

Promote responsible drinking



PROMOTE RESPONSIBLE DRINKING



From the beginning, Pernod Ricard has made promoting responsible drinking the centrepiece of its CSR engagement. In alignment with its baseline position as a *Créateurs de convivialité*, Pernod Ricard is thus fully committed to promoting responsible conviviality.

"If we wish to continue our business and develop our brands over the long term, we must maintain our commitment to our consumers and to our governing authorities. We want to remind our consumers to enjoy our brands responsibly."

Patrick Ricard,
former Chairman of the Board of Directors and Chief Executive Officer of Pernod Ricard - 2009

1. PERNOD RICARD'S POSITION

To ensure that the consumption of our products is an enjoyable and safe experience, Pernod Ricard promotes a moderate drinking culture and combats alcohol misuse through education and enforcement campaigns run individually or, whenever possible, in partnership with other members of our industry, non-profit organisations and public authorities. The Group has also defined strict internal ethical marketing standards through its Code for Commercial Communications.

Historically, Pernod Ricard has defined five priority areas of action to address specific at-risk audiences and behaviours related to inappropriate alcohol consumption patterns.

- Promote moderate drinking;
- Avoid drink-driving;
- Make young people aware of the risks linked to excessive or inappropriate alcohol consumption;
- Dissuade pregnant women from drinking;
- Make employees aware of their responsibilities;

Pernod Ricard's actions result from strong convictions within the Group, but also from working in close cooperation with industry players.

FOCUS

THE FIVE INDUSTRY COMMITMENTS ON RESPONSIBLE DRINKING: PERNOD RICARD LEADING THE WAY

The ICAP Conference held in October 2012 marked a turning point in the promotion of responsible drinking within the alcohol industry. Pierre Pringuet, Chief Executive Officer of Pernod Ricard, on behalf of eleven leading beer, wine and spirits producers and two trade associations, announced five commitments to further reduce the harmful use of alcohol, reinforcing the World Health Organisation (WHO) Global Strategy.

This commitment reflects Pernod Ricard's determination, as co-leader in the Wine and Spirits industry, to play a key role in inspiring a collective dynamic among the industry to spread increasingly responsible practices.

The companies have five years, until 2018, to address all five issues. An assessment will be carried out by an independent third party and results shared on an annual basis.



Pierre Pringuet, Chief Executive Officer, Pernod Ricard, 10 October 2012, Washington D.C

1. Reduce underage drinking

2. Strengthen and expand marketing codes of practices

3. Provide consumer information and responsible product innovation

4. Reduce drinking and driving

5. Enlist the support of retailers to reduce harmful drinking

2. PROMOTE MODERATE DRINKING

Pernod Ricard's commitment to promoting moderate drinking is based on two approaches.

a. Ensure that its products are marketed responsibly.

To make sure that every consumer or potential consumer is well informed about the dangers associated with inappropriate or excessive consumption, Pernod Ricard focuses on:

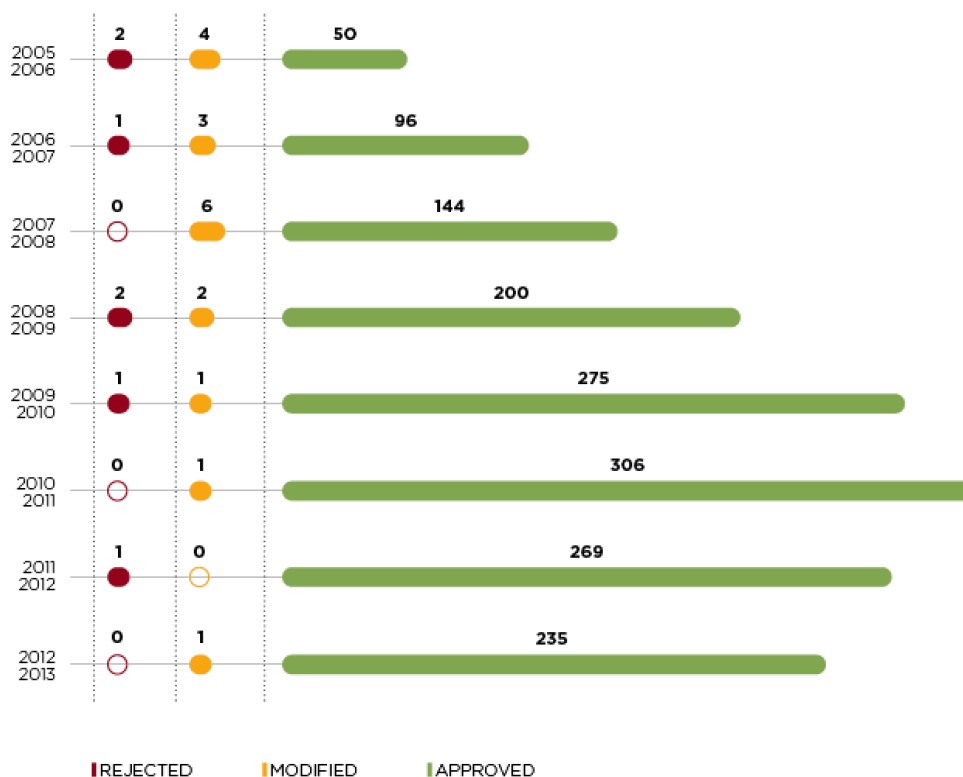
> transparency of information.

