



Pernod Ricard

Pernod Ricard commitments to the EU Code of Conduct for Responsible Business and Marketing Practices

Summary

Commitment	Aspirational objective and indicative actions
<p>1. Responsible Party – Reduce binge drinking among young adults, reducing alcohol related harm promoting responsible consumption and behaviour.</p> <p>-3 million young adults by 2030 -30 million adults reached digitally by 2025.</p>	<p>Healthy, balanced and sustainable diets for all European consumers</p> <p>- thereby contributing to reversing diet-related noncommunicable diseases (NCDs) in the EU</p> <p>- Indicative actions: promote consumer awareness of healthy, balanced and sustainable diets, including sustainable food consumption, as part of healthy & sustainable lifestyles</p>
<p>2. Our Net Zero ambition for our scopes 1 & 2 carbon emissions by 2030 at the latest and -50% intensity scope 3 by 2030 (as approved by the SBTi)</p>	<p>Climate neutral food chain by 2050</p> <p>- Reducing net emissions from own operations, contributing to a 55% GHG emission reduction target in the EU food chain by 2030 (following a science-based approach)</p>
<p>3. Gender balanced top management by 2030 (range 40-60%)</p>	<p>Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>

Introduction

Our vision at Pernod Ricard is to be *Créateurs de convivialité*, it is about how we do business – in the right way – as a sustainable and responsible company.

The proposed commitments integral to the Pernod Ricard’s Sustainability & Responsibility (S&R) roadmap a long-term strategy to create long-term value for all stakeholders (shareholders, employees, consumers, clients, suppliers, international organisations, citizens...) and shape a more sustainable and responsible style of conviviality. Integrated into all Pernod Ricard activities and addressing the business from grain to glass, addressing major environmental and social shifts, the S&R strategy allows the Group to focus corporate priorities on what matters most to consumers. By boosting responsible innovation and building purposeful brands, Pernod Ricard aims at bringing to life its vision of a more convivial world without excess.

Developed through extensive consultation and collaboration between internal teams, external partners and experts, the S&R roadmap was launched in 2019 with a focus on four key pillars: Nurturing *Terroir*, Valuing People, Circular Making, Responsible Hosting. Each pillar has defined commitments, actions and measurable targets to monitor progress. Projects are driven by



multidisciplinary teams involving people across our value chain, from employees to farmers, partners and suppliers.

We strongly believe that by working closely with others we can learn by sharing knowledge, we can improve by challenging each other and we can innovate by trailing solutions together by adopting a multi-stakeholder approach.

The commitments that we propose to submit to the Code have been selected, renewed and scaled-up taking also into account the level of ambition in the EU Code of conduct. We are willing to play our part mobilising further engagement in the transition towards sustainable food systems within our sphere of influence through tangible, relevant and measurable commitments in contribution to the common aspirations set out in this Code.

1. Responsible Party – Reduce binge drinking among young adults, reducing alcohol related harm promoting responsible consumption and behaviour.

Rationale. Relevant to Aspirational objective 1: *Healthy, balanced and sustainable diets for all European consumers, thereby contributing to reversing diet-related noncommunicable diseases (NCDs) in the EU.*

- Aspirational target *a) Improved food consumption patterns in the EU*
- Indicative actions: *promote consumer awareness of healthy, balanced and sustainable diets, including sustainable food consumption, as part of healthy & sustainable lifestyles*

Motivation

Pernod Ricard is committed promoting responsible and moderate drinking and reducing alcohol misuse. Our Group fully supports the World Health Organization's (WHO) goal of reducing harmful drinking by 10% worldwide by 2025. We believe that we have an important part to play in combating alcohol misuse and supporting 'Health and Well-being' (SDG 3), through our responsible drinking programmes and campaigns, and our commitment to responsible marketing and consumer information.

For this, Pernod Ricard has a specific *Responsible Hosting* strategy focusing on tackling alcohol misuse in the framework of our S&R Roadmap. This goal is fully aligned with its "Créateurs de convivialité" vision as there is no conviviality in excessive or inappropriate drinking. Adult consumers must make responsible choices about whether or not to drink, and how much to drink. It is also aligned with our Premiumisation strategy. The Group wants adult consumers to consume better and high-quality products, not increase their overall alcohol consumption. Pernod Ricard believes that collaborative targeted preventive action on the ground is an effective way of tackling inappropriate consumption and promoting responsible behaviour through evidence-based programs and campaigns for which the results will be evaluated, implemented locally by its affiliates, in partnership with industry peers, civil society and local authorities.

