

# Pernod Ricard **Corporate Environmental Policy**



Pernod Ricard

*Créateurs de convivialité*

# A long-term **commitment**

We at Pernod Ricard are proud of our strong engagement towards protecting our environment.

It was made clear as early as 1966 when Paul Ricard, the founder of our Group, created the Oceanographic Institute on Les Embiez Island in the Mediterranean Sea. It is our duty to continue in his footsteps and minimise the impact our activities have on the environment.

We are highly dependent on natural resources. All our products are derived from agricultural raw materials, including grapes and other fruits, cereals, sugar cane, and botanicals. Thus, protecting the environment is not only a good business practice; it is also fundamental and strategic in assuring our future. We also recognise that our consumers expect our brands to be managed sustainably, offering the best quality with exemplarity.

Our engagement towards environment was formalised when we endorsed the United Nations Global Compact in 2003. We have since identified environmental protection as one of the priorities within our Corporate Social Responsibility commitment.

## From the vine to the glass: Our **five priorities** for action

Our top five environmental priorities are closely linked to the life cycle of our products.

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01.

## **Promote sustainable agriculture and preserve biodiversity**

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We are committed to promoting environmental-friendly farming practices and we encourage our suppliers to adopt cultivation practices that respect the land and neighbouring ecosystems.

On our own estates, which are mainly vineyards, we progressively adopt the highest standards of sustainable agriculture, including preferring drip irrigation, reducing fertilizer and pesticide use, protecting the soil against erosion and developing natural sanctuaries for wild life living near our lands.

In addition to implementing sustainable agriculture practices, we also encourage our affiliates to support biodiversity in their local environments as well as in their activities in general.

01.

# 02.

## **Reduce energy consumption and mitigate climate change**

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We use energy in our production facilities, mainly natural gas in our distilleries and mainly electricity in our wineries and bottling plants. We also consume energy indirectly when we purchase packaging materials, logistics services and raw materials. Nevertheless, as we recognise that the consumption of fossil fuels contributes to climate change, we strive reducing the energy we use for each unit we produce or distribute by being more efficient. All our production units are engaged in energy saving programmes so that they increase the energy efficiency of their processes. Our logistics teams shall focus on optimising transportation loading and routes. We also encourage our affiliates to use green energy, for instance from biomass, biogas or green electricity, when possible.

We need to measure the carbon footprint of our activities across our whole supply chain, from packaging and raw material procurement to consumer-generated waste. These data help us understand and anticipate our impact on the environment and on the climate.



# 03.

## Conserve water resources

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Water is an essential component of all our products, present at every stage of our products' lifecycle, be it directly (in our distilleries) or indirectly (in the raw materials, the packaging, and the energy that we purchase). Water is a fragile resource and it is vital. Each country has a specific water situation due to local climate and geography. As we recognised this challenge, we endorsed the United Nations CEO Water Mandate in 2010.

Therefore, each affiliate with production facilities identifies the threats that hang over water resource in its local environment and adapts its practices accordingly. This is of particular importance in countries where water availability or quality is an issue for the future. Water conservation starts with measuring our consumption, and setting objectives to minimise that consumption. It also implies the use of efficient waste water treatment technologies, ensuring that our water discharge does not damage surrounding ecosystems or compromise other natural resources.

Beyond this, we also care about how our suppliers use water and we want to influence them to preserve it.

The background of the entire page is a close-up photograph of several green glass bottles, likely for beer or soda, arranged in a way that creates a sense of depth and texture. The bottles are slightly out of focus, with some in the foreground and others receding into the background. The lighting is soft, highlighting the smooth curves and reflections on the glass.

# 04.

## **Promote sustainable product development and reduce the impact of waste**

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The impact of our activities on the environment begins with the very design of our products and continues through our whole supply chain. This is why we need to design and develop all our products in a sustainable manner, in order to reduce our environmental footprint, including by choosing recyclable packaging materials, designing lighter bottles, reducing the amount of cardboard and plastic we use and using energy efficient logistic solutions. We consider that sustainable product development is a state of mind, by which we always have to consider the environmental impacts of the decisions we make.

Our vision is that each of our products should be fully recyclable, hence contributing to a new life cycle. This is why we support the recycling of used packaging by participating in a number of collection schemes. In the processing of our agricultural raw materials, we try to ensure that all by-products are used as much as possible, for instance as animal feed, compost or biomass, in order to minimise final waste. Our ambition is to reach zero waste level in all our production facilities.

# 04.

## 05. Roll out efficient environmental management systems

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To make our commitment a tangible reality, we implement Environment Management Systems. All our production plants are required to be certified under the international standard ISO 14001. We pay special attention to compliance with all applicable laws and regulations. We also set targets and implement actions in order to continuously improve our environmental performance, and take environmental aspects into account in the decisions we make.

To achieve this ambition, we need the cooperation of all our stakeholders. Each employee needs to be involved, and all our managers need to be engaged to implement our policy. We also need to work with our business partners, suppliers, and local authorities in order to inform them about our commitment and gain their collaboration.



We are convinced that there cannot be leadership without environmental excellence.

Preserving, enriching and passing on the 'terroir' from which our brands are produced is a strategic priority. This way, we support our long-term vision and the future of our brands.

The commitment of each and every employee is the basis of Pernod Ricard's environmental ambition. For this to be successful, the involvement of all is essential.

**Pierre PRINGUET,**  
Vice-Chairman of the Board  
Chief Executive Officer

**Alexandre RICARD,**  
Deputy CEO  
Chief Operating Officer

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