The Group's communications tools (from bottle labels to advertising billboards) help relay preventive messages.

> on ethical marketing.

In 2007, Pernod Ricard developed its own Code for Commercial Communications defining stringent self-regulation standards in terms of marketing. It ensures that commercial communications do not encourage or condone excessive or inappropriate consumption. It was updated in 2010, 2012 and 2013 to reflect changes in digital media and include product innovations.

To ensure the Code for Commercial Communications is respected and promotional messages are monitored, an Internal Approval Panel has evaluated and controlled more than 2 000 commercial communications before release since 2006.



Graph showing advertising campaigns reviewed before release, between 2005 and 2013

b. Forge partnerships with the competent authorities.

Pernod Ricard's professional conduct also relies on working hand in hand with political and social players in order to:

> design tailored and impactful initiatives.

e.g. the anti drink-driving campaign, featuring the specific message *Drink driving starts with an excuse*, was designed by Pernod Ricard UK and the Automobile Association based on a tangible survey carried out by the latter (67% of the 18-24 year-old respondents had already heard the excuse "it's only down the road").

Poster campaign pointing out poor excuses and denial attitudes

**> contribute to the process of moving social and legal frameworks forwards.**

e.g. in France, Pernod Ricard supported the raising of the legal purchase age (LPA) from 16 to 18.

The Group works with more than 50 preventive associations worldwide and is strongly committed to national, regional and international bodies including:

1971: founding member of Ireb (Institute for Scientific Research on Alcohol Beverages);

1990: member of EFRD (European Forum for Responsible Drinking), part of SpiritsEUROPE since 2012;

2005: member of ICAP (International Center for Alcohol Policies);

2007: signatory to the European Forum's Alcohol & Health charter;

2007: signatory to the European Road Safety Charter;

2011: founding partner of the TFRD (Thai Foundation for Responsible Drinking).

3. AVOID DRINK-DRIVING

Reducing the number of alcohol-related road accidents is a priority for Pernod Ricard, which goal is to raise awareness and eventually change behaviours. The Group is committed at two levels.

a. Prevention through educational programmes and awareness campaigns developed in partnership with preventive associations.

Among its priorities, the Group promotes the designated driver initiative and encourages alcohol level testing.

e.g. O Tomas O Manejas awareness campaign carried out since 2010 by the Pernod Ricard Mexico Foundation (set up in 2006).



Campaign poster O Tomas O Manejas, 2013

b. Conducts and supports research action.

e.g. Safe Roads 4 Youth project carried out in Argentina, Vietnam and South Africa with non-profit organisations and specialised research teams from local universities to address the need for better prevention in emerging countries. The project was made possible by a grant based on the personal commitment of all Pernod Ricard employees who have undertaken to raise funds through the Pernod Ricard Act. [See Responsib'ALL Day 2011]



"I am very proud to say that Safe Roads 4 Youth is the first experimental project of its kind that measures simultaneously the impact of community-based interventions on youth and drink driving in three different emerging countries – Vietnam, South Africa and Argentina – and in very different cultural environments."

Dr Jean-Pascal Assailly,

psychologist and researcher at INRETS (Institut National de Recherches sur les Transports et leur Sécurité) and scientific chairman for the Safe Roads 4 Youth project - 2013

4. MAKE YOUNG PEOPLE AWARE OF THE RISKS LINKED TO EXCESSIVE OR INAPPROPRIATE ALCOHOL CONSUMPTION

Minors and young adults are among the most vulnerable populations regarding alcohol consumption.