Created in partnership with Erasmus Student Network, an EU-funded non-profit organization, Responsible Party is a unique prevention program in partnership which actively fights against the misuse of alcohol. Responsible Party has from the start been the leading pan-European



program tackling binge drinking among young adults. The program seeks to both raise awareness on binge drinking effects and reduce alcohol related harm during events.

Responsible Party is a non-branded peer-to-peer approach program that can be activated during any event, providing a safer and more responsible environment for young adults. At every event, the program acts by providing relevant information, water and tools so that each individual is empowered to make responsible choices.

Indicators

3 million young adults reached on the by 2030
30 million adults reached digitally by 2025.

Baseline against to which monitor progress

The program has reached over 450,000 students in 33 countries since the beginning of the program in 2009.

In 2020, 6 million young adults were reached through the Responsible party's digital campaign *Sharing Good Vibes*. Articulated around the concepts of healthy lifestyles, solidarity and *convivialité*, this campaign aimed at encouraging young adults to lead a responsible lifestyle.

New/Existing

Existing, but adapted and massively scaled-up.

2.Net zero emissions

Rationale - Relevant to Aspirational objective *3. Climate neutral food chain by 2050*.

Motivation

Climate change is one of the most urgent challenges facing this generation. Combatting it is a major focus of Pernod Ricard's environmental policy.

Pernod Ricard generates carbon emissions in several ways. These contribute to climate change:

- directly, through the use of fossil fuels on sites (Scope 1) and due to the electricity consumed, which generates greenhouse gases emissions when produced by suppliers (Scope 2);
- indirectly, through products (agricultural raw materials, packaging, etc.) and services (transport, etc.) purchased (Scope 3).

The Group plans to reduce the CO2 equivalent emissions generated throughout its supply chain and adapt its business to ensure it is resilient.

To help reduce climate change, the Group follows a two-step approach consisting of:

- assessing its carbon footprint throughout the supply chain to identify priorities;
- implementing relevant measures to reduce direct and indirect emissions, working with production sites, farmers and suppliers

Indicators and baseline

We have already reduced the carbon intensity of our industrial operations (scope 1 and 2, i.e. direct CO₂ emissions from energy consumed by production sites and indirect emissions from the energy purchased by our production sites) by one-third between 2010 and 2020.

We set up ambitious new goals to speed up progress and extend its actions (Scopes 1, 2 and 3), as follows:

- For our **scope 1 & 2 emissions**, new target to reach **net zero by 2030** at the latest, going beyond our Science-Based Target to reduce by 30% in absolute value our emissions by 2030,
- For **Scope 3** (emissions in our value chain), our aim is to **reduce our overall intensity by 50% by 2030**, in line with the Science-Based Targets. To achieve this we will work with all our suppliers both in agriculture and packaging.

New/Existing

Existing, but adapted and massively scaled-up. With this new ambition, we will go beyond our Science-Based Targets initially set in 2018 (i.e. to reduce by 30% in absolute value our scope 1 and 2 emissions by 2030).

3. Gender balanced top management

Rationale - Relevant to aspirational objective 5. *Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*

Motivation

As 'Creators of conviviality', our purpose is about sharing, warmth, care and respect for people everywhere.

We strive to provide 'Decent Work & Economic Growth' (SDG 8) and to champion 'Gender Equality' (SDG 5) throughout our business.

Our Group promotes **diversity and inclusion** throughout its business. It works with its suppliers to create shared values in its supply chain. We **increase diversity and fairness** for all our people and it has always been part of our modus operandi.

We are present across the EU and well beyond, in more than 70 countries globally, and know it is crucial for our company to mirror the broad spectrum of the consumers - citizen base in the world in which we operate.

Indicators- To have gender balanced top Management by 2030 (range 40-60%)

Baseline against to which monitor progress : 27% today.

New/Existing – Existing by scaled up and accelerated.