



SUSTAINABILITY & RESPONSIBILITY

◦ *at the heart of Pernod Ricard* ◦



Pernod Ricard

Créateurs de convivialité

“ Sustainability & Responsibility is part of our history. It draws on our vision ‘Créateurs de Convivialité’ and is one of our business priorities. Our 18,500 employees bring it to life, adding value to our business, and it works. ”



ALEXANDRE RICARD
Chairman & Chief Executive Officer



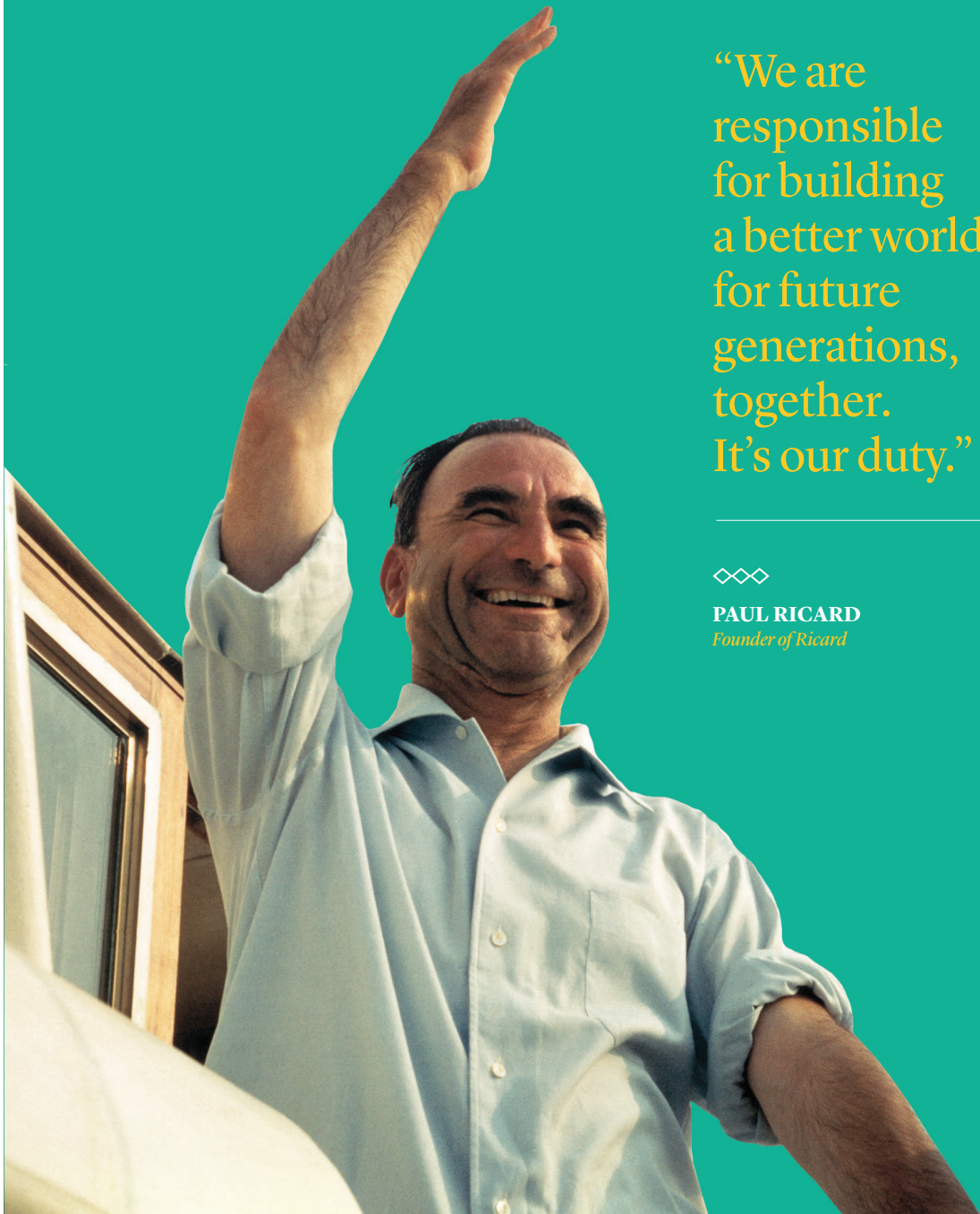
S & R
IS PART
OF ...

... our HISTORY

“We are responsible for building a better world for future generations, together. It’s our duty.”