Pernod Ricard has set itself three major goals:

a. Delay the age of the first drink.

e.g. the Prata Om Alkohol programme led by Pernod Ricard Nordic and The Absolut Company since 2006 in Swedish schools among underage pupils to develop their awareness [75% of Swedish schools involved, more than 250,000 students and more than 5,000 teachers took part in the programme].

b. Decrease the amount of alcohol consumption to prevent at-risk situations.

e.g. Responsible Party, a pan-European programme carried out since 2010 in partnership with the Erasmus Student Network to help students organise safe and responsible parties [27 countries concerned, more than 100,000 students reached].



c. Decrease the frequency of drunkenness.

e.g. the No ikki! Programme running in Japan since 2011, is focused on preventing binge-drinking, a major problem among students [34 universities and 4,000 students involved].



Identifying the appropriate methods to reach targets is a major challenge. Pernod Ricard has developed a number of effective strategies including launching preventive initiatives directly at places of consumption, designing social media campaigns and interactive digital tools adapted to young people's lifestyles [See Best Practice Pernod Ricard Wine Makers: The Wine Line] and getting adults - parents, education workers, retailers and bartenders – involved in conveying responsible messages. [See Best Practice Pernod Ricard Colombia: Alianza + 18]

BEST PRACTICE

PERNOD RICARD COLOMBIA: ALIANZA + 18 2013-2014

Pernod Ricard Colombia's goal is to implement Responsible Retailing Practices in at least 200 partner outlets by the end of 2014.

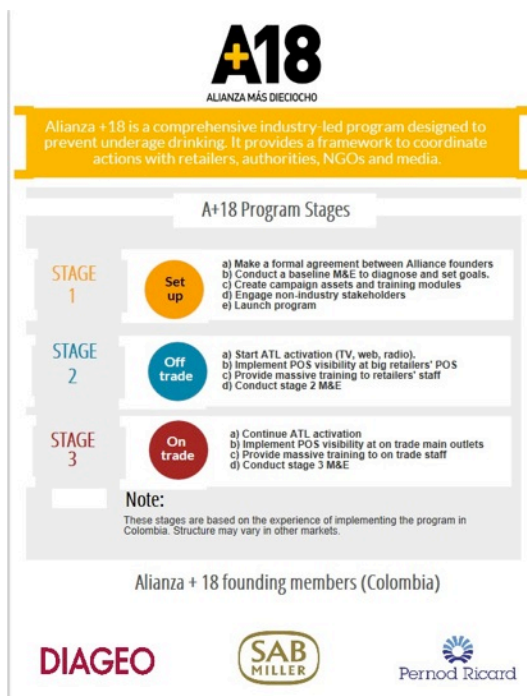
The action is based on:

> partnerships with industry players and local authorities.

So far, Pernod Ricard has set up a partnership agreement with Diageo and Bavaria for at least three years and has obtained the endorsement and enforcement of Colombia's Office for Families and Children (ICBF), a local authority. The programme also involves ICAP, the Parent's Association of Colombia (RedPapaz) and Nuevos Rumbos, a scientific advisor;

> communications and awareness initiatives.

A video to raise awareness on the importance of not selling to underage customers has been created, as well as posters and stickers displayed in over 100 key retail outlets so far. The programme benefits from extensive media coverage thanks to partnerships with the largest TV and radio networks.



INSIGHT

When attempting to purchase alcohol, teenagers try to look older than they are:

- Girls go out with high heels and make up
- Boys try to grow a beard
- They send out their tallest friend to try to buy

ASSETS - Print

Even if you wear make up and high heels, we don't sell alcohol to kids. ID doesn't lie. We check.

Even if you're 6,2 ft tall I won't sell you alcohol if you're not 18 y.o. ID doesn't lie. We check.

Even if you look older with a mustache, I won't sell you alcohol if you are not 18. ID doesn't lie. We check.

ASSETS - Video

Ref 1: Girls attempt to purchase at retail store

Ref 2: Boy attempt to purchase at Pub

BEST PRACTICE

PERNOD RICARD WINE MAKERS: THE WINE LINE SINCE 2012

To increase consumer awareness about the size of a standard serving of wine, Pernod Ricard Wine Makers has designed an interactive digital tool, The Wine Line app, that enables consumers to calculate and track how much they are drinking. Developed with experts, it allows consumers to take a picture of a glass of wine, detects its content and computes the number of alcohol units consumed.

The Wine Line is set at 150mL, a typical serving, and reminds consumers that this is 1.5 times the standard drink.

Launched at the Australian Open 2012 and renewed in 2013, the campaign was promoted through a wide range of media : more than 100,000 Point of Sale display items, web banners and a TV advert shown on more than 700 in-precinct screens during Australian Open 2013.

The app, launched in 2013, has met with great success: nearly 6,000 downloads, over 100 media clippings and a direct increase (+37%) of visits to the DrinkWise Australia website during Australia Open.



