



Pernod Ricard
Créateurs de convivialité

SUPPLIER STANDARDS

PARTNERING WITH PURPOSE

Objectives and scope

As **Créateurs de Convivialité**, Pernod Ricard believes that our success is strongly linked to the way we do business, acting responsibly at every stage of our supply chain.

Operating in more than 60 different countries, we rely on many suppliers across our supply chain, from farming and manufacturing through to distribution and merchandising, and acknowledge that some of our impacts on society and the environment arise through third-party operations. It is essential that we set high operating standards and ensure that all our partners are made aware of, understand and respect them to minimise the impact of our activities.

We **bring Good Times from a Good Place** and our suppliers play a vital role to play in preserving the planet and protecting the people and communities we work with and depend upon. By **working together**, we can create stronger collaborations and develop open, supportive and collaborative business relationships that raise standards across the value chain, enhancing livelihoods and safeguarding the communities we work with.

At Pernod Ricard we deeply value our ways of working with suppliers and prefer a **continuous improvement approach**. Pernod Ricard is engaged in supporting you in developing action plans and to be working together, provided we receive information within due time. If there is no commitment or a lack of corrective measures, such may result in Pernod Ricard ceasing to do business and as a final resort terminating the contract.

All supplier profiles are screened by Pernod Ricard Risk Identification Process. Based on the results, the Group conducts further risk assessments such as online evaluations (e.g. EcoVadis sustainability assessment) and mandates on-site audits (e.g. SMETA : Sedex Members Ethical Trade Audit) to verify and better understand suppliers' potential risks. Where risks are confirmed, Pernod Ricard reserves the right to implement, in collaboration with you, a plan for mitigation.

We expect you to notify us and subsequently resolve any adverse impacts on individuals, workers, affected communities and the environment that it has caused or contributed to. We commit to working with you to remedy adverse impacts which are directly linked to our company's operations, products or services.



Recognising that there are differences in laws, customs, cultures, and economic conditions that affect business practices around the world, we believe that shared values must serve as the foundation for relationships between Pernod Ricard and our suppliers.

These standards outline the requirements we have for our suppliers and partners to ensure that our values and engagements are upheld throughout our supply chain.

We recognize that our suppliers and partners operate in diverse industries and regions, and as such, some concepts and requirements outlined in this policy may not be applicable to all suppliers depending on their category and specific circumstances.

You are expected to peruse this Code of Conduct and to strive to meet these standards to the best of your ability by taking appropriate measures to implement them. We promote continuous dialogue to help you implement these standards. By working together, we can ensure a responsible and sustainable supply chain that benefits everyone involved.

You shall also ensure that this document is communicated with and reviewed by subcontractors. You must cascade expectations and diffuse your own document to your own suppliers.

Pernod Ricard **Sustainable Procurement Program** aims to ensure you acknowledge these Supplier Standards prior to any business relationship with the Group.

Please take the time to read the Supplier Standards so that together, we can build a **strong partnership for the future**.

For any questions on the content or to get support to help build your capabilities, please liaise with your Pernod Ricard contact.

Standards

1. Environmental sustainability

PRESERVING NATURE & BIODIVERSITY

Agricultural business partners promote the development of agricultural practices, processes and technologies which respect the land and neighboring ecosystems.

Traceability

Together with Pernod Ricard, Suppliers of key agricultural raw materials and wood-based products locate the terroir of origin of the material supplied (i.e. the sourcing area). The aim is to understand and define local specificities, complete the Group's risk mapping while giving a visibility on the products origins and sources. In this case, traceability is expected at terroir level, meaning not only the tier 1 supplier (direct suppliers of the final product) but also at local agricultural communities' level.

Sourcing ingredients sustainably

Suppliers of agricultural raw materials for Pernod Ricard are committed to producing or sourcing these ingredients sustainably and are actively taking steps to reduce their environmental footprint by implementing actions and measures in accordance with Pernod Ricard's Sustainable Agriculture Key Principles.

No deforestation

Pernod Ricard is fully committed to no deforestation, no conversion of other natural ecosystems throughout its supply chain by no later than 2025. Our commitment means that our ingredients and wood-based products do not cause or contribute to the loss of natural forests or natural ecosystems beyond December 31, 2020, cut-off date.