PAUL RICARD
Founder of Ricard



... our VISION

**SUSTAINABILITY
& RESPONSIBILITY**
LET'S LIVE TOGETHER, BETTER

“As ‘Créateurs de Convivialité’, we are by definition open to others and focused on sharing. Transparency, mutual trust and responsibility are the conditions for the success of our vision: Let’s live together, better.”



CÉDRIC RAMAT
*Human Resources and Sustainability
& Responsibility Director*

... our BUSINESS



“Sustainability & Responsibility is one of our 4 Essentials, but without doubt it is inherent to every aspect of our business - from operational excellence to luxury, in every brand, in every market.”



CONOR MCQUAID
Global Business Development Director

... and our VALUE creation process



◆ Pernod Ricard ranks 1st in the world beverage sector, according to a Vigeo Eiris evaluation.

◆ Integration of the Euronext Vigeo Eiris ‘World 120’ and ‘France 20’.



◆ Obtaining an A-rating in the CDP ranking.

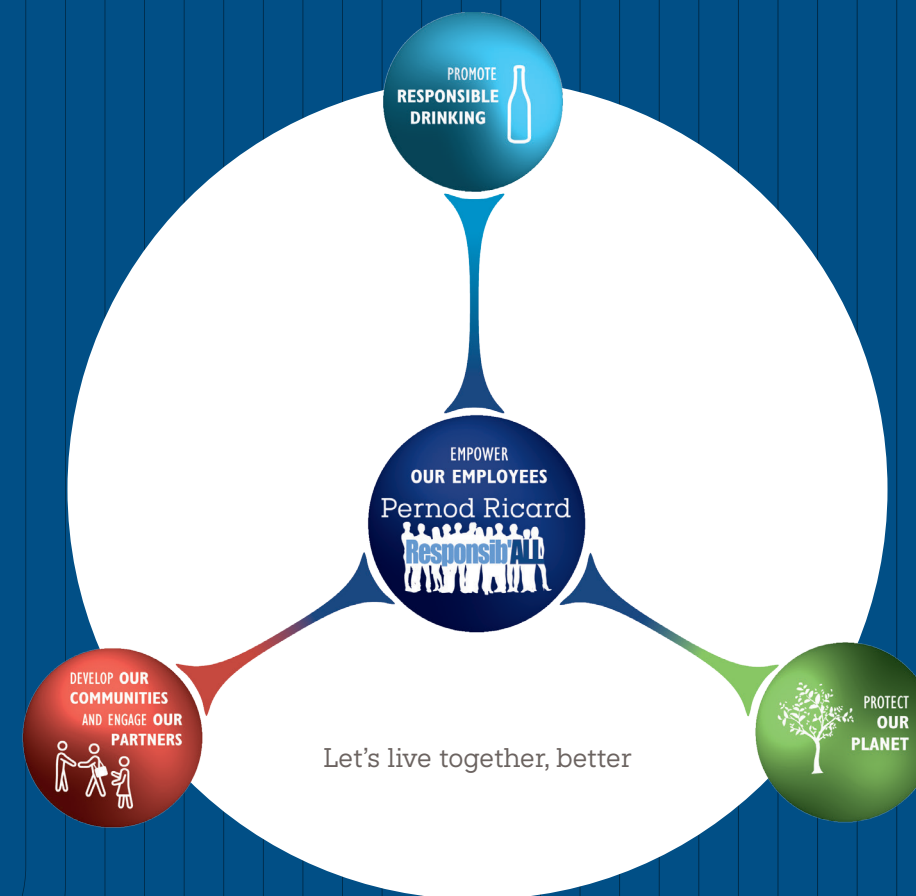
“Convivialité is the art of sharing. We are convinced that there is no genuine and sustainable success without shared values held by every single one of our stakeholders.”



JEAN RODESCH
VP Government Affairs and S&R

AT THE
HEART OF
OUR S&R
AMBITIONS

4
PRIORITIES



Let's discover the drivers
of our S&R model



*Pernod Ricard Headquarters
during the Responsib'All Day 2016.*



1



2



3



4

Empower our employees: OUR COMMITMENT



“If our employees are not convinced we are sincere, nobody ever will be. So let’s empower our employees to be the first ambassadors of our commitments.”