5. DISSUADE PREGNANT WOMEN FROM DRINKING

Pregnancy is a particularly at-risk period when women should be made aware of the dangers associated with drinking alcohol (e.g. foetal alcohol syndrome). Pernod Ricard operates at two levels, reinforcing the advice of doctors and public health authorities:

a. Awareness campaigns based on the "Zero alcohol approach".

e.g. in 2010, Pernod Ricard Deutschland, in partnership with Charité Hospital in Berlin, launched the My child doesn't want alcohol campaign with extensive media roll-out (print, TV, etc.).



b. Rolling out the pregnant woman symbol.



FOCUS

WORLDWIDE APPLICATION OF THE
“NO ALCOHOL DURING PREGNANCY” SYMBOL

This measure illustrates the Group's proactivity in terms of its CSR engagement. In an action launched in 2006, Pernod Ricard was the first wine & spirits company to introduce the Europe-wide application on back labels of the symbol warning women to avoid alcohol when pregnant, even in countries where it was not required.

In 2013, Pernod Ricard took a major step further and extended the measure worldwide, in all its affiliates (in line with local laws).

6. MAKE EMPLOYEES AWARE OF THEIR RESPONSIBILITIES

Employees are encouraged to be exemplary at all levels and to spread responsible drinking messages beyond their working environment.

Pernod Ricard develops programmes and tools to turn employees into ambassadors:

- a dedicated intranet;
- awareness campaigns and training sessions: 100% of employees are trained annually on responsible drinking issues during Responsib'ALL Day, and in 2013 all employees received the information brochure, *Wise drinking*, highlighting the Group's commitment and best practices;
- a Code of Good conduct adopted in each affiliate and signed by employees: sanctions may be applied if the principles advocated are breached;
- The Pernod Ricard Charter, essential document distributed to all employees that communicates about the Group's culture, its objectives, its organisation and its CSR engagement.



Wise Drinking Brochure - Pernod Ricard's engagement to Responsible Drinking

RESPONSIB'ALL DAY: PERNOD RICARD'S 19,000 EMPLOYEES AS FRONT-LINE AMBASSADORS FOR RESPONSIBLE DRINKING

1. AN ANNUAL GLOBAL DAY OF MOBILISATION DEDICATED TO RESPONSIBLE DRINKING

Held for the first time in 2011, Responsib'ALL Day is emblematic of the involvement of Pernod Ricard's employees in supporting the Group's CSR engagement. The idea of organising Responsib'ALL Day came from employees and quickly gained support from top management. Once a year, for 24 hours, and simultaneously in all affiliates worldwide, all 19,000 employees stop their usual activities and take action to promote responsible drinking practices. This event, reflecting the spirit of conviviality that is deeply rooted in Pernod Ricard's DNA, is the opportunity for employees to share good practices, give new impetus to initiatives developed over the year and continue to implement concrete actions.



100%
of the
affiliates
mobilised
each year

Actions carried out during the event include exhibitions on prevention & awareness campaigns, forums with local authorities & non-profit organisations, education programmes targeting Group's employees and consumers, and street awareness actions targeting local communities.

With Responsib'ALL Day the group ensures all affiliates have the same level of awareness and highlights the best practices made worldwide during the year. It is also an opportunity to create local partnerships. The employees have the possibility of becoming active ambassadors on topics of concern.

"We, as employees of Pernod Ricard, should be advocates of responsible drinking, ensuring that this message is preached to our families, to our peers, to our colleagues and to the community at large."

Shirley Mabiletja,
Brand Manager, Pernod Ricard South Africa



Pernod Ricard Thailand employees during
Responsib'ALL Day 2011

Responsib'ALL Day, 2011-2013

2011 – 1ST EDITION DRINK-DRIVING



15,055 employees signed the Pernod Ricard Act, a manifesto showing their personal commitment

→ **€1M** donated per year for three years to support the Safe Roads 4 Youth project in three countries: Vietnam, South Africa and Argentina

+ 200 banners rolled out worldwide in emblematic places

e.g. don't drink and drive collective action carried out on the Great Wall in China

2012 – ALCOHOL AND YOUTH



+ 13,000 employees signed the Pernod Ricard Act

+ 150,000 individuals personally briefed by Pernod Ricard's employees, *e.g. Pernod Ricard China employees handing out leaflets and talking to young adults about safe drinking habits in Shanghai*

2013 – THE INDUSTRY 5 COMMITMENTS

Each affiliate had the choice to mobilise its employees on one or more of the five Industry commitments



Responsib'ALL Day 2013, Pernod Ricard Peru

Responsib'ALL Day 2013, Pernod Ricard Swiss