'Deforestation-free' means that the relevant products contain, have been fed with or have been made using, relevant commodities that were produced on land that has not been converted from forest to agricultural use, whether human-induced or not, after 31 December 2020.

For more information and further guidance please refer to Pernod Ricard No-deforestation policy.

PRESERVING WATER RESOURCES

Water and wastewater

Suppliers measure and optimize water consumption, especially in water-stressed areas. Wastewater of any kind shall be monitored, controlled, documented and treated before discharge.

Treat wastewater efficiently

Suppliers have efficient solutions to treat wastewater and effluents of production sites, ensuring that they do not pollute or harm freshwater resources or impact negatively neighboring communities.

CIRCULARITY: LIMITING AND ELIMINATING WASTE

Suppliers assess the environmental impact of their products and packaging during their whole lifecycle, from conception and production to use and end-of-life and strive to minimise this environmental impact along each step of the product lifecycle.

Suppliers of packaging or POS materials shall align with Pernod Ricard's sustainability ambition and respect internal guidelines.

Please refer to the *Global Sustainable Packaging and No Deforestation Policy* for more information.

Nuisances and waste

Noise, dust, odours, particles, and all other sources of local nuisance are identified by the Supplier and, as much as possible, minimised. All waste shall be reduced at source, sorted, monitored and disposed of in an adequate and certified sorting or treatment centre.

Product Restrictions

Suppliers observe all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances within the product or the packaging. They shall be in position to provide the necessary supporting documentation attesting to the product compliance with legal requirements.

ENSURE CLIMATE RESILIENCE

Greenhouse Gas (GHG) emissions linked to combustion of fossil fuels, transport or any other activities having an impact on climate (refrigeration systems, fertilizer use, etc.) are identified, monitored, documented and actions are put in place by the supplier to minimize them.

For packaging, raw materials and other industrial products (alcohol, glass, etc.), suppliers provide specific primary data feeding Pernod Ricard internal Emissions Factors calculators when available or their own GHG emissions factors (cradle to gate perimeter), associated with the products sold to Pernod Ricard. This would allow Pernod Ricard to calculate the abovementioned with the highest degree of accuracy.

Suppliers are expected to work with Pernod Ricard to reduce their emissions. For example, plans to decrease and optimize their energy mix and consumption, initiatives to reduce fertilizer use in fields and offering alternative mode of transportation.

2. Social sustainability

WORKERS ARE TREATED EQUALLY, WITH RESPECT AND DIGNITY

No discrimination shall be tolerated by the Supplier in hiring, remuneration, access to training, promotion, termination or retirement, based on factors such as but not limited to gender, gender identity, gender expression, age, religion, race, caste, birth, social background, disability, ethnic, national or social origin, nationality, physical appearance, membership in workers' organisations including unions, political affiliation or opinions, sexual orientation, family responsibilities, marital status.

Works shall be free from violence and harassment and treated with dignity and respect. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to bullying, threat, verbal abuse and harassment, psychological harassment, mental and physical coercion, and sexual harassment and any other forms of discrimination-based harassment. Suppliers will not engage in any retaliation, intimidation or abuse of any worker, including physical punishment or disciplinary measures and mental or physical coercion.

Particular attention should be paid to those most vulnerable to adverse human rights impacts and at heightened risk, including women, children, migrant workers, workers with a disability and workers from a minority background.

WORKERS ARE OF AN APPROPRIATE AGE

In compliance with international standards, especially the ILO's relevant Conventions and national laws, Pernod Ricard does not permit child labour exploitation under any circumstances. We are aware that young people under 18 are entitled to work in certain defined and protected circumstances such as government-approved apprenticeship programmes. This is acceptable if it is conducted in line with the requirements of ILO conventions and national laws. If child labor is found, a remediation plan that puts the best interests of the child education until 15 or the age of compulsory education in the country) shall be put in place.

WORK IS CONDUCTED ON A VOLUNTARY BASIS

Prohibition of forced labour: restriction on workers

All forms of human trafficking, forced, bonded or compulsory labour and involuntary prison are forbidden.

Pernod Ricard prohibits suppliers from retaining workers' personal documents such as passports or other personal identification or travel documents or bank payment cards or similar arrangements workers use for accessing wages. Workers shall have the right to leave the workplace premises after completing the standard workday and be free to terminate and withdraw from their employment if they give reasonable notice to their employer or as required by applicable law.