ANDRÉ HÉMARD
VP Sustainability & Responsibility

Empower our employees: A CONCRETE EXAMPLE



“The Responsib’All Day is the best way to promote our commitment in the field. Every year for 24 hours, our 18,500 employees take a break from their daily work and become the credible ambassadors of our commitments.”



ARMAND HENNON
VP responsible Marketing
and Sustainability & Responsibility
France


Pernod Ricard
Créateurs de convivialité



- 1 Mumm Perrier-Jouët.
- 2 Martell.
- 3 Pernod Ricard USA.
- 4 Pernod Ricard South Africa.

Empower our employees:
IT WORKS!



TRAINED

Almost 4,500 employees trained online, 450 of whom have reached the 'coach' level.



ENGAGED

We created the Youth Network in 2014. All 186 members are aged under 30 and come from 55 affiliates. Their aim is to bring a more responsible view to other generations.

*I Say**

SUPPORTIVE

90% of employees are willing to act as a Pernod Ricard ambassador (*I Say* survey 2015).

*I Say**

PROUD

94% of employees are proud to belong to the Group and are fully committed to its values (*I Say* survey 2015).

* *'I Say'* is an in-house survey, conducted by the independent consultancy firm Towers Watson.



Pernod Ricard University is located on the historical site of La Voisine (Clairefontaine - Western Paris suburbs) bought in 1954 by Paul Ricard.

Empower our employees:
BUILDING A BETTER FUTURE TOGETHER



“We have built on our historical 170ha site near Paris a Campus for Pernod Ricard University which is certified HQE™ Aménagement. “Domaine de La Voisine” will re-open in September 2017, with 60 guest rooms, a 350-seat auditorium and a dozen meeting rooms. The Campus will be open to PR employees and teams but also to external customers, thus becoming a showcase for our Group, its brands, its culture and its history.”



CAROLE MISSET
Director of Pernod Ricard University



Alexandre Ricard introducing a customer to Wise Drinking, an app enabling consumers to estimate their alcohol intake.



In January 2017, Pernod Ricard renewed its partnership with ESN, first signed in 2010.



PROMOTING RESPONSIBLE DRINKING

Responsible drinking: OUR COMMITMENT



“Excess prevents ‘convivialité’. We strongly believe in raising awareness and individual empowerment. We have already set up dozens of educational programmes.”



ALEXANDRE RICARD
Chairman and Chief Executive Officer

◆ PERNOD RICARD SUPPORTS AND PROMOTES THE 5 INDUSTRY COMMITMENTS FOR RESPONSIBLE DRINKING SIGNED IN 2012

- Fight against underage drinking
- Strengthen and expand marketing codes of practice
- Provide consumer information and responsible product innovation
- Eradicate drinking and driving
- Enlist the support of retailers to reduce harmful drinking

Responsible drinking: A CONCRETE EXAMPLE



“For the past 7 years, ‘Responsible Parties’ organised jointly by Pernod Ricard and the Erasmus Student Network have enabled us to raise awareness among 332,000 students regarding the harmful effects of inappropriate alcohol consumption.”



CHRISTIAN PORTA
Chairman and CEO of Pernod Ricard
EMEA & LATAM



PROMOTING RESPONSIBLE DRINKING



PROMOTING RESPONSIBLE DRINKING

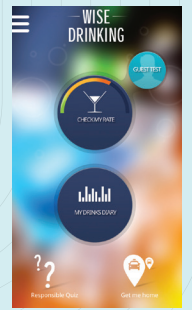
Responsible drinking: IT WORKS!



The No Ikki! Program, which has been running in Japan since 2011, is focused on preventing binge drinking: 150,000 leaflets distributed to students since the beginning of the campaign.



97% of affiliates with a distribution business have already applied the “pregnant woman” warning logo (taking into account regulatory constraints).



There have been more than 100,000 downloads of the Wise Drinking app - which enables consumers to estimate their alcohol intake - since its launch in 2014 (at the end of 2016).



92% of affiliates have undertaken an initiative to promote responsible drinking (end of June 2016).



86% of European students aged 15/16 claim they have ‘never been drunk’ in the last 30 days: an improvement of 23% compared with 2003 (Espad Report 2015).

THE SMART BAROMETER

We commit, we measure.



Pernod Ricard created a barometer with an independent committee to monitor its progress. The overall result for the Group and its affiliates has reached the score of 86%.

Responsible drinking: BUILDING A BETTER FUTURE TOGETHER



“Thanks to the Smart Barometer, a first in the industry, everyone can now monitor Pernod Ricard’s ongoing progress regarding the five industry commitments.”



