard's inaugural sustainability-linked bonds to reduce absolute greenhouse gas emissions and decrease water consumption per unit at distilleries. Integrating sustainability into its operations and finance strategy, its sustainability-linked framework highlights the company's ambition to become an active player of sustainable finance.

### TANGIBLE IMPACT ON SUSTAINABILITY

In the last 8 years, 93% of its production facilities have been certified ISO 14001 and 95% of its vineyards were certified according to environmental standards. In addition, the Group has reduced its water consumption per litre of alcohol by 20%, its carbon emissions by 30% per unit of production and waste from 10,253 tons to a total of 748 tons to landfill.

### PERNOD RICARD'S ALIGNMENT WITH THE GREEN PLAN

Several of Pernod Ricard's commitments and policies are aligned with Singapore's Green Plan "Sustainable Living" and "Resilient Future" pillars. For instance, the company aims to phase out refrigeration and air-conditioning equipment that use high GWP refrigerants, reduce international travel, work with 3PLs to use sustainable fuels for supply of products, take steps to reduce carbon footprint for transportation needs by staff to and from work or events, and increase energy efficiency in offices, including reduction in energy use and/or recycling initiatives.