Workers shall receive a document setting out terms and their work conditions and in particular salary and working hours in a language they understand prior to starting work at the Supplier.

Prohibition of forced labour: recruitment and costs

Pernod Ricard prohibits recruitment fees or costs being charged to workers by suppliers or any third-party recruitment intermediaries.

Prohibition of forced labour: wage practices

Suppliers shall pay workers regularly, in full, and on time in a recognised currency, and do not withhold wages or expenses that should be covered by the Suppliers.

REASONABLE WORKING HOURS ARE APPLIED

All applicable national laws, industry and relevant ILO standards on working hours and public holidays are to be respected by the Supplier. In the absence of applicable laws or collective agreements, normal working hours shall not on a regular basis exceed 48 hours and the maximum allowable overtime hours in a week shall not exceed 12 hours. Employees are entitled to at least one day of rest in every seven-day period. Suppliers to also ensure that compulsory overtime is strictly prohibited.

WORKERS ARE PAID FAIR WAGES

The compensation package includes wages, overtime pay, benefits and paid leave which meet or exceed the legal minimum or appropriate prevailing industry standards. The Supplier must ensure that wage and benefits composition are detailed clearly and regularly for workers and are rendered in full compliance with all applicable laws. All overtime shall be reimbursed at a premium rate as defined by national law and/or industry standard. Compensation terms established by legally binding collective bargaining agreements need to be implemented and adhered to.

WORKERS ARE FREE TO EXERCISE THEIR RIGHT TO FORM/JOIN TRADE UNIONS AND TO BARGAIN COLLECTIVELY

Workers have the right to form, join, and organise trade unions of their choice and for them to bargain collectively on their behalf with the supplier company and can equally opt out if they wish to. In situations where the right to freedom of association and collective bargaining are restricted under law, the supplier company shall allow workers to freely elect their own representatives. Suppliers should ensure that employee representatives do not suffer any discrimination, reprisal, intimidation, retaliation or harassment.

LAND AND WATER RIGHTS OF COMMUNITIES AND INDIGENOUS PEOPLE ARE RESPECTED

Suppliers shall follow all applicable national laws and respect international human rights standards related to rights to land and natural resources ensuring land acquisitions, changes of use and use of land are made respecting the rights of the individuals, indigenous people and local communities impacted. We expect Suppliers to adhere to the practice of free and prior informed consent (FPIC) when using, leasing, and purchasing land. Acknowledging the right to water as a basic human right, we expect our Suppliers to respect the human need for sustainable water supplies, safe drinking water, and protection of both ecosystems and communities through proper sanitation. Negotiations regarding their property must be free, with prior and informed consent and transparency of contract and disclosure.

PROTECT AND RESPECT HUMAN RIGHTS AND ENVIRONMENT DEFENDERS' RIGHTS

Suppliers commit to neither tolerate nor contribute to threats, intimidation, retaliation and attacks (both physical and legal) against human rights and environmental defenders.

VALUE DIVERSITY AND INCLUSION

Building an inclusive culture is the way diversity will thrive and deliver benefits. A diverse suppliers portfolio represents the future, helping us create economic value for marginalized and underrepresented communities that in turn strengthen our business resilience.

Suppliers promote diversity and inclusion by ensuring fairness and equal opportunities in the selection and collaboration with their suppliers (in tender and contracts).

WORKERS' HEALTH, SAFETY, WELLBEING AND SECURITY ARE PROTECTED AT WORK

Occupational Safety, Injury and Illness

Risk assessment must be developed to prevent workers from hazards exposure (e.g., electrical and other energy sources, work at height, confined space entry, on-site transport of any kind and fire). To mitigate the risks, technical barriers, administrative controls including effective operating procedures with appropriate training. Procedures and systems are to be in place to prevent, protect, track, classify, report and manage accidents, injuries and illnesses. Incidents should be investigated and corrective actions implemented to eliminate root causes.

Where hazards cannot be adequately controlled, workers are provided with appropriate, well-maintained, and secured personal protective equipment.

Workers are involved in identifying further safety concerns and are encouraged to self-report near-misses.

Emergency Preparedness

Potential emergency situations are to be identified and assessed. Policies, emergency plans and response procedures are to be in place including evacuation plans and exercises, fire detection systems, emergency reporting, employee notification and recovery plans.