SANDRINE RICARD
Deputy Director, Sustainability
& Responsibility



PROMOTING RESPONSIBLE DRINKING



PROTECT OUR PLANET

Protect our planet: **OUR COMMITMENT**



“Because all of our products come from agricultural raw materials, preserving the environment is not simply good practice, it’s fundamentally strategic. As a family-owned Group, preserving our legacy for the generations to come is a real commitment.”



PETER MOREHEAD
Group Operations Director



PROTECT OUR PLANET

Protect our planet: **A CONCRETE EXAMPLE**



“Every drop of Absolut vodka is produced in a single distillery, in a small village called Åhus, in the south of Sweden. Our distillery is one of the most environmentally efficient facilities in the world. It has reduced its CO2 emissions to such an extent that it’s now carbon-neutral.”



ANNA MALMHAKE
Chairman & CEO
of The Absolut Company

Since 2004, the Absolut distillery in Åhus has reduced its energy consumption by 45% and its carbon emissions by 80% per liter of vodka.



In 2016, the Paul Ricard Oceanographic Institute celebrated its 50th anniversary and launched the Take Off initiative.

Protect our planet: **IT WORKS!**



◆ Pernod Ricard has adopted a new environmental roadmap for 2020, having met its reduction targets for all of its production sites over the 2010-2015 period.

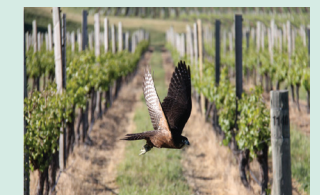
◆ As of 30 June 2016, 82% of the Group's vineyards are certified.



◆ The production sites reduced their CO2 emissions by 25% per unit produced between 2010 and 2016.



◆ The production sites cut water consumption by 17% per unit produced between 2010 and 2016.



◆ 78% have a biodiversity protection program.

Protect our planet: **A CONCRETE EXAMPLE**



“Protecting the oceans means combatting global warming by allowing the sea to play its role of natural regulator. It also means protecting our ecosystems and our regions.”

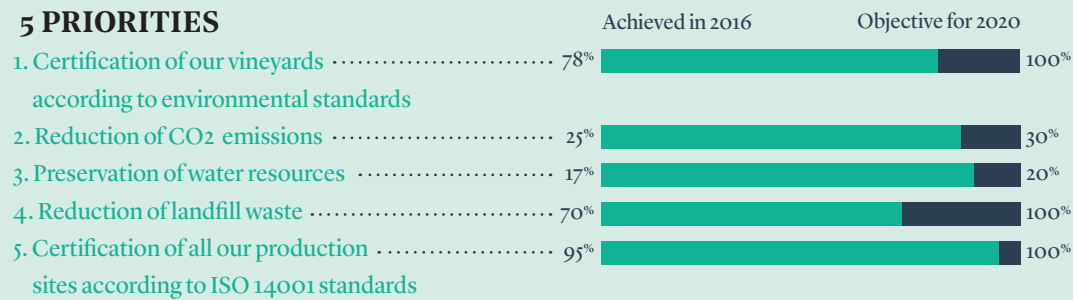


PATRICIA RICARD
President of the Paul Ricard Oceanographic Institute



ENVIRONMENTAL ROADMAP 2010-2020

5 PRIORITIES



Protect our planet: BUILDING A BETTER FUTURE TOGETHER

“Now that the goals set by the Pernod Ricard 2020 roadmap are nearly achieved, we will try to achieve greater objectives in the years to come, thanks to Pernod Ricard’s 2030 environmental roadmap.”



JEAN-FRANÇOIS ROUCOU
Group Sustainable Performance Director



Develop our communities & engage our partners: OUR COMMITMENT

“Pernod Ricard is committed to sharing values and best practices with local communities and its business partners, building win-win relationships.”



NOÉMIE BAUER
Global Sustainability
& Responsibility Manager



- 1 Pernod Ricard Thailand planted 1,250 mangrove trees with local ambassadors and Klong Kone villagers.
- 2 Pernod Ricard Asia supported an organic farm by building a Chinese herb garden, removing weeds and fertilizing the land.
- 3 Ricard engaged in agricultural farming: building a greenhouse, trimming and gardening.
- 4 Pernod Ricard Lanka renovated a retirement home.



