

## C0. Introduction

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### C0.1

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#### (C0.1) Give a general description and introduction to your organization.

Pernod Ricard is a world's co-leader in the industry of wines and spirits. It was created in 1975 with the merger of Pernod and Ricard companies and has today 85 subsidiaries in more than 70 countries. The company is active in a number of beverage sectors, including: whiskies, vodka, aniseed spirits, liqueurs, cognacs and brandies, gin, rums, bitters, champagne, and wines. The group's activities are focused on international brands such as Absolut, Chivas Regal, Ballantines, Beefeater, Havana Club, Malibu, Martell, The Glenlivet, Jameson or Jacob's Creek. In addition, the group owns and distributes a number of leading local brands.

Pernod Ricard's structure is divided between Brand Companies, such as the Absolut Company, Chivas Brothers or Martell Mumm Perrier-Jouët, that produce those brands and develop marketing strategies, and Market Companies, such as Pernod Ricard Europe, Middle East and Africa, Pernod Ricard North America or Pernod Ricard Asia, that are in charge of the distribution of the brands in every local market.

Pernod Ricard business model is based on a decentralized organization where business decisions are made in the local markets and countries, close to the customers and to our "terroirs".

Pernod-Ricard is aware that climate change is one of the most urgent challenges facing this generation. Combatting it is a major focus of our environmental policy. Pernod Ricard has a dedicated governance and organizational structure to ensure that climate change issues are fully incorporated into its strategy. For greater transparency, the Group follows the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). Regarding the resilience of our organization, this year, the Group has started a climate-related scenario analysis with a pilot in one affiliate. The objectives are the understanding of climate-related risks impacts on our operations (wet goods, packaging, production and logistics) and the building of a prospective approach for climate-related risks scenarios applicable at Group level.

The Group holds a long tradition of Corporate Social Responsibility (CSR), including a strong commitment towards environment protection, deeply rooted in its long history and in the local territories where its emblematic brands have been produced and developed since many generations. The Group environmental commitments are included into the Pernod Ricard Corporate Environmental Policy which is based on impacts and risks identified for the Group in term of environment. This policy covers the Group's entire value chain and all its business activities, from upstream procurement, production and market distribution to the end of the product's life. It is directed to all our stakeholders, starting with all employees across the world, as well as numerous suppliers and partners. In 2010, Pernod Ricard set a series of environmental targets to be reached by 2020 to address climate change through its 2020 Environmental Roadmap so that this environmental policy can be rolled out to all affiliates. In April 2019, Pernod Ricard launched a new Sustainability & Responsibility (S&R) strategy "We bring good times from a good place.", built on the United Nations Sustainable Development Goals (SDGs) and addressing the entire business from 'grain to glass'. This roadmap has ambitious targets from now until 2030, with key milestones for 2020 and 2025. Below are the main commitments linked to environment and climate change which lies in two of the four pillars of the strategy Visit our website to read the entire strategy:  
<https://www.pernod-ricard.com/en/sustainability-responsibility>

### C0.2

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#### (C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2020	June 30 2021	No	<Not Applicable>

### C0.3

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**(C0.3) Select the countries/areas in which you operate.**

Argentina  
Armenia  
Australia  
Brazil  
Canada  
China  
Cuba  
Czechia  
Finland  
France  
Germany  
Greece  
India  
Ireland  
Italy  
Mexico  
New Zealand  
Poland  
Spain  
Sweden  
United Kingdom of Great Britain and Northern Ireland  
United States of America

**C0.4**

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

EUR

**C0.5**

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

**C-AC0.6/C-FB0.6/C-PF0.6**

**(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?**

	Relevance
Agriculture/Forestry	Both own land and elsewhere in the value chain [Agriculture/Forestry only]
Processing/Manufacturing	Direct operations only [Processing/manufacturing/Distribution only]
Distribution	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Consumption	No

**C-AC0.6f/C-FB0.6f/C-PF0.6f**

**(C-AC0.6f/C-FB0.6f/C-PF0.6f) Why are emissions from distribution activities within your direct operations not relevant to your current CDP climate change disclosure?**

**Row 1**

**Primary reason**

Outside the direct operations of my organization

**Please explain**

Emissions from distribution are outside our direct operations. They have been evaluated and judged significant.

**C-AC0.6g/C-FB0.6g/C-PF0.6g**

**(C-AC0.6g/C-FB0.6g/C-PF0.6g) Why are emissions from the consumption of your products not relevant to your current CDP climate change disclosure?**

**Row 1**

**Primary reason**

Evaluated but judged to be unimportant

**Please explain**

Calculations have shown that consumption does not require significant amount energy and materials. Therefore, it is not relevant to our CDP disclosure.

**C-AC0.7/C-FB0.7/C-PF0.7**

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**(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.**

**Agricultural commodity**

Other, please specify (Alcohol)

**% of revenue dependent on this agricultural commodity**

40-60%

**Produced or sourced**

Sourced

**Please explain**

The largest source of our revenue (57%) is associated with purchased alcohol. To calculate this figure, we considered procurement of all types of alcohol in the past financial year. Main part of purchased alcohol are produced using cereal grains.

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**Agricultural commodity**

Other, please specify (Agave)

**% of revenue dependent on this agricultural commodity**

Less than 10%

**Produced or sourced**

Both

**Please explain**

Agave represents 3% of our revenue. To calculate this figure, we calculated all agave produced and purchased in the past financial year.

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**Agricultural commodity**

Other, please specify (Cereals (Maize, Barley, etc.))

**% of revenue dependent on this agricultural commodity**

10-20%

**Produced or sourced**

Sourced

**Please explain**

Cereals represent 15% of our revenue. To calculate this figure, we calculated all of cereal purchased (including malted cereals or maize), in the past financial year.

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**Agricultural commodity**

Other, please specify (Grapes)

**% of revenue dependent on this agricultural commodity**

10-20%

**Produced or sourced**

Both

**Please explain**

Grapes represent 18% of our revenue. To calculate this figure, we calculated all of our grapes-based production and procurement in the past financial year.

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**Agricultural commodity**

Sugar

**% of revenue dependent on this agricultural commodity**

Less than 10%

**Produced or sourced**

Sourced

**Please explain**

Sugar represents 2% of our revenue. To calculate this figure, we calculated all of sugar purchased during the past financial year.

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**Agricultural commodity**

Other, please specify (Other alimentary raw materials (Fruits & plants) )

**% of revenue dependent on this agricultural commodity**

Less than 10%

**Produced or sourced**

Sourced

**Please explain**

Other alimentary raw materials (Fruits & plants) represent 0.4% of our revenue. To calculate this figure, we calculated all of our additional raw material alimentary procurement in the past financial year.

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C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	FR0000120693

## C1. Governance

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### C1.1

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**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

#### C1.1a

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**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	<p>The Board:</p> <p>The Board is comprised of 13 members, six of whom are independent and two of whom represent Group employees. The Chairman reports on the Board's progress at the Annual Shareholders' Meeting. The Chairman is tasked with ensuring that the Group's bodies run smoothly, which includes providing the Directors with the information and resources they need to fulfil their duties, including on climate-related issues. Some members of the Board are also members of the S&amp;R committee as described below.</p> <p>A few examples of decisions taken by the S&amp;R Committee, composed of members of the Board are described below :</p> <p>During FY21, the S&amp;R Senior Steering Committee approved LTIP criteria related to Corporate Social Responsibility (CSR), based on 4 sub-criteria. One of them is related to carbon and related to the implementation of the roadmap to reduce direct CO2 emissions generated by Pernod Ricard's sites in order to reach Net Zero ambition by 2030. It also reviewed and approved internal intermediate milestones related to the LTIP.</p>
Board-level committee	<p>The S&amp;R committee:</p> <p>This committee is composed of three members of the Board: a Lead Independent Director, a Director and a Director representing the employees. The S&amp;R Committee has multiple and very strategic roles and therefore, also has responsibility in climate-related issues management.</p> <p>For example, in FY21, the S&amp;R Committee's main activities included:</p> <ul style="list-style-type: none"> <li>- presenting the S&amp;R strategy and progress on the achievement of objectives, notably on climate;</li> <li>- introduction of CSR criteria to the LTIPs;</li> <li>- reflecting on the application of the Group's CSR commitments in relation to its various stakeholders; and</li> <li>- reviewing and monitoring of CSR reporting in the current context.</li> </ul>
Board-level committee	<p>The Executive Committee (COMEX):</p> <p>The Executive Committee, the Group's managing body, has 15 members - the entire Executive Board (which includes the Chairman &amp; Chief Executive Officer, the Managing Director and Global Business Development, the EVP, Finance, IT &amp; Operations, the Group General Counsel &amp; Compliance Officer and the EVP, Human Resources, Sustainability &amp; Responsibility) as well as the Managing Directors of the main Group affiliates – who meet once per month.</p> <p>For example, the Executive Committee approved in 2019 the Global Environmental Policy of Pernod Ricard, which includes our commitments to tackle Climate Change throughout our value chain.</p>
Board-level committee	<p>The S&amp;R Senior Steering Committee:</p> <p>It is composed of 9 members meeting 4 times per year: the CEO, Managing Director GBD, EVP Human Resources &amp; Sustainability, EVP Finance, IT and Operations, Chief Sustainability Officer, VP Global Government Affairs &amp; Alcohol in Society, VP Financial Communications and Investor Relations, Group Operations Director, Global Marketing &amp; Commercial Director, Group Communications Director.</p>

#### C1.1b

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**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	<p>The S&amp;R committee:</p> <p>Created in 2020, the S&amp;R committee has a vision of the whole strategy of Pernod Ricard, from the financial to the sustainability side and will then ensure that sustainability is integrated into all of our strategic decisions. It meets three times a year. This Board committee has a key role to play in driving Pernod Ricard's climate-related strategy and supervising the climate roadmap.</p> <p>It helps the Board in regard to climate-related issues by:</p> <ul style="list-style-type: none"> <li>- monitoring the progress of the S&amp;R strategy;</li> <li>- challenging the Group's ambition;</li> <li>- raising awareness on long-term sustainability trends</li> <li>- reporting to the Board after each Committee meeting.</li> </ul> <p>More specifically, its roles are the following:</p> <ul style="list-style-type: none"> <li>- Examining, reviewing and evaluating the Group's S&amp;R strategy;</li> <li>- Implementing the Group's S&amp;R strategy and carrying out its monitoring in qualitative and quantitative terms in which climate change is a key topic;</li> <li>- Assessing the risks and opportunities in terms of social and environmental performance;</li> <li>- Monitoring reporting systems, preparing non-financial information and reviewing the annual non-financial performance statement;</li> <li>- Reviewing annually the summary of the ratings assigned to the Group by the rating agencies and by the non-financial analyses.</li> </ul>
Scheduled – some meetings	Reviewing and guiding strategy Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	<p>The Executive Committee (COMEX):</p> <p>Under the direction of the Chairman &amp; CEO, the Committee helps to define the Group's strategy and plays an essential coordinating role between Headquarters and the affiliates, and amongst the affiliates themselves (Brand Companies and Market Companies), including the climate-related strategy. The COMEX is ultimately responsible for the performance of the company against the S&amp;R strategic objectives and discusses/updates the S&amp;R strategy in at least two Executive Committee meetings per year.</p>
Scheduled – some meetings	Reviewing and guiding strategy Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	<p>The S&amp;R Senior Steering Committee:</p> <p>This committee oversees the advancement of strategy implementation, ensures proper resourcing and raises any challenges to the COMEX, notably regarding the climate change roadmap.</p> <p>This committee gathers key operational functions to review the progress of the S&amp;R strategy Good Times from a Good Place and the roadmap – which includes strategic priority actions related to Climate Change, such as the review of targets.</p> <p>In relation to climate change, the Science Based Target Initiative (SBTi) approved the Group's greenhouse gas emission targets in June which are aligned with a well-below 2°C scenario for the Group's scope 1 and 2 emissions and the 2°C scenario for Scope 3 emissions. Therefore, the S&amp;R Senior Steering Committee, the COMEX and the Board (through the S&amp;R committee) will be monitoring the progress and implementation of the following Group targets:</p> <ul style="list-style-type: none"> <li>• By 2030: Reduction of absolute carbon emissions of production sites by 30% (scope 1 and 2), base year 2018. This reduction is aligned with 2°C scenario, with well-below 2°C on scope 1&amp;2, and will be reviewed next year to be aligned with 1.5°C.</li> <li>• By 2030: Reduction of the intensity of scope 3 carbon footprint by 50%, base year 2018. This reduction is aligned with 2°C scenario and will be reviewed next year to be aligned with 1.5°C.</li> <li>• By 2025: 100% renewable electricity used in production sites and administrative offices.</li> <li>• By 2050: "net zero carbon" emissions for all scopes.</li> </ul>
Scheduled – some meetings	Reviewing and guiding strategy Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	<p>The Board:</p> <p>The Board of Directors is tasked with evaluating the relevance of the Company's S&amp;R commitments (which include Climate Change) and monitoring their implementation within the Group through the S&amp;R Committee (created in November 2020).</p> <p>Before the creation of this new committee dedicated to S&amp;R, in 2019, the Board of Directors has validated the new Sustainability &amp; Responsibility 2030 strategy and the commitments in which the climate change topic is included:</p> <ul style="list-style-type: none"> <li>• By 2030: Reduction of scope 1 &amp; 2 by 30% (absolute value);</li> <li>• By 2030: Reduction of the overall scope 3 carbon intensity by 50%.</li> </ul>

**C1.1d**

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1 Yes	Two of our 13 board members have experience on climate-related issues. Their competence on these issues has been evaluated based on their extensive professional experience. One of them having been Head of sustainability of a CAC 40 company for many years.	<Not Applicable>	<Not Applicable>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Executive Vice President Human Resources Sustainability & Responsibility)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

**C1.2a**

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committee(s) lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

**A description of where in the organisational structure that/those position(s) and/or committee(s) lies:**

Pernod Ricard's Chairman and Chief Executive Officer is notably a member of the Board, the COMEX and the Senior S&R Steering Committee. The Senior S&R Steering Committee oversees the advancement of strategy implementation, ensures proper resourcing and raises any challenges to the COMEX, including on the climate change roadmap. This committee then prepares, examines and approves all decisions relating to sustainability issues and submits these decisions to the Board of Directors when the latter's approval is required.

**A clear rationale for why responsibility lies with that/those position(s) and/or committee(s):**

"Sustainability and Responsibility" is considered as one of the 4 "essentials" of the new global Business Strategy since 2015. It has been communicated to the management and to all the employees (and external stakeholders) to make sure that sustainability, including climate change is taken into consideration for each business decisions that are being made.

In 2019, this has been reinforced through the launch of the Pernod Ricard new Sustainability & Responsibility (S&R) strategy "We bring good times from a good place.", built on the United Nations Sustainable Development Goals (SDGs). This strategy set targets on GHG emissions to be achieved by 2030 in line with SBTi. An environmental policy has been formalised and published in accordance with our environmental targets and aims.

The Chairman and Chief Executive Officer and its Executive Committee approved the global environmental strategy, which includes climate-related aims and objectives. Therefore, it is in a prominent position to deal with these issues.

The Executive Vice President Human Resources Sustainability & Responsibility oversees the implementation of the Global Environmental Policy and has one of the highest positions in the company. He is reporting directly to the CEO and has sustainability matter as one of his prerogatives.

**Specific responsibilities of the position committee with regard to assessment and management of climate-related issues:**

The Executive Vice President, Human Resources Sustainability & Responsibility, who reports directly to the CEO of the company regarding sustainability issues, oversees and coordinates measures at Group level by ensuring the implementation of:

- The Group 2020 Environmental Roadmap. For example, to roll out the Group's environmental strategy beyond its production sites, a "green office" guideline has been developed to describe best practices and the minimum environmental requirements to be met in an office setting. This guideline applies to all affiliates and aims to engage all employees on the topic of the environment by incorporating it into their day-to-day lives. Each affiliate is then fully responsible for identifying and determining how to reduce its own environmental impact and how to apply the Group's policy locally.
- The Group 2030 Good Times from a Good place strategy launched in April 2019 which contains two pillars closely linked to Climate change topics: Nurturing Terroir (addressing climate change from agricultural production using Science Based Targets) and Circular Making (commit to reducing the overall Scope 1 and 2 by 30% by 2030 and the overall Scope 3 intensity of our carbon footprint by 50% by 2030 in line with the Science-Based Targets (SBTs) initiative and commit to moving towards 100% renewable electricity by 2025).

In addition to the assessment and management of climate-related issues, the Executive Vice President Human Resources Sustainability & Responsibility along with the other members of the Executive board have also been responsible for the validation of the Good Times from a Good Place strategy along with its Key Performance Indicators and targets.

### C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

### C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify (Pernod Ricard's employees and Executive Directors)	Monetary reward	Emissions reduction target	<p>Long-Term Incentive Plan (for Executive Directors and employees):</p> <p>The Board of Directors has decided in 2021 to grant shares free of charge to employees and Executive Directors of the Company and Group companies, and introduced a criterion based on social responsibility in line with its roadmap in this area.</p> <p>The shares to be allocated would be subject notably to an internal performance condition related to Corporate Social Responsibility (CSR) based on 4 sub-criteria. One of them is related to carbon and related to the implementation of the roadmap to reduce direct CO2 emissions generated by Pernod Ricard's sites in order to reach Net Zero ambition by 2030.</p> <p>Thus, for the Company's Executive Directors and members of the Executive Committee, the weighting of each of the three performance criteria would be as follows: 50% of the allocations would be subject to the internal PRO (Group Profit from Recurring Operations) performance condition, 20% would be subject to the internal CSR performance condition and 30% would be subject to the external TSR performance condition.</p> <p>For the other beneficiaries, the weighting would be as follows: 80% of the allocations would be subject to the internal PRO performance condition and 20% would be subject to the internal CSR performance condition.</p>
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target	<p>Thanks to the long-term incentive plan of Pernod Ricard described above, the CSO is eligible to receive a monetary reward if yearly budgeted carbon targets are met.</p> <p>The LTPI related reward is conditioned to several criteria, one in particular on climate. This indicator has been selected as it is covered by Pernod Ricard's 2030 Sustainability strategy.</p> <p>The CSO and Group Operations Director in particular are eligible to receive a monetary reward as they oversee the Sustainability &amp; Responsibility 2030 strategy and are responsible for team resources and the achievement of targets.</p>
Other, please specify (Group Operations Director)	Monetary reward	Emissions reduction target	<p>Thanks to the long-term incentive plan of Pernod Ricard described above, the Group Operations Director is eligible to receive a monetary reward if yearly budgeted carbon targets are met.</p> <p>The LTPI related reward is conditioned to several criteria, one in particular on climate. This indicator has been selected as it is covered by Pernod Ricard's 2030 Sustainability strategy.</p> <p>The CSO and Group Operations Director in particular are eligible to receive a monetary reward as they oversee the Sustainability &amp; Responsibility 2030 strategy and are responsible for team resources and the achievement of targets.</p>
Other, please specify (Corporate executive team and local operation team)	Non-monetary reward	Emissions reduction project Emissions reduction target	Corporate executive team oversees all energy and carbon stewardship initiatives. Local operation teams are engaged in the realization of these actions. They are part of global communication or work recognition in case of projects that have been implemented and related to the Group Strategy or any action which shows performance improvements.
Business unit manager	Monetary reward	Emissions reduction target	<p>The Group S&amp;R strategy sets emissions reduction targets:</p> <ul style="list-style-type: none"> <li>• By 2030: Reduction of scope 1 &amp; 2 by 30% (absolute value);</li> <li>• By 2030: Reduction of the overall scope 3 carbon intensity by 50%.</li> </ul> <p>Each business unit has the responsibility to demonstrate its contribution to this global target by setting a business unit target according to its activity. Some Business unit managers are evaluated and rewarded (through variable compensation) according to their performance relative to business unit targets.</p>

## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	3	The short-term strategy reflects the business plan over a 0-3 years horizon. As an example, the short-term horizon reflects the year on year scope 1 and 2 reduction plan with all reduction initiatives and CAPEX requested every year.
Medium-term	3	5	The medium-term strategy reflects the business plan over a 3-5 years horizon. As an example, one of our targets is to reach 100% of our electricity sourced from renewable sources by 2025.
Long-term	5	10	The long-term strategy reflects the business plan over a 5-10 years horizon. As an example, one of our targets is to reduce by 50% the overall scope 3 carbon intensity by 2030.

#### C2.1b

## (C2.1b) How does your organization define substantive financial or strategic impact on your business?

For Pernod Ricard, substantive financial impact is defined by the Profit from Recurring Operations (PRO). A financial impact is defined as substantive if the risk affects more than 2% of the Group's PRO and can be derived from either direct operational risks or supply chain risks. A major crisis affecting the economic environment in a large country is defined as a substantive financial impact.

For examples, Operations Risks, which have been identified as having a substantive financial impact, are those following:

- Damage to a major production facility due to an accident/ natural disaster (storm, earthquake, drought, ...)

For example, in New Zealand, two production sites (Marlborough Winery and Church Road Winery) are located in active seismic zones. Marlborough experienced a 6.5 magnitude earthquake followed by a 6.6 earthquake a month later in 2013.

There was significant damage to winery infrastructure. The losses in New Zealand related to earthquakes in 2007, 2013 and 2016 represented more than 36 million euros in impacts due to operating losses and shutdowns. Based on FY21 PRO, the cumulated losses represent 1.6% of the Group's PRO (not considered as substantive impact).

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

#### **Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

#### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

#### **Frequency of assessment**

Annually

#### **Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

#### **Description of process**

All climate-related risks and opportunities are assessed at company and asset level.

A first global risk mapping is updated every 2 to 3 years, and the monitoring of the Group's main risks is performed annually. It covers all current risks that may affect the Group:

1) At a company level, the risks identification process is managed by the Internal Audit team every 2 to 3 years. This team reports to the CEO. The results are presented to the Executive Committee and to the Audit Committee of the Board.

The risk mapping is based on two types of information:

- Reporting of the local business risks by each Group affiliate (Market Companies or Brand Companies) and consolidation at a Group level;
- Collection of functional risks from each Group function.

2) At an asset level, each affiliate is responsible to identify risks and opportunities related to its business. Each Brand Owner with manufacturing activities is certified according to ISO 14001 Environment Management System, and therefore has identified the impacts and risks of its activities on the environment, climate change being part of them. Based on this assessment, risks on the business are identified and taken into account in an action plan. In addition, internal audits are carried out by the corporate Sustainability team which covers various risks linked to environment: climate change is one of the risks taken into consideration during these audits.

Description of a process for managing climate-related opportunities:

The management of climate-related opportunities is linked to the management of climate-related risks, is under the responsibility of the VP Operations.

To prioritize climate-related opportunities, we use their position in the multi-criteria risk mapping.

Case study/example of how process is applied to:

#### **- Physical risks AND/OR opportunities:**

A risk exists in relation to the water supply for production sites: a number of sites use underground water tables for their water needs and these can also be affected by climate. The availability and quality of water is therefore a key factor in product quality and is monitored very closely, Pernod Ricard identified:

- 8 sites are located in or in the immediate vicinity of extreme high-risk areas. These 8 sites are divided between four countries (India, Armenia, Mexico and China);
- 7 sites are located in or in the immediate vicinity of high-risk areas. These 7 sites are divided between four countries (Armenia, Australia, Spain and France);
- 26 sites are located in or in the immediate vicinity of medium risk areas;
- The other 48 sites, accounting for around 77,5% of the Group's consumption are located in areas considered to be at a low risk.

For each category, the Group has determined a water management strategy based on the risk level.

- Sites where the risk is low must at least efficiently manage water resources on their premises;

- Sites where the risk is considered medium must also perform studies of their basins to ensure there is balance, monitor the development of the risk, and maintain a dialogue with the main stakeholders.

- Sites where the risk is considered high must take specific actions with local communities and other stakeholders to contribute to improving the local water management plan. In India, where water is an important local issue, Pernod Ricard India is actively engaged with communities around 20 plant locations across 11 states with more than 30 programs spanning across thematic areas like Clean Drinking Water & Sanitation or Water Harvesting and Watershed Management. This water refills the wells used by the villagers and can be used as reserves for farmers to irrigate their fields and supply their livestock with drinking water.

#### **- Transitional risks AND/OR opportunities:**

New taxes on fuel and carbon intensive energy use, which might be introduced in the near future in the European union or in other regions where Pernod Ricard operates, represent a risk for the Group. This risk concerns the Group's own operations as well as its supply chain, since both are highly dependent on energy, especially with respect

to the Group's own distilleries, its glass supply, its alcohol procurement and its transportation needs. The Group may not be able to increase its prices to offset these increased costs without suffering reduced volume, sales and operating profit, which could negatively impact the Group's results.

To mitigate this risk, the Group is working on 2 aspects on production sites and supply chain:

-Transitioning from fossil fuel to low carbon fuel. For instance, by procuring renewable electricity, moving to low carbon energy for our production sites and working with our suppliers to reduce their carbon footprint

-Decreasing the Group dependence to energy by decreasing its direct and indirect consumption. For instance, through packaging eco-design, ISO 50001 certification in production sites, optimization of the logistics chain.

This transition to a low carbon economy has been included in our 2030 roadmap in which we have a Science based target related to our scope 1,2 and 3 emissions. All these actions will have to be widely implemented to reach our carbon ambition.

- Transitional risks AND/OR opportunities.

New taxes on fuel and carbon intensive energy use, which might be introduced in the near future in the European union or in other regions where Pernod Ricard operates, represent a risk for the Group. This risk concerns the Group's own operations as well as its supply chain, since both are highly dependent on energy, especially with respect to the Group's own distilleries, its glass supply, its alcohol procurement and its transportation needs. The Group may not be able to increase its prices to offset these increased costs without suffering reduced volume, sales and operating profit, which could negatively impact the Group's results.

To mitigate this risk, the Group is working on 2 aspects on production sites and supply chain:

-Transitioning from fossil fuel to low carbon fuel. For instance, by procuring renewable electricity, moving to low carbon energy for our production sites and working with our suppliers to reduce their carbon footprint

-Decreasing the Group dependence to energy by decreasing its direct and indirect consumption. For instance, through packaging eco-design, ISO 50001 certification in production sites, optimization of the logistics chain.

This transition to a low carbon economy has been included in our 2030 roadmap in which we have a Science based target related to our scope 1,2 and 3 emissions. All these actions will have to be widely implemented to reach our carbon ambition.

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## C2.2a

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**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	<b>Relevance &amp; inclusion</b>	<b>Please explain</b>
Current regulation	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>The Group's businesses throughout the world are subject to a growing number of bodies of regulations, in particular with respect to the sale of alcoholic beverages. Current regulations governing the production and marketing of alcoholic beverages could undergo change in France, in the European Union or in the rest of the world.</p> <p>As a consequence, risks linked to the current regulatory environment are always considered in our assessment, for Pernod Ricard to stay ahead of regulations.</p> <p>Example :</p> <p>Regulations have an impact on direct costs. In Europe, the Group's largest distilleries are subject to the EU Emissions Trading System (EU-ETS). There may also be indirect impact through increases in the price of raw materials (especially for glass manufacturing, which is an energy-intensive industry)</p>
Emerging regulation	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>The Group's businesses throughout the world are subject to a growing number of bodies of regulations, in particular with respect to the sale of alcoholic beverages. New regulations governing the production and marketing of alcoholic beverages could emerge in France, in the European Union or in the rest of the world. As a consequence, risks linked to the emergence of new regulations are always considered in our assessment, for Pernod Ricard to stay ahead of potential new regulations.</p> <p>Example :</p> <p>Regulations may have an impact on direct costs, for instance if the Group had to buy carbon quotas. In Europe, the Group's largest distilleries are subject to the EU Emissions Trading System (EU-ETS). There may be indirect impact through increases in the price of raw materials (especially for glass manufacturing, which is an energy-intensive industry)</p>
Technology	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>We believe that developing new technology and accelerating innovation is helping us consider a changing environment and integrating sustainability. We see new technologies as a powerful lever to develop higher efficiency in many areas and offer new ways to do things differently. As a consequence, technological-related risks are always included in our assessment.</p> <p>Example :</p> <p>Our assessment did not consider this category as a "major environmental risk" for Pernod Ricard. It is however important to note that technology is very important to our (future) business. For example, new technology allowed us to implement an eco-design capsule project for our locally sold brands, reducing their carbon footprint. Plastic caps have now been replaced by eco-design caps manufactured from sugarcane ethanol.</p>
Legal	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>Climate-related legal risks are always considered in our assessment. Indeed, Pernod Ricard wants to reduce its exposure to litigation claims linked to climate change that could hurt its business. That is why we constantly update our regulatory watch to make sure the different laws and regulations are followed.</p> <p>Example :</p> <p>Major litigation of any type could have an adverse impact on the Group's financial position (in the event of a fine or damages), or the Group's image and reputation due to media coverage.</p>
Market	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>The Group's performance is dependent on its capacity to satisfy consumer expectations and desires. However, change in consumer expectations and desires is difficult to anticipate, and in many cases, is beyond the Group's control. As a result, negative changes in consumer demands could affect its sales and market share. As a consequence, market-related risks are always considered in our assessment, for Pernod Ricard to stay ahead of its competitor and increase its market share.</p> <p>Example :</p> <p>Consumers are increasingly looking to sustainable consumption. Consumers may prefer products that are perceived as more responsible, and this could affect Pernod Ricard sales and market share if not anticipated.</p>
Reputation	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>Pernod Ricard is a worldwide brand and is known for its high-quality products. Indeed, Pernod Ricard holds a core portfolio of strategic spirits and champagne brands and Priority Premium Wine Brands. Through our whole value chain, we need to be very cautious because consumers may change behaviour and prefer products that are perceived as more responsible. As a consequence, reputation-related risks are always considered in our assessment, for Pernod Ricard to be always in line with its customers' expectations.</p> <p>Example:</p> <p>Consumers are increasingly looking to sustainable consumption. Reputational risks in the form of negative media coverage with relation to our environmental efforts may lead to consumers may prefer products that are perceived as more responsible.</p>
Acute physical	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>Pernod Ricard has sites all around the world and can be affected by the increasingly frequent occurrence of extreme weather events that could damage production facilities or affect the supply chain (such as cyclones or exceptional snowfalls). As a consequence, acute physical risks are always considered in our assessment.</p> <p>Example:</p> <p>Consumers are increasingly looking to sustainable consumption. Reputational risks in the form of negative media coverage with relation to our environmental efforts may lead to consumers may prefer products that are perceived as more responsible.</p>
Chronic physical	Relevant, always included	<p>Justification of the decision on the relevance and inclusion of this risk type in our risk assessment.</p> <p>Risks related to long-term shifts in climate patterns are always considered in our assessment. Indeed, Pernod Ricard has sites all around the world and climate change events, such as frost, hail and drought, can have impacts on the supply of agricultural raw materials and, to a greater extent, the price of raw materials such as vines. Where grains are concerned, this effect, coupled with rising global demand, is contributing to the increasing volatility of market prices, which must be taken into account in procurement strategies and economic supply models.</p> <p>Example:</p> <p>Where grains are concerned, this effect, coupled with rising global demand, is contributing to the increasing volatility of market prices, which must be taken into account in procurement strategies and economic supply models.</p>

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Upstream

**Risk type & Primary climate-related risk driver**

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
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#### Primary potential financial impact

Increased indirect (operating) costs

#### Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

#### Company-specific description

Impact of climate change on the supply of agricultural raw materials.

Increasingly irregular crop yields, climatic events such as frost, hail and drought can affect the availability and, to a greater extent, the price of raw materials such as vines. Where grains are concerned, this effect, coupled with rising global demand, is contributing to the increasing volatility of market prices, which must be taken into account in procurement strategies and economic supply models.

Two significant examples: Grain supply is essential to Pernod Ricard for its distilleries, and wine and champagne production is inherently dependent on the availability of vines.

The company has carried out a scenario analysis to identify the likely impact of climate change on one affiliate vineyard activity under a <2°C scenario and > 4°C scenario. In order to provide quantified projections across these two macro scenarios, publicly available scenarios have been used, both physical and transition scenarios. On business as usual scenario (<2°C), the impacts will be -60% frost days, +130 scalding and +43% cooling requirements from wine storage. Carbon price can reach over 70€/tCO2eq in the 2°C scenario which represents an important financial impact. The financial impact can range from 120 M€ to 270 M€ cumulated, between 2018 and 2030. Some strategic areas in China are exposed to both coastal and pluvial flooding.

At 15 years horizon, impacts will be major. To minimize the impact on our business we need to put in place adaptation measures and contribute to climate change reduction

#### Time horizon

Medium-term

#### Likelihood

Likely

#### Magnitude of impact

High

#### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

#### Potential financial impact figure (currency)

50000000

#### Potential financial impact figure – minimum (currency)

<Not Applicable>

#### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact figure

The financial implications due to agricultural supply chain disruption could be significant. We estimate that it could lead to a 5% increase price of wet goods. At a group level for this year, this would lead to an increase of 50 million euros.

#### Cost of response to risk

0

#### Description of response and explanation of cost calculation

For the short term, our procurement strategy takes this risk into account, for instance through hedging tools allowing us to limit the extent of seasonal volatility due to climate factors. To face extreme variability in weather patterns, the Group uses hedging to limit the extent of seasonal volatility due to climate factors.

For the long term, Pernod Ricard embeds these environmental factors into its Responsible Procurement Policy and its Procurement Code of Ethics. This commitment applies throughout the Group and is supported by Senior Management. The Managing Director of each subsidiary is responsible for implementing this policy. For example, Pernod Ricard has set up at least four measures to enable the inclusion of environmental factors in supply chain management:

- Integration of environmental issues into contractual clauses;
- Supplier questionnaires;
- Supplier support (e.g. training, technical assistance, etc.);
- Training and awareness-raising of employees in charge of procurement.

Linked to the new S&R strategy "We bring good times from a good place.", in the pillar "Nurturing Terroir", the Group has started this year to conduct a terroir risk mapping of 100% of its agricultural raw materials. The aim of this exercise is to map their origins and identify social and environmental risks and opportunities in its supply chains.

This Terroir Mapping will enable the identification of the most pressing issues for each terroir (from which climate change) and work on developing new agriculture practices to adapt to climate change. The Group also set a target to reach 100% of our main agriculture raw materials to be certified to sustainable agriculture principles to mitigate those risks and work on regenerative agriculture practices when relevant for some crops. As the management of these actions is performed by our Procurement officers as part of their standard practice, there are no additional costs to the existing procurement costs (overhead and tools).

#### Comment

#### Identifier

Risk 2

#### Where in the value chain does the risk driver occur?

Downstream

#### Risk type & Primary climate-related risk driver

Reputation	Shifts in consumer preferences
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#### Primary potential financial impact

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The Group's performance is dependent on its capacity to satisfy consumer expectations and desires. Consumers may change behaviour and prefer products that are perceived as more responsible, and this could affect Pernod Ricard sales and market share in case this was not anticipated well enough.

Indeed, Pernod Ricard holds a core portfolio of strategic spirits and champagne brands and Priority Premium Wine Brands, as well as key local spirit brands that are leaders in their particular category or in the Premium segments of the respective local markets. 16 brands are amongst the world's top 100. A poor reputation could impact these strategic brands.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

440000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

A poor reputation could have one important consequence: Pernod Ricard would see its revenue decreases due to a market share decline.

More specifically: the financial implications due to a loss of market share could be significant. We estimated that the sales reduction could reach near 440 million euros. This impact is based on a 5% loss on market share, with global sales of 8,824 million euros this reporting year.

**Cost of response to risk**

1000000

**Description of response and explanation of cost calculation**

This risk is taken into account in the Group marketing strategy which relies on brand premiumization. We carry consumer insight research in order to understand their expectations and develop our brands in order to meet these expectations.

Before anything else, we consider our consumers as human beings who have expectations for their lives and future and who trust our brands.

For example, the Pernod Ricard eco-design initiative, by the Group's marketing teams, aims at making our products always more sustainable, when planning the development of the product range in both the short and long term. Costs associated with this risk include consumer research, development of LCA knowledge, training of marketing, packaging and operations teams, and development of eco-friendly solutions for our packaging and products. In FY20, the Group finalised internal sustainable packaging and sustainable POS guidelines. They are based on five eco-design principles: rethink, reduce, reuse, recycle, and respect each being correlated to our targets. It has been circulated among all the affiliates. Gap analysis against these guidelines is currently being performed.

We estimate these management costs to be around 1 million euros.

**Comment**

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical	Cyclone, hurricane, typhoon
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**Primary potential financial impact**

Increased capital expenditures

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

This risk could lead to the loss of a strategic industrial site. The impact could result in a significant operating loss and therefore a sharp drop or prolonged shutdown in the supply of certain products. Loss of major sites, resulting in significant business disruption and unavailability of key brands in the trade. Scotland, Ireland, Cognac and Sweden sites remain critical to Pernod Ricard activities and an incident (such as a climate-related natural disaster) occurring at one of these locations could lead to significant production and/or distribution disruption. Main causes: natural hazards and disasters such as earthquakes, hurricanes, floods, snow, etc.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

10000000

**Potential financial impact figure – maximum (currency)**

40000000

**Explanation of financial impact figure**

We provide a wide range for potential financial impact figure because it depends on several different parameters: The figure depends on the nature of the climate disaster and the major site impacted. For example, in New Zealand, two production sites (Marlborough Winery and Church Road Winery) are located in active seismic zones.

Marlborough experienced a 6.5 magnitude earthquake followed by a 6.6 earthquake a month later in 2013.

There was significant damage to winery infrastructure. The losses in New Zealand related to earthquakes in 2007, 2013 and 2016 represented more than 36 million euros in impacts due to operating losses and shutdowns. Although this example is not related to a particular climate change disaster, it gives an order of magnitude of the economic damage that could result from emerging acute physical risks and damage caused by one at operating sites.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

A specific cost of response to this issue hasn't been estimated, due to the variety of different actions that form part of continuous improvement programs such as renovations, improvements to sites. The Management method is based on different actions including:

- 1) Main prevention/protection measures in place - Group insurance program - Loss prevention program including: - Crisis management plans - Strategic inventories stored in multi-locations, monitoring of safety stocks and spare parts kept for key machineries;
- 2) Recent loss-prevention investments - Large investments with strong reduction of risk exposure in a major distillery - Expansion of The Glenlivet malt distillery to double its capacity and allow for 'independent' production at either old or new site - Shutdown of Los Reyes site in Mexico - Installation of new equipment for protection against earthquakes ('EQ' tanks) and fire (sprinklers, fire pumps) in plants and/or warehouses of several affiliates;
- 3) Main action plans for the future - Extension/upgrade of sprinkler protection on a few sites - Revision of business continuity plans for three major affiliates - 'Industrial Control Systems' assessment for major sites.

**Comment**

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Use of more efficient production and distribution processes

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Pernod Ricard's exposure to future energy and tax regulation accelerate the implementation of energy efficiency programs within its operational sites as well as in its supply chain.

It is especially important for our distilleries in UK, Ireland and Sweden which represent more than 50% of our global energy consumption.

These efficiency programs can give us a competitive advantage as it would reduce operational costs compared to our competitors.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

6800000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Cost reduction due to energy efficiency programs in our operation sites and in our supply chain.

Since 2010, we observed a 17% energy reduction with a global energy cost of around 40 million euros. This led to an energy cost reduction of estimated 7 million €/year.

**Cost to realize opportunity**

4000000

**Strategy to realize opportunity and explanation of cost calculation**

Pernod Ricard implements measures to reduce greenhouse gas emissions: directly at its production sites, and indirectly with its suppliers, based on the eco-design of products and the optimization of the logistics chain. And results show progress: from 2009/2010 to 2019/2020 period, the Group reduced its CO2 emissions by unit produced by 33%, mainly through energy efficiency programs implementation and through renewable electricity purchase as well as indirectly with its suppliers and by optimising the logistics chain.

In 2020/2021:

- A taskforce has been set up with the main distilleries to identify technologies that will help achieve Scope 1 SBTs.
- Discussions have been held with our main suppliers to set carbon reduction action plans regarding Scope 3 emissions.
- A reporting tool and process will be designed and implemented to better measure progress towards SBT targets.
- The Group has officially become a member of RE100, a global initiative led by The Climate Group in partnership with CDP which brings together 221 international companies committed to 100% renewable electricity.

An applied example is in Sweden, where we replaced carbon energy sources with clean energy: the three production sites are now powered by renewable electricity, and the oil-fired boiler at the Ahus bottling site was replaced by the use of district heating. This management implies costs associated with new equipment investments and resources to optimize and track energy consumption and CO2 emissions. We estimate these costs are up to 4M€ on an annual basis.

**Comment**

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**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

*Increase market share and new products/business creation*

**Company-specific description**

The success of the Group's brands depends on the positive image that consumers have of those brands. We care for our history, for the place where our products were born, and for the way they are produced. Developing quality products in respecting the environment might encourage consumer to choose Pernod Ricard's products, whose expectations in terms of sustainable consumption are growing rapidly, to choose our product and trust our brands.

Indeed, this opportunity is more important to recognize as Pernod Ricard:

- Holds a core portfolio of strategic spirits and champagne brands and Priority Premium Wine Brands, as well as key local spirit brands that are leaders in their particular category or in the Premium segments of the respective local markets.
- Has 16 brands which are amongst the world's top 100.

A good reputation could impact these strategic brands.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

440000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

Through developing quality products that respect the environment and attract customers with this offer, we can increase our market share. We estimate that these actions could lead to an increase of 5% of market share. With global sales of 8,824 million euros this reporting year, it represents near 440 million euros.

**Cost to realize opportunity**

0

**Strategy to realize opportunity and explanation of cost calculation**

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This factor is taken into account in the Group's marketing strategy, with a strong focus on "premiumization", which means giving more value to the consumer: environmental value becomes more and more perceived as an added value.

We have focused on 3 areas:

- 1/ Sustainable agriculture practices within our farms: - Example: Pernod Ricard has 99% of its vineyards certified according to environmental standards, around 344 hectares of vineyards managed according to organic farming standards and Jacob's Creek and Campo Viejo distributed on the market organic wine.
- 2/ Encourage our suppliers to work towards sustainable agriculture: Example: Kahlúa has worked with the NGO Fondo Para La Paz and Ocotempa, a Mexican coffee community, to develop a sustainable model for coffee production. This "coffee for change" programme comprises social, economic and environmental criteria to ensure that coffee growing is sustainable. Within five years, 100% of the coffee sourced by Kahlúa will be sustainably grown.
- 3/ Eco-design practices because packaging is the first element that the consumer will see: - Example: Altos bottle weight has been reduced by 22% and Absolut Vodka post-consumer recycled content increased to 45%.

Almost all our practices related to making our brands more sustainable are already initiated or implemented at various levels: they are not new additional actions with a foreseeable cost. For instance, sustainable agriculture practices are included in our existing business practices. The cost cannot be quantified for now, we have launched a CAPEX plan on terroir and circular making topic and we expect to follow the cost of all S&R initiatives by FY22.

#### Comment

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##### Identifier

Opp3

##### Where in the value chain does the opportunity occur?

Direct operations

##### Opportunity type

Products and services

##### Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

##### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

*Increased revenue through demand for lower emissions products and services*

##### Company-specific description

We believe that taking into account a changing environment and integrating sustainability concerns in the way we develop our products is an opportunity to accelerate innovation and be more creative.

The expectation of consumers to reduce their CO2 footprint is a strong driver for fostering innovation in more efficient distribution, more efficient home delivery of products designed differently, with a lower CO2 content.

More specifically, digital is a unique opportunity in this area: we see the digital opportunity as a powerful lever to develop higher efficiency in many areas and offer new ways to do things differently.

##### Time horizon

Short-term

##### Likelihood

Very likely

##### Magnitude of impact

High

##### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

##### Potential financial impact figure (currency)

440000000

##### Potential financial impact figure – minimum (currency)

<Not Applicable>

##### Potential financial impact figure – maximum (currency)

<Not Applicable>

##### Explanation of financial impact figure

This will generate new product and service offers and become a substantial part of our business. We estimate that it could lead to an increase of 5% of market share. With global sales of 8,824 million euros this reporting year, it represents near 440 million euros.

##### Cost to realize opportunity

0

##### Strategy to realize opportunity and explanation of cost calculation

Innovation and digital are considered as strategic priorities - they are two of the four pillars of our 'Transform & Accelerate' Strategy. Different entities are already working on these aspects: The Breakthrough Innovation Group (founded in 2011), the innovation and digital internal network.

Examples of projects that are being studied include producing IoT connected bottles to optimize transportation. We also have targets related to innovative new product offerings, such as: "By 2030, the Group will pilot five R&D projects on circular distribution of Wines & Spirits".

Almost all our practices related to making our brands more sustainable through innovative practices are already initiated or implemented at various levels: they are not new additional actions with a foreseeable cost. Furthermore, Innovation and digital are already established throughout the Group - they do not require significant additional costs.

#### Comment

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## C3. Business Strategy

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### C3.1

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(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

**Transition plan**

Yes, we have a transition plan which aligns with a 1.5°C world

**Publicly available transition plan**

Yes

**Mechanism by which feedback is collected from shareholders on your transition plan**

We have a different feedback mechanism in place

**Description of feedback mechanism**

Different feedback mechanisms are put in place to collect feedback from shareholders on climate-related topics and S&R strategy.

The Lead Independent Director is in charge to review shareholders' requests. She meets with the company's investors and shareholders. Governance roadshows are organized every year dedicated to the governance of the Company with Investor Relations and Legal Departments. In addition to that, there is the Annual General Meeting of Shareholders with ESG topic discussed. In November 2021, the introduction of a CSR criteria (including carbon performance criteria) has been proposed. Then, the Chief Sustainability Officer and the Investment Relations Director are regularly collecting feedback from shareholder with several meetings dedicated to ESG.

**Frequency of feedback collection**

More frequently than annually

**Attach any relevant documents which detail your transition plan (optional)**

Business-Ambition-Pledge\_Pernod Ricard July 2021 (002).pdf

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

<Not Applicable>

**Explain why climate-related risks and opportunities have not influenced your strategy**

<Not Applicable>

### C3.2

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(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	<b>Use of climate-related scenario analysis to inform strategy</b>	<b>Primary reason why your organization does not use climate-related scenario analysis to inform its strategy</b>	<b>Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future</b>
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

### C3.2a

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**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 2.6	Business activity	<Not Applicable>	<p>Following TCFD recommendations, two distinct macro-scenarios have been considered. In addition to the &lt;2°C world scenario that is mandatory, a &gt;4°C world scenario has been also explored because affiliate's wine activities are highly exposed to physical risks. In order to provide quantified projections across these two macro-scenarios, publicly available scenarios have been used, both physical and transition scenarios. These scenarios that describe the future evolution of factors external to this affiliate have been completed with the expected evolution of factors internal to affiliate wine activities (hL PA, distributed volumes and carbon emissions).</p> <p>For viticulture and logistics, physical risks linked to climate change have been considered. Physical scenarios that correspond to a &lt;2°C and &gt;4°C world are respectively RCP2.6 and RCP8.5 defined by IPCC. In order to get the best geographical resolution across the world (12 km in Europe), regional climate models from the CORDEX framework have been used. As climate conditions are defined on long time scales, climate variations need to be evaluated on 30-year periods. That is why a future period of 2021-2050 has been compared to a reference period of 1971-2000 for the two scenarios RCP2.6 and RCP8.5.</p> <p>In the case of logistics, purely atmospheric variables coming from climate models (i.e. Precipitation) have been completed with other sources of information (river basins from WRI and topography of coastline for coastal flooding from Climate Central).</p> <p>For logistic, three risks of flooding have been considered: coastal, pluvial, river.</p> <p>For vineyards, three risks have been considered: frost, fruit scalding and wine storage temperature control.</p>
Physical climate scenarios	RCP 8.5	Business activity	<Not Applicable>	<p>Following TCFD recommendations, two distinct macro-scenarios have been considered. In addition to the &lt;2°C world scenario that is mandatory, a &gt;4°C world scenario has been also explored because affiliate's winemaking activities are highly exposed to physical risks. In order to provide quantified projections across these two macro-scenarios, publicly available scenarios have been used, both physical and transition scenarios. These scenarios that describe the future evolution of factors external to this winemaking affiliate have been completed with the expected evolution of factors internal to winemaking activities (hL PA, distributed volumes and carbon emissions).</p> <p>For viticulture and logistics, physical risks linked to climate change have been considered. Physical scenarios that correspond to a &lt;2°C and &gt;4°C world are respectively RCP2.6 and RCP8.5 defined by IPCC. In order to get the best geographical resolution across the world (12 km in Europe), regional climate models from the CORDEX framework have been used. As climate conditions are defined on long time scales, climate variations need to be evaluated on 30-year periods. That is why a future period of 2021-2050 has been compared to a reference period of 1971-2000 for the two scenarios RCP2.6 and RCP8.5.</p> <p>In the case of logistics, purely atmospheric variables coming from climate models (i.e. Precipitation) have been completed with other sources of information (river basins from WRI and topography of coastline for coastal flooding from Climate Central).</p> <p>For logistic, three risks of flooding have been considered: coastal, pluvial, river.</p> <p>For vineyards, three risks have been considered: frost, fruit scalding and wine storage temperature control.</p>
Transition scenarios	Customized publicly available transition scenario	Business activity	1.5°C	<p>Following TCFD recommendations, two distinct macro scenarios have been considered. In addition to the &lt;2°C world scenario that is mandatory, a &gt;4°C world scenario has been also explored because affiliate winemaking activities are highly exposed to physical risks. In order to provide quantified projections across these two macro scenarios, publicly available scenarios have been used, both physical and transition scenarios. These scenarios that describe the future evolution of factors external to this affiliate have been completed with the expected evolution of factors internal to winemaking activities (hL PA, distributed volumes and carbon emissions).</p> <p>For glass, the transition risk linked to carbon pricing has been considered. Several carbon pricing scenarios have been explored: two global scale scenarios that set our world on a 2°C and 1.5°C trajectory (shadow prices projections respectively from CPLC and IPCC 1.5 report; and one European scale scenario with the latest projections from the EU ETS carbon market. These carbon price projections have been multiplied with affiliate's projected carbon emissions to estimate the expecting extra costs.</p>
Transition scenarios	Customized publicly available transition scenario	Business activity	1.6°C – 2°C	<p>Following TCFD recommendations, two distinct macro scenarios have been considered. In addition to the &lt;2°C world scenario that is mandatory, a &gt;4°C world scenario has been also explored because affiliate winemaking activities are highly exposed to physical risks. In order to provide quantified projections across these two macro scenarios, publicly available scenarios have been used, both physical and transition scenarios. These scenarios that describe the future evolution of factors external to this affiliate have been completed with the expected evolution of factors internal to winemaking activities (hL PA, distributed volumes and carbon emissions).</p> <p>For glass, the transition risk linked to carbon pricing has been considered. Several carbon pricing scenarios have been explored: two global scale scenarios that set our world on a 2°C and 1.5°C trajectory (shadow prices projections respectively from CPLC and IPCC 1.5 report; and one European scale scenario with the latest projections from the EU ETS carbon market. These carbon price projections have been multiplied with affiliate's projected carbon emissions to estimate the expecting extra costs.</p>

**C3.2b**

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

#### Row 1

##### Focal questions

- What are the impacts that different climate scenarios could have on our business resilience?
- How should current business strategy be adapted to face these challenges?

##### Results of the climate-related scenario analysis with respect to the focal questions

- In a future related to an increase of <2°C (RCP 2.6), a future related to the objectives we have set, the impacts will be:
  - Frost days : -60%
  - Scalding : +130%
  - Cooling requirements for wine storage : +43%

Carbon price can reach over 70€/tCO<sub>2</sub>eq in the 2°C scenario which represents an important financial impact. The financial impact can range from 120 M€ to 270 M€ cumulated, between 2018 and 2030.

Some strategy areas in China are exposed to both coastal and pluvial flooding.

At 15 years horizon, impacts will be major. To minimize the impact on our business we need to put in place adaptation measures and contribute to climate change reduction

- In the Scenario business-as-usual, the impacts will be:

- Frost days : -60%
- Scalding: +190%
- Cooling requirements from wine storage: +44%

No policy on carbon price: no financial impact, but we are expecting high energy cost increase due to resource depletion. Some areas in China are exposed to both coastal and pluvial flooding.

In +4°C world we see the similar impacts due to time horizon: 2035 is not too far to see the significance of the impact in the different scenarios used. We are expecting some major deterioration if we take a longer time frame.

## C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

Have climate-related risks and opportunities influenced your strategy in this area?		Description of influence
Products and services	Yes	<p>Consumers' expectations towards our brands are more and more driven by their need for a more sustainable world and for sustainable products and brands. Consumer studies show that their trust in our brands must be based on a strong environmental engagement by businesses, for example, by offering low emissions products and services. This is even more important for millennials and the young generations, which is highlighted in our Global risk mapping and strongly influences our marketing strategy. Higher demand for lower emissions products and services and the incorporation of sustainability concerns are strong drivers to foster innovation and an opportunity to increase market share. With this in mind, innovation and digital are considered immediate strategic priorities at Pernod Ricard since the launch of our 2018 strategy 'Transform and Accelerate', with different entities working on innovative projects involving new product and service offerings with the purpose of addressing this short-term opportunity and gaining greater market share.</p> <p>CASE STUDY: Both the risk and opportunity of shifting consumer preferences for sustainability is factored into Group marketing strategy. For example, the Pernod Ricard eco-design policy aims to make the products more sustainable throughout their lifecycle such as bottle weight reduction, increased recycled content, reducing CO<sub>2</sub> emissions. The launch of the Absolut paper bottle prototype, marking the brand's first step to a fully bio-based bottle able to contain spirits is an example of this eco-design. The paper bottle is made of recyclable content - 57% paper and 43% recycled plastic – with plastic making up a thin layer within the bottle that can be successfully recycled.</p>
Supply chain and/or value chain	Yes	<p>Climate-related risks influence our supply chain and thus impact our decision-making and sourcing strategy. These climate risks form part of the Group's current global risk mapping process and have influenced strategic decisions such as setting targets. For example, by 2025 we will pilot local models for regenerative farming systems in the Group's vineyards in eight wine regions, capturing more carbon in soils, and share them with the wine industry. To date this has meant greater engagement with our Agricultural raw materials suppliers to start building resilient agriculture models and progress toward regenerative agriculture practices that can later be shared with the wine industry.</p> <p>Further strategic decisions in our supply chain are being informed by our 'terroir risk mapping tool' work.</p> <p>CASE STUDY: to face extreme variability in weather patterns, projected to worsen and cause big impact in our agricultural supply chain in the long-term, the Group adopted a hedging strategy to limit the extent to which climate factors influence seasonal volatility, and included environmental factors in our Responsible Procurement Policy and Procurement Code of Ethics.</p>
Investment in R&D	Yes	<p>The Group undertakes investment in research activities as part of its 2030 Sustainability &amp; Responsibility strategy, particularly focused on mitigating climate-related risks that are identified in the Group's global risk mapping. The Group sees new technologies as key to the achievement of 2030 climate change objectives relating to emissions, for example, a taskforce has been set up with the main distilleries to identify technologies that will help achieve Scope 1 SBTs. Pernod Ricard invests 4 million euros annually on new equipment investments and resources to optimize and track energy consumption and CO<sub>2</sub> emissions. Investments linked to the launch of the current S&amp;R strategy will be more than 100 million euros.</p> <p>CASE STUDY: a substantial strategic decision made in R&amp;D influenced by climate-related risks include developing a reporting tool and process to be implemented to better measure progress towards our science-based targets.</p>
Operations	Yes	<p>Climate-related risks are accounted for as part of our environmental risk mapping that is assessed every 3 years and monitored at Group level; they influence our Operations decision-making in different ways:</p> <ul style="list-style-type: none"><li>- In our own vineyards, we are requesting certification according to sustainable agriculture standards or other environmental standards to make them more resilient to climate change. In 2021, 92.1% of our sites are ISO 14001-certified (covering 99.7% of our production) and 99% of our vineyards are certified according to environmental standards.</li><li>- We set targets for water, energy, CO<sub>2</sub> reduction to decrease our dependence on natural resources on all production sites. These include our approved science-based targets for 2030.</li><li>- Long-term physical risks, such as natural disasters, also represent a danger to our industrial sites and could result in operational disruption of the supply of certain products.</li></ul> <p>CASE STUDY: The Group has implemented measures to prevent physical risks to damage its own and its suppliers facilities, such as: auditing industrial sites along with insurers and establishing business continuity management systems. In FY20, the Group has officially become a member of RE100, a global initiative led by The Climate Group in partnership with CDP which brings together 221 international companies committed to 100% renewable electricity. In 2021, the proportion of renewable electricity used is 74% for production sites and administrative offices.</p>

## C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

Financial planning elements that have been influenced	Description of influence
Row 1 Revenues Direct costs Capital expenditures Capital allocation Acquisitions and divestments Assets	<p><b>REVENUES:</b></p> <ul style="list-style-type: none"> <li>- Company-specific description: Increased revenue has been driven through demand for lower emission products and services. Consumer behavior is changing and an increasing number of people prefer products that are perceived as more responsible. It is a strong driver for fostering innovation in more products designed with sustainability principles such as a lower CO2 content, therefore it has increased our market share and revenues - in 2021, 25% of the Group's growth comes from innovation.</li> <li>- Case study: The risk of shifting consumer preferences is factored into the Group's marketing strategy. For example: We implemented an eco-design policy that aims to make products more sustainable throughout their lifecycle.</li> </ul> <p><b>DIRECT COSTS - OPERATING COSTS:</b></p> <ul style="list-style-type: none"> <li>- Company-specific description: Pernod Ricard is exposed to future energy and tax regulation and therefore, wants to accelerate the implementation of greenhouse gas emissions and energy efficiency programs within its operational sites as well as in its supply chain. It would reduce operational costs compared to our competitors.</li> <li>- Magnitude of this impact: Since 2010, we observed a 17% energy reduction. This led to an operating costs reduction of 6.8 million euros. This data is taken into consideration in our short, medium and long-term financial planning.</li> </ul> <p><b>CAPITAL EXPENDITURES / CAPITAL ALLOCATION:</b></p> <ul style="list-style-type: none"> <li>- Company-specific description: Risk associated with stricter regulations on carbon emissions and energy is impacting Pernod Ricard and monitored on an annual basis as part of financial planning. This is more so important since in Europe, the Group's largest distilleries are subject to the CO2 emissions quota system (EU-ETS). Pernod Ricard will probably see its costs increasing. To reduce its exposure to this risk, Pernod Ricard invests every year on energy efficiency and carbon emissions reduction, and takes measures to reduce GHG emissions, both directly at production sites through energy efficiency programs and renewable energy, and indirectly with its suppliers and by optimising the logistics chain</li> <li>- Case study: Minimising our costs related to carbon taxes and the EU-ETS scheme influenced our strategy to decarbonize our distilleries and set ambitious carbon reduction targets from FY18 to FY30 aligned with SBTs, which requires significant CAPEX planning on a 10-years basis. To drive this change the Group introduced an internal carbon price of €50 per ton of CO2 equivalent for investments.</li> </ul> <p><b>ACQUISITIONS AND DIVESTMENTS :</b></p> <p>Prior to any acquisition, Pernod Ricard conducts a full due diligence evaluation, covering -among others- the various aspects of supply chain and production. In case a major risk is identified, the acquisition project can be reviewed or halted, or a mitigation plan built. This covers risks linked with energy use, regulatory risks, supply of raw materials, physical and natural risks. The time horizon for this planning takes place on a case-by-case basis.</p> <p><b>ASSETS:</b></p> <p>Risks related to severe climate change impacts are taken into account in the management of industrial assets. This is done through the Group's risk assessment process, engaging mitigation plans and adapting long term strategies such as to reduce activity or reduce dependence on climate factors on a climate sensitive site</p> <p><b>ACCESS TO CAPITAL:</b> Not impacted</p> <p>Pernod Ricard is in a solid situation in terms of access to capital. However, it is due to an improving financial situation (a lower financial debt for example) than our good extra-financial rating. Therefore, our financial planning does not consider climate-related impacts on our access to capital.</p> <p><b>LIABILITIES:</b> Not impacted</p> <p>In the last years we didn't note any increasing insurance cost due to the increasing frequency of climate-related risks nor any decreasing cost due to our good extra-financial rating. Therefore, our financial planning does not consider climate-related impacts on our liabilities.</p>

## C3.5

**(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?**

No, but we plan to in the next two years

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target  
Intensity target

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s)**

Scope 1  
Scope 2

**Scope 2 accounting method**

Market-based

**Scope 3 category(ies)**

<Not Applicable>

**Base year**

2018

**Base year Scope 1 emissions covered by target (metric tons CO2e)**

250542

**Base year Scope 2 emissions covered by target (metric tons CO2e)**

47429

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

<Not Applicable>

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**

297971

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

100

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

<Not Applicable>

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

30

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

208579.7

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

265819

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

29178

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

<Not Applicable>

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

294997

**% of target achieved relative to base year [auto-calculated]**

3.32694568710825

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

Well-below 2°C aligned

**Please explain target coverage and identify any exclusions**

The Group submitted a greenhouse gas emission reduction target to the Science-Based Targets (SBT) initiative. In June 2019, the SBT initiative approved our targets, which are aligned with a below 2°C scenario for our Scope 1 and 2 emissions, and will be reviewed next year to be aligned with 1,5°C. It covers all production sites for scope 1 and 2.

This KPI covers the absolute value of the GHG emissions of the production sites operated by the Group: Scope 1 emissions (direct emissions from own activities) and Scope 2 emissions (indirect emissions from consumption of purchased electricity, heat or steam).

The scope of activities taken into account for its assessment is the same as the one used for the environmental reporting and KPIs verified and disclosed by Pernod Ricard in its annual report for its production sites.

It does therefore not include the following activities: ageing sites with no production or no staff, production facilities shut down for an indefinite period, external co-packing sites not belonging to Pernod Ricard and not located on production sites, distribution sites and other buildings not located on production sites, owned vineyards, commercial fleet.

**Plan for achieving target, and progress made to the end of the reporting year**

The Group is working on two fronts:

- i) improving energy efficiency
- ii) using less and less carbon-intensive energy

To encourage such transitions, the Group has introduced an internal carbon price of 80€ per ton of CO2 equivalent for investments.

The Group has the objective to replace fossil fuel energy sources and plans to only use renewable electricity by 2025. This year, as part of the acceleration of our carbon reduction roadmap, the Group consolidated projects and reduction opportunities with projected investments to achieve our scope 1 and 2 target.

The main actions and levers identified are: energy efficiency boiler, steam recycling through MVR (mechanical vapor recompression), stop drying, methanization, biofuels usage at distilleries and renewable electricity procurement (PPA, solar panels, EACs).

This year, Scope 1 (direct CO2 equivalent emissions) increased by 4.1% in line with the 5% increase in production volumes. Scope 2 (indirect CO2 equivalent emissions)

remains stable with 29,178 tonnes compared to 29,557 tonnes last year due to an increase in renewable electricity sourcing.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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#### C4.1b

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**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**

Int 1

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s)**

Scope 3

**Scope 2 accounting method**

<Not Applicable>

**Scope 3 category(ies)**

Category 1: Purchased goods and services

Category 4: Upstream transportation and distribution

**Intensity metric**

Other, please specify (Metric tonnes CO<sub>2</sub>e per profit from recurring operations (M€))

**Base year**

2018

**Intensity figure in base year for Scope 1 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 2 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in base year for Scope 3 (metric tons CO<sub>2</sub>e per unit of activity)**

1000

**Intensity figure in base year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity)**

1000

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

<Not Applicable>

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure**

83.3

**% of total base year emissions in all selected Scopes covered by this intensity figure**

83.3

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Intensity figure in target year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

500

**% change anticipated in absolute Scope 1+2 emissions**

0

**% change anticipated in absolute Scope 3 emissions**

-21

**Intensity figure in reporting year for Scope 1 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 2 (metric tons CO<sub>2</sub>e per unit of activity)**

<Not Applicable>

**Intensity figure in reporting year for Scope 3 (metric tons CO<sub>2</sub>e per unit of activity)**

1022

**Intensity figure in reporting year for all selected Scopes (metric tons CO<sub>2</sub>e per unit of activity)**

1022

**% of target achieved relative to base year [auto-calculated]**

-4.4

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

2°C aligned

**Please explain target coverage and identify any exclusions**

Scope 3 emissions represent the vast majority of Pernod Ricard's GHG emissions, 91% in 2021, therefore it provides a focus to reduce overall emissions.

According to the Science-Based Target, this target is launched to contribute to the "Accords de Paris" to achieve the goal of limiting temperature rise to 2°C by the end of the century.

The target covers 86% of the Scope 3, which represents those categories : "Purchased Goods and Services" (Raw Agricultural Materials and Dry Goods) (72% of the Scope 3) and "Upstream Transportation and distribution" (14% of the Scope 3).

This KPI covers the intensity of indirect GHG emissions associated with Group's activities (Scope 3 emissions).

The scope of activities taken into account for assessment is the same as the one covered by Group's Science-Based Targets initiative commitment, from purchased goods and services (dry goods and wet goods and promotional items), upstream and transportation and distribution activities (>67% Scope 3 coverage as per SBT requirement). It does therefore not include the following activities: Capital goods, fuel and energy-related activities, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution, downstream leased assets, end-of-life sold products, processing of sold products, use of sold products, franchises, investments.

Scope 3 is defined and calculated as set out in the GHG Protocol. Carbon offsets and avoided emissions are not included in the calculation.

**Plan for achieving target, and progress made to the end of the reporting year**

To help reduce Scope 3, 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.

Packaging and POS materials are the most carbon-intensive activity in Pernod Ricard's value chain. To reduce their carbon impact, the Group focuses on enhancing the eco-design of its packaging (reducing its weight and increasing recycled content) and working with suppliers to reduce CO2 emissions generated during their manufacturing process. Agriculture is the second most carbon-intensive activity in Pernod Ricard's value chain. Pernod Ricard's products inherently rely on agriculture. Establishing and helping improve agricultural practices is therefore a strategic priority for the Group. On its own land, the Group promotes regenerative agriculture, which can help capture carbon in the soil. Moreover, the Group works with agricultural suppliers to establish preferred standards for each crop. The goal is to identify the best way of reducing greenhouse gas emissions for each crop. Pernod Ricard seeks to optimise land transport by improving vehicle loading, adjusting schedules and using more efficient vehicles. In the US, the Group is also a member of Smartways Association, which aims to reduce land transportation emissions. In Europe, the Absolut Company is a member of the Clean Shipping Project.

**List the emissions reduction initiatives which contributed most to achieving this target**

<Not Applicable>

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**C4.2****(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production

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**C4.2a**

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

**Target reference number**

Low 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Base year**

2019

**Consumption or production of selected energy carrier in base year (MWh)**

190302

**% share of low-carbon or renewable energy in base year**

67

**Target year**

2025

**% share of low-carbon or renewable energy in target year**

100

**% share of low-carbon or renewable energy in reporting year**

81

**% of target achieved relative to base year [auto-calculated]**

42.4242424242424

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

We aim to cover 100% of our electricity consumption with renewable electricity by 2025. This objective is part of our reduction of SCOPE 1 and 2 emissions (market-based); ID Int2 and Abs1.

**Is this target part of an overarching initiative?**

RE100

**Please explain target coverage and identify any exclusions**

This target covers our production sites as well as all our other buildings.

The total renewable electricity consumption is calculated with the part covered by green or renewable energy certificates and the amount of renewable electricity produced and used on site.

**Plan for achieving target, and progress made to the end of the reporting year**

The Group is currently working on its global renewable electricity strategy by investigating several options : PPA (Power Purchase Agreement), Green Tariffs with suppliers, EACs (energy attribute certificates) and on-site self-generation solutions.

The Group has reached 81% renewable electricity consumption at the end of the reporting year (+14% compared to base year).

**List the actions which contributed most to achieving this target**

<Not Applicable>

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## C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

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## C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO<sub>2</sub>e savings.**

	<b>Number of initiatives</b>	<b>Total estimated annual CO<sub>2</sub>e savings in metric tonnes CO<sub>2</sub>e (only for rows marked *)</b>
Under investigation	3	87000
To be implemented*	50	198746
Implementation commenced*	1	15000
Implemented*	5	5000
Not to be implemented	0	0

#### C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

##### Initiative category & Initiative type

Waste reduction and material circularity	Product or service design
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##### Estimated annual CO2e savings (metric tonnes CO2e)

5000

##### Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 1: Purchased goods & services

##### Voluntary/Mandatory

Voluntary

##### Annual monetary savings (unit currency – as specified in C0.4)

1000000

##### Investment required (unit currency – as specified in C0.4)

0

##### Payback period

<1 year

##### Estimated lifetime of the initiative

Ongoing

##### Comment

This initiative concerns glass bottle lightweighting for several brands.

#### C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	We use an internal carbon price of 80euros/tCO2 in all of our operating investments.
Dedicated budget for energy efficiency	Energy saving and environmental compliance have been strong drivers of carbon reduction investment projects. Each year, some investments are made in our distilleries for capacity expansion equipment replacement have given the opportunity to improve the energy efficiency of our operations, hence reducing their carbon emissions.
Dedicated budget for other emissions reduction activities	Scope 2 reduction emissions due to purchased Green Energy Certificate by some affiliates. In addition to that, affiliates contribute to the global scope 1 reduction roadmap by defining their reduction initiatives and budget planned. As example, Irish Distillers and Chivas Brothers will invest €50 million and £80 million respectively over the next four years to deliver a carbon neutral operation by the end of 2026, using break-through emissions reducing technology (MVR and bio-plants).
Please select	Long-Term Incentive Plan (for Executive Directors and employees):  The Board of Directors has decided in 2021 to grant shares free of charge to employees and Executive Directors of the Company and Group companies, and introduced a criterion based on social responsibility in line with its roadmap in this area. The shares to be allocated would be subject notably to an internal performance condition related to Corporate Social Responsibility (CSR) based on 4 sub-criteria. One of them is related to carbon and related to the implementation of the roadmap to reduce scope 1 and 2 CO2 emissions generated by Pernod Ricard's sites.

#### C-AC4.4/C-FB4.4/C-PF4.4

(C-AC4.4/C-FB4.4/C-PF4.4) Do you implement agriculture or forest management practices on your own land with a climate change mitigation and/or adaption benefit?

Yes

#### C-AC4.4a/C-FB4.4a/C-PF4.4a

**(C-AC4.4a/C-FB4.4a/C-PF4.4a) Specify the agricultural or forest management practice(s) implemented on your own land with climate change mitigation and/or adaptation benefits and provide a corresponding emissions figure, if known.**

**Management practice reference number**

MP1

**Management practice**

Agroforestry

**Description of management practