

# EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

TEMPLATE FOR COMPANIES

**PERNOD RICARD**

REPORT SUBMITTED ON **JULY 2025**

Type of business/sector <i>(E.g. retail, dairy)</i>	Sustainability dimension <i>(E.g. environmental, social)</i>	Code aspirational objective <i>(1-7)</i>	Individual commitments with baseline	Progress on KPIs and goals (qualitative and/or quantitative)	Additional information <b>(optional)</b>  <i>(E.g. partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>
Agri-food industry Wine & spirits	Social	1/ <i>Healthy, balanced and sustainable diets for all European consumers, thereby contributing to</i>	<b>Responsible Party –</b> Reduce binge drinking among young adults, reducing alcohol related harm promoting	<b>KPIs:</b>  -3 million young adults by 2030  -30 million adults reached <b>digitally</b> by 2025.	<b>Responsible Party</b> <a href="https://www.responsible-party.com/fr">https://www.responsible-party.com/fr</a> is Pernod Ricard flagship program fighting binge drinking among young adults since 2009. This initiative has 2

	<p><i>reversing diet-related noncommunicable diseases (NCDs) in the EU.</i></p> <ul style="list-style-type: none"> <li>○ Aspirational target a) <i>Improved food consumption patterns in the EU</i></li> <li>○ Indicative actions: <i>promote consumer awareness of healthy, balanced and sustainable diets, including sustainable food consumption, as part of healthy &amp; sustainable lifestyles</i></li> </ul>	<p>responsible consumption and behaviour.</p> <p><b>Baseline against to which monitor progress</b></p> <p>The program has reached over 450,000 students in 33 countries since the beginning of the program in 2009.</p> <p>In 2020, 6 million young adults were reached through the Responsible party's digital campaign <i>Sharing Good Vibes</i>. Articulated around the concepts of healthy lifestyles, solidarity and <i>convivialité</i>, this campaign aimed at encouraging young adults to lead a responsible lifestyle.</p>	<p><b>Progress</b></p> <ul style="list-style-type: none"> <li>- <b>Digital: Drink More Water campaign has already achieved the targets and overpassed them at scale:</b></li> <li>- <b>Initially Launched since July 2021 in 32 countries</b>, including 14 EU MS (Germany, Belgium, Netherlands, Romania, Slovenia, Croatia, Bulgaria, Malta, Italy, Poland, Austria, Spain, Greece, France).</li> <li>- With its <b>second wave in FY24</b>, the Drink More Water campaign has reached over 100 million people online in 2 months</li> <li>- Since its launch, <b>by May 2024 Drink More Water campaign</b> had reached: <ul style="list-style-type: none"> <li>○ <b>Over 600 million people online</b> and</li> <li>○ <b>23 million people through on-the-ground activations</b></li> <li>○ <b>in 61 countries</b></li> </ul> </li> </ul>	<p>main objectives: raising awareness on the risk of alcohol abuse and reducing harm at parties. In Europe, this initiative the result of a close collaboration with <a href="#">Erasmus Student Network (ESN)</a>. During the COVID pandemic, the programme activity where adapted to keep connecting with young adults audience for fighting against binge drinking.</p> <p><b>DRINK MORE WATER</b> by Responsible Party Pernod Ricard (<a href="#">Drink More Water</a>) is committed to fighting binge drinking around the world, notably through its Responsible Party flagship programme which aims to raise awareness of the risks of binge drinking and reducing harm linked to this dangerous drinking practice. Wholly separate from the Group's brands, the programme has its own visual identity and is based on a peer-to-peer approach. Originally launched in 2009 in partnership with Erasmus</p>
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				<p>Student Network, the largest European student organisation, its scope has since expanded from students to the young adult population at large and now includes the “DRINK MORE WATER” campaign. “DRINK MORE WATER” is an innovative campaign launched in 2021 to broaden the programme’s scope and reach more young adults during and after the Covid-19 pandemic. Its message, “DRINK MORE WATER”, is a clear and universal call to action reflecting a bold campaign that targets Gen Z by speaking their own language.</p> <p>The Group continued to deliver strong responsibility messages through initiatives targetting our consumers to help them adopt responsible behaviours regarding alcohol.</p>
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Agri-food industry Wine & spirits	Environmental	3. Climate neutral food chain by 2050.	<p><b>Net Zero ambition for our scopes 1 &amp; 2 carbon emissions by 2030 at the latest and -50% intensity scope 3 by 2030</b> (as approved by the SBTi)</p> <p><b>Indicators and baseline</b></p> <p>For scope 1 &amp; 2 emissions, target to reach <b>net zero by 2030</b> at the latest, going beyond our Science-Based Target to reduce <b>by 30%</b> in absolute</p>	<p>1/ In FY 2024, Scopes 1 and 2 non-FLAG GHG emissions have been reduced by <b>30%</b> (in absolute value) <b>vs FY22</b> – On plan</p> <p>2/ In FY 2024 <b>Scope 3 FLAG GHG emissions</b> were reduced by <b>9%</b> (in absolute value) <b>vs FY22</b> – On plan</p> <p>3/ In FY 2024 <b>Scope 3 Non-</b></p>	<p><b>In May 2024, a new set of targets aligned with 1,5°C Net Zero was validated by the SBTi</b>, following the recommendation to set Forest Land and Agriculture (FLAG) targets over the medium- and long-term:</p> <ul style="list-style-type: none"> <li><b>In the near-term:</b> Pernod Ricard commits to reducing absolute <b>scope 1 &amp; 2 emissions by 54% by FY30 from a FY22 baseline</b>.</li> </ul> <p>The Group also commits to <b>reducing absolute scope 3 FLAG emissions by 30.3%</b></p>	Climate change is one of the most urgent challenges facing this generation, and Pernod Ricard's business is particularly vulnerable to its impacts on terroirs, impacting yields and quality of raw materials. Moreover, Pernod Ricard generates emissions contributing to climate change in a range of ways:

		<p>value our emissions by 2030.</p> <p>For <b>Scope 3</b> (emissions in our value chain), our aim is to <b>reduce our overall intensity by 50% by 2030</b>, in line with the Science-Based Targets.</p> <p>To achieve this we will work with all our suppliers both in agriculture and packaging.</p> <p>Between 2010 and 2020 we had already reduced by one-third 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)</p>	<p><b>FLAG GHG emissions</b> were reduced by 6% (in absolute value) vs FY22 – On plan</p> <p>Compared to FY22, the <b>Scopes 1&amp;2</b> GHG emissions of the Group's production sites decreased by 31% in absolute value, while the carbon intensity of direct activities (measured by the Scopes 1 and 2 emissions per kl of alcohol distilled) improved by 25% versus FY22 and 38% compared to the FY18 base year.</p> <p>Achievements made in FY24 reflect the efforts initiated by the Group in the recent years to reach its 2030 target.</p>	<p><b>and non-FLAG emissions (purchased goods and services, upstream transportation and distribution) by 25% within the same timeframe.</b> Pernod Ricard also commits to <b>no deforestation across its primary commodities linked to deforestation by the end of 2025.</b></p> <p>• <b>In the long-term:</b> Pernod Ricard commits to reducing its absolute <b>scope 1 &amp; 2 emissions and its scope 3 non-FLAG emissions by 90% by FY50 from a FY22 baseline.</b> Pernod Ricard also commits to reducing absolute <b>scope 3 FLAG emissions by 72%</b> within the same timeframe.</p> <p>A <b>decarbonisation roadmap</b> has been defined for all Group production sites. This is based on major CapEx projects and renewable energy initiatives implemented at the main Group distilleries.</p> <p>On <b>Scope 3</b>, the Group is working alongside its main</p>	<ul style="list-style-type: none"> <li>• directly, by using fossil fuels on sites (Scope 1) and consuming electricity that generates GHG emissions (Scope 2);</li> <li>• indirectly, through upstream and downstream activities (agricultural raw materials, packaging, logistics, etc.) (Scope 3).</li> </ul> <p>Mitigating and adapting to climate change is a major area of focus for Pernod Ricard's environmental policy.</p> <p>The Group is working on reducing the greenhouse gas emissions generated throughout its supply chain and on adapting its business to ensure resilience to climate-related risks.</p> <p>For greater transparency, and to put its operations in perspective with the</p>
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				<p>suppliers and building lasting relationships to accelerate their decarbonisation pathways, through e.g., co-constructing roadmaps and conducting pilots.</p> <p>To achieve these objectives, the Group has launched actions addressing each of its main emission sources and adopt new tools to accelerate its decarbonisation and climate resilience through the use of Artificial Intelligence</p>	<p>reality of climate change and its consequences, Pernod Ricard follows the recommendations of the WRI(6)/WBCSD(7) GHG Protocol for carbon accounting, and of the Task Force on Climate-related Financial Disclosure (TCFD) for climate risk assessment and disclosure. These guidelines provide a framework to disclose exposure, share information concerning the Group's mitigation plans, and assess the Group's effective response to climate-related risks. Regarding the setting of climate targets, the Group is committed and aligned to SBTi guidance.</p> <p>Pernod Ricard has a governance and organisational structure to ensure that climate change</p>
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					<p>issues are fully incorporated into its strategy.</p> <p>The Global Sustainable Business team is responsible for defining, driving and overseeing the implementation of the S&amp;R strategy. With a strong expertise on climate &amp; nature and circularity, the team defines environmental targets for the Group and co-constructs local action plans with affiliates.</p> <p>Sustainability &amp; Responsibility Leads within affiliates ensure that sustainability risks and opportunities are embedded into local strategies and that the performance is properly monitored. The Sustainable Business team, along with other departments (Procurement, Innovation,...)</p>
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						oversees the execution of the roadmaps, the development of relevant policies and procedures e.g., carbon reduction, responsible sourcing, sustainable CapEx, and the definition of metrics (scope and calculation methodologies).
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<b>Agri-food industry</b> <b>Wine &amp; spirits</b>	<b>Social</b>	5. Sustained, inclusive and sustainable	<b>By 2030, top management team will be gender balanced (balance considered</b>	<b>In FY24, 38% of women in our top management</b>	Pernod Ricard views diversity as a source of prosperity and strives to foster an inclusive culture where everyone is valued	Pernod Ricard group sees D&I as a real business catalyst for Social Sustainability now and in the



		<p>economic growth, full and productive employment and decent work for all.</p>	<p>achieved with a range of 40-60%).</p> <p>Baseline: 27% (mid 2021)</p>	<p>for who they truly are, and drive collective performance through their combined experiences, perspectives, and uniqueness. Moreover, as a consumer-oriented company, the Group believes that its employees must reflect the world in which it operates and the diversity of its consumer base. As such, Pernod Ricard is committed to a strong Diversity &amp; Inclusion (D&amp;I) agenda, and to creating an environment where its teams feel valued, heard, and safe in order to thrive.</p> <p>Since the start of a Better Balance journey in 2015, Pernod Ricard increased the percentage of women in Top Management from 19% to 38% in FY 2024</p> <p>During FY23 the Group launched its global Diversity &amp; Inclusion framework, which involves detailed KPIs to translate four objectives – talent</p>	<p>future, making an impact not only on the employees but also on the suppliers, consumers and communities with the brands. Pernod Ricard's Global Diversity &amp; Inclusion Framework allows Market and Brand Companies to share a common D&amp;I ambition and global objectives, while empowering all affiliates and respecting local specificities and business needs in their respective markets. This framework is comprehensive, driving D&amp;I directly in the Group's ways of working, complete with detailed KPIs to provide direction with regards to its four global priorities – equitable talent processes, convivial culture, innovation &amp; growth and enhanced reputation –</p>
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				<p>management, workplace culture, innovation, and reputation – into improved business performance.</p> <p>To continue accelerating the D&amp;I journey, the Group created a dedicated Global D&amp;I Director role (CDO equivalent) at the beginning of <b>FY24</b> and renewed its Global D&amp;I council through the year, composed of 12 senior leaders from the organization representing the diversity of the global presence in Management Entities, Brand companies and the HQ, with the sponsorship of two Executive Committee members (EVP Integrated Operations &amp; S&amp;R and EVP Finance &amp; IT). This diverse group representing different affiliates comprises global top senior executives with the objective of accelerating the Group's global D&amp;I journey while acting as</p>	<p>translated into improved business performance. This complements the work already achieved by management in local affiliates to establish their own D&amp;I agendas and plans.</p> <p>While continuing to accelerate Diversity - with a special continued focus on Gender balance in senior leadership positions, FY24 marked a new impulse with a revised governance, vision and priorities placing an emphasis on inclusion, at the heart of conviviality and fully linked to the expected behaviours of the revamped values.</p>
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					global ambassadors of this commitment.	
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## Background to the report Pernod Ricard's EU Code of Conduct pledges

Our company mission is to **unlock the magic of human connections by bringing 'Good Times from a Good Place'**. This mission places Sustainability and Responsibility (S&R) at the heart of our business and all our activities.

S&R among the 6 top trends for 2022 identified by the Cultural Foresights team. Consumers want a greener, more sustainable, more inclusive world, and **expect companies and their favourite brands to take stronger positions** on the climate emergency, social justice, health and wellbeing, working conditions, and other S&R topics.

Our 'Good Times from a Good Place' S&R strategy is built 4 pillars:

- **Nurturing Terroir** – all products come from nature/agriculture – this is about protecting these natural ingredients and the places they come from.
- **Valuing People** - which is about care and respect for people everywhere;
- **Circular Making** - which is about minimising our impact whilst making our products,
- **Responsible Hosting** - which is about **fighting alcohol misuse in society** and making sure we market/sell our products in the right way

**Valuing people** is about sharing warmth, care and respect for all the people around us. We strongly believe in creating a **work environment where everyone can thrive from our own employees to our suppliers and customers** ... and it starts with our employees.

- **Diversity and Inclusion** is one of them. As a company with employees in more than 70 countries, it is really crucial for us to reflect the diversity of our consumer base. Last year we launched a global D&I council who have been working on strengthening the global D&I framework, implementing leadership training and supporting other local initiatives.
- **We've made good progress on gender balance...** We've gone from 19% women in top management roles to 36% since 2015 and we are committed to having a gender balanced top management team by 2030. We have also **reached equal gender pay**.

**Circular Making** is all about how we imagine, produce and distribute our products in a way that **minimises waste, reduces carbon emissions and makes us less reliant on natural resources such as water**. We strive to create a more circular business at every step, from agriculture to manufacturing, packaging and transport. Every year, our activities emit 3m tonnes of carbon, which is one of the main reasons for climate change. **Our commitment is to follow a Net Zero trajectory by 2050, in line with a 1.5°C scenario.**

There are two things to tackle – our own emissions in distilleries and vineyards, and the ones from our suppliers. Our own sites actually only represent 9% of our total emissions, while the production of natural ingredients, packaging and transport account for over three quarters of our emissions. That's why we are working with all our production sites AND all our suppliers.

- **In our distilleries and vineyards**, we're trying to use less energy (installing new efficient machines, such as boilers at **Irish Distillers**), and to change the kind of energy we use:
  - Removing fossil fuels (oil, gas, coal), such as **Absolut**
  - Replacing with biofuels, such as **Chivas Brothers**
  - Using electricity where possible - **Martell Mumm Perrier-Jouët** now use electric automated tractors. **Pernod Ricard Winemakers** has installed solar panels in its vineyards. Our Group commitment is to have 100% renewable electricity (from wind or solar for example) by 2025.
- **Most of our packaging is glass, and glass is good news because it's infinitely recyclable.** But glass is heavy.. and takes a lot of energy to produce and transport. **So we're**
  - **reducing the weight** - **Plymouth Gin** has reduced the weight of its bottle by 15% for example,
  - **rethinking the materials we use.** **Absolut** partnered with a start-up and other industry leaders to develop a paper bottle. **Perrier-Jouët** designed a new gift box which is made from 100% natural fibers, which is lighter and entirely recyclable.
  - **increasing the amount of recycled glass** – **Absolut** now has over 50% recycled content which is remarkable for a transparent bottle, **Ricard** has 81% recycled content
  - **looking at new technology with glass manufacturers** – **Jameson** recently trialed new technology that could reduce up to 90% of carbon emissions
  - **working with others to increase glass recycling in markets** –
- **As for transport** - we're also looking at ways to reduce our carbon emissions by using alternative energies. **Lillet** saves 90% CO2 emissions in its logistics by using bioethanol
- **We are also committed to reducing waste and sending less to landfill.** This year, we successfully eliminated all single use plastic POS.. which

avoided us producing 71 million single plastic items last year. **Our ambition now is for all POS materials to be recyclable, reusable or compostable by 2025.**

- **We're finding ways to reuse the by-product from distillation** –many of our distilleries use their by-product to produce tonnes of feedstock for animals.
- We use **water** for land irrigation, manufacturing and packaging. We've already reduced our water consumption by 27% since 2020 and our commitment is to give back all the water we use in high-risk areas by 2030.

**Responsible Drinking.-** As a responsible company, we want to ensure our brands are enjoyed responsibly. We believe that there is no conviviality in excess and that we have a duty to help consumers make responsible choices.

We are all ambassadors! That's why we've developed a mandatory **e-learning** on alcohol and responsible drinking for all employees. And, all our marketing and commercial teams must complete an e-learning on our **Code for Commercial Communications**.

Today, we are proud to contribute to more than **150 global and local programmes** in close collaboration with industry, governments and local partners – key to this is ensuring that they are evaluated to demonstrate impact.

For more than 14 years now, we've been supporting the **Responsible Party** initiative aimed at tackling binge drinking among young adults. This flagship programme now also has grown at scale through a digital campaign, with '**Drink More Water**'. **By May 2024 Drink More Water campaign** has reached over 400 million people **online** and **9 million people through on-the-ground activations**, in 60 countries, and we're still counting! By the end of 2025, the DMW campaign goal is to reach one billion young adults globally. – see below geographical scope of the DMW campaign.

FY 2024 at a glance

This year has confirmed the acceleration of the Group’s 2030 roadmap ‘Good Times from a Good Place’ to drive social and environmental progress with some commitments achieved ahead of plan.