PROTECT OUR PLANET



DEVELOP OUR COMMUNITIES & ENGAGE OUR PARTNERS



Pernod Ricard has been a major sponsor of the Centre Pompidou since 1997, and partner of the Guggenheim Museum in Bilbao since 2002.

Develop our communities & engage our partners: A CONCRETE EXAMPLE

“Through its brands, Pernod Ricard is the leading sponsor of many artistic institutions all over the world. Our brands also support many artists, because we consider that art only makes sense when it’s shared.”



OLIVIER CAVIL
Group Communications Director

Develop our communities & engage our partners: IT WORKS!



96% of affiliates have developed at least one initiative to support local communities’ growth and partners’ involvement.



The Martell corporate foundation is a cultural and multi-disciplinary organisation created to generate dialogue between its roots and artists from all over the world.



Pernod Ricard Malaysia provides underprivileged communities with access to lighting by turning recycled bottles into rechargeable lamps that run on solar energy. As a result, nearly 2,000 residents have benefited from these lamps.



At the end of June 2016, 347 suppliers or subcontractors had been assessed on environmental and social factors using the EcoVadis platform.



Created in 1999, the Ricard Company Foundation prize was the first to be dedicated to an emerging artist from the French art scene.





*Develop our communities
& engage our partners:*
**BUILDING A BETTER
FUTURE TOGETHER**



“S&R is not only a corporate challenge. It involves all our Brands across the world, all of which are committed to making a positive impact. We are dedicated to furthering these objectives with our brands in the months and years to come.”



SOPHIE GALLOIS
Marketing Director of
Chivas Brothers Limited

- 1 Cultural sponsorship**
Havana Cultura is a Havana Club initiative that offers a unique promotional platform for Cuban artists.
- 2 Humanitarian Support**
Absolut Elyx has joined forces with the NGO Water for People. Beginning on 1st July, each bottle of Elyx sold in the US will be matched by funds to provide one person with drinking water for a week.
- 3 Entrepreneurial support**
With a dedicated fund of \$1M per year, Chivas Regal's 'The Venture' supports the growth of projects that will help change the world. The 2nd edition took place in July 2016.

WHAT'S
NEXT?

THE UNITED NATIONS’ SUSTAINABLE DEVELOPMENT GOALS



“We support the United Nations’ Sustainable Development Goals initiative. We welcome the involvement of all stakeholders, in particular from the private sector, as a condition of success and we commit to reaching 12 of the 17 objectives before 2030.”



CÉDRIC RAMAT
Human Resources and Sustainability
& Responsibility Director



“72% of young adults are willing to pay more for more responsible products*. That says it all! We have taken these aspirations into account, but it’s by working together that we will succeed in creating a more responsible world. We still have a lot to do!”

◇◇◇◇
ALEXANDRE RICARD
Chairman & Chief Executive Officer

* 2015 Nielsen Global Corporate Sustainability Report (a survey of 30,000 Web users in 60 countries).

S & R KEY DATES

Paul Ricard
Oceanographic institute



Joined "entreprise
& prévention"
(now 'avec modération')
and EFRD
(now 'spirits EUROPE')

Adopted a global
QSE approach

Sustainable
development charter
Added the pregnant
woman logo on our bottles



Created our CSR
platform with 5 pillars

5 Industry Commitments

Publicly supported
the UN SDGs
launched to share the
responsible drinking initiative.

THE SMART BAROMETER
We commit, we measure.



1966

1971

1990 1997

2003

2004

2005

2006

2007

2010 2011

2012

2013

2016

ireb

"Institut de Recherche
Scientifique sur les Boissons"
(now FRA)

Started a cultural partnership
with the Centre Pompidou
in Paris

Joined the United Nations
Global Compact

Joined ICAP
(now IARD)

Enacted our code for
commercial communications

1st Responsib'All Day

Adopted our environmental
policy.
Joined Transparency
International.

PERNOD RICARD AT A GLANCE

N°2

Worldwide in
wines & spirits

€8,682 M

In sales in 2015/16

18,500

Employees based
in 85 countries

17

Brands among
the Top 100 worldwide ⁽²⁾

N°1

Worldwide in premium
and prestige spirits ⁽¹⁾

€2,277 M

In profit from recurring
operations in 2015/16

101

Production sites



(1) *The Pernod Ricard Market View,
based on IWSR data, volume data
at year-end 2015.*

(2) *Impact databank 2015,
published in March 2016.*

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with a globally-recognised set of principles
and criteria for forest management.
April 2017.