Sanitation, Food and Housing

Workers are provided with ready access to clean toilet facilities, drinkable water and sanitary food preparation, storage, and eating facilities. Workers' accommodation, when provided by the Supplier, is to be maintained, clean, secure and safe, and provided with appropriate emergency exits. Hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges are provided.

Security

Suppliers providing security services directly to Pernod Ricard must ensure their personnel take all reasonable steps to avoid the use of force. If force is used, it shall be in a manner consistent with applicable law. In no case shall the use of force exceed what is strictly necessary. It should be proportionate to the threat and appropriate to the situation.

CONFLICT MINERALS

Where applicable to sourcing activities, supply chain due diligence and measures are in place with regard to minerals which may come from conflict-affected or high-risk areas.

3. Integrity and fair business practices

BUSINESS IS CONDUCTED LAWFULLY AND WITH INTEGRITY

Corruption, Fraud and Anti-Money Laundering

The highest standards of integrity are to be upheld by the Supplier in all business interactions. The Supplier shall have a zero-tolerance policy towards any and all forms of bribery, corruption, and fraud. All business dealings should be transparently performed and accurately reflected on the Supplier's business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with [Pernod Ricard's Code of Business Conduct](#), as well as any:

- Anti-Corruption Laws – i.e. the French anti-corruption laws including Sapin II Law, the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act, and any other law, rule, regulation or other legally binding measure with similar effect (i.e. related to the prevention of bribery, corruption, influence peddling, conflicts of interests, fraud or similar or related activities)
- Trade Control Laws – i.e. all applicable (i) economic, financial or trade sanctions laws and regulations, embargoes or restrictive measures, and (ii) import and export control laws and regulations, as they may be amended from time to time, of the United Nations, France, the European Union, the United States, the United Kingdom, or any other jurisdiction to which the Suppliers may be subject.;
- Anti-Money Laundering Laws (i.e. all applicable law, rule, regulation or other legally binding measure with similar effect with regard to anti-money laundering).

Suppliers should not cause any conflict of interest for Pernod Ricard employees and should avoid situations where a conflict of interest may occur. We expect suppliers to disclose in full any potential conflict of interest they may have before starting any business relationship with Pernod Ricard, or, if not possible, as soon as the conflict of interest has been identified, so that it can be properly considered, and the right action taken.

Business record and confidential information

Information regarding the Supplier's business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

Business, commercial and financial information regarding Pernod Ricard and its commercial partners should not be disclosed to third parties without Pernod Ricard's prior authorisation. Said information should be treated as confidential and in compliance with the terms agreed by the Supplier and Pernod Ricard.

Intellectual Property and Data Protection

Intellectual Property and Data Protection Intellectual property rights are to be respected by suppliers. The transfer of technology and know-how is to be carried out in a manner that protects intellectual property rights.

Suppliers shall comply with all applicable data protection laws when collecting, processing and disclosing personal data. Suppliers shall put in place appropriate procedures and mechanisms to demonstrate their compliance with such laws.

Open and Fair Competitive business environment

High standards of fair business, advertising and competition are to be upheld by the Supplier. Suppliers must comply with competition and antitrust laws which apply to their business and to Pernod Ricard.

Tax evasion

Suppliers shall comply with all applicable tax laws, regulations and industry standards in the countries where they operate. Suppliers shall not engage in deliberate tax evasion or facilitate such evasion on behalf of others. As such, suppliers are expected to have in place adequate procedures and effective controls to minimise the risk of tax evasion or its facilitation, and to enforce them where appropriate. Suppliers must report any concerns in relation to tax evasion to their Pernod Ricard contact.

Animal welfare

The Supplier shall not fund, conduct, or commission any animal testing unless they are explicitly required by law.

SUPPLIERS ENGAGED IN OUR MARKETING & PROMOTIONAL ACTIVITIES COMPLY WITH OUR CODE OF COMMERCIAL COMMUNICATIONS

Pernod Ricard acknowledges that the misuse of alcohol can cause harm to individuals and their communities. To ensure that consuming our products continues to be a safe and enjoyable experience, we encourage consumption in moderation and combat inappropriate forms of consumption wherever possible. Our brands must also be advertised and marketed responsibly.

Suppliers and business partners who are engaged in marketing and promotional activities and who employ individuals as Brand Promoters and Ambassadors on Pernod Ricard's behalf must commit to our Code for Commercial Communications and any contractual requirements agreed with the Group.

4. Responsible Drinking

The products we create, market and promote bring people together and play a valuable role in society. However, one must never forget that the excessive or inappropriate consumption of our products by our consumers may generate risks for themselves and others. To ensure that consuming our products continues to be a safe and enjoyable experience, we encourage consumption in moderation and combat inappropriate forms of consumption whenever possible, in partnership with other industry members, non-profit organizations and public authorities. Promoting the responsible consumption of our brands is part of our business ethics and we encourage our suppliers to raise their worker's and the public's awareness to responsible drinking. All suppliers of services relating to the organization or sponsorship of events should ensure that there is a clear and visible responsible drinking message.

Raising a concern

We support a culture of speaking up without fear of retaliation against those who report actual or suspected breaches of our Code of Business Conduct, policies, standards or the law (the “Rules”).

Any concern from the Supplier, its employees, managers, workers or any other stakeholders regarding these Rules or their application (including any failure by a Pernod Ricard employee or anyone acting on behalf of Pernod Ricard) should be reported to your Pernod Ricard contact or on our secured alert line “[Speak Up](https://www.speakup.pernod-ricard.com)” www.speakup.pernod-ricard.com. Operated by an independent service provider, Speak Up can be used anonymously (where permitted by law) and is available in several language, 24 hours a day, 7 days a week.

We take every report seriously and will not tolerate any retaliation by a Pernod Ricard employee against a supplier who has reported a concern in good faith or assisted Pernod Ricard with an investigation. Pernod Ricard will investigate any concern raised in good faith. The Supplier could be asked to assist on an investigation and provide access to any information reasonably requested.

Providing remedy

We expect suppliers to provide their employees and their local communities with an accessible, confidential and secure mean to report breaches of applicable Rules. Said mean shall allow the reported issue to be dealt with in a fair and timely manner. This process should be communicated to all the Supplier’s employees and workers. We expect suppliers to resolve and enable effective remedy the adverse impacts on individuals, workers, communities and the environment that it has caused or contributed to. We commit to working with suppliers to remedy adverse impacts which are directly linked to our company’s operations, products or services.

Reference Documents

The following international standards, guidelines and conventions were used in preparing this document and may be a useful source of additional information:

- [Universal Declaration of Human Rights](#)
- [International Covenant on Civil and Political Rights \(ICCPR\)](#)
- [International Covenant on Economic, Social and Cultural Rights \(ICESCR\)](#)
- [United Nation Convention Against Corruption \(UNCAC\)](#)
- [United Nation Sustainable Development Goals \(SDGs\)](#)
- International labour Organization (ILO) eight fundamental conventions
- Other relevant UN conventions and declarations, including (but not limited to):
- [Declaration on the Elimination of Discrimination Against Women](#)
- [Declaration of the Rights of the Child](#)
- [Declaration on the rights of indigenous peoples](#)
- [Convention on the Protection of the Rights of All Migrant Workers and Members of their Families](#)
- Other international standards and guidelines, including (but not limited to):
- [OECD guidelines](#) for multinational enterprises;
- [OECD-FAO Guidance for Responsible Agricultural Supply Chains](#)
- [OECD Convention on combating bribery of foreign public officials in international business transactions](#)
- [Ten Principles](#) of the United Nations Global Compact;
- [ILO's Tripartite Declaration](#) of Principles Concerning Multinational Enterprises and Social Policy;
- [United Nations Guiding Principles on Business and Human Rights](#).
- The [ISO 45001 standard](#)

For further information please visit our website www.pernod-ricard.com to access our policies and our annual Sustainability reporting in our Universal Registration Document.

How we behave in our business

- Code of Business Conduct
- Global Environmental Policy
- Global Human Rights Policy
- Global Health & Safety Policy
- 2030 S&R Roadmap
- Sustainable agriculture: key principles
- No deforestation policy

These Supplier Standards supersede and replace the previous Pernod Ricard Supplier Standards (issued in 2019)

For further information please visit our website www.pernod-ricard.com to access our Code of Business Conduct, Supplier Standards, policies and our annual Sustainability reporting in our Registration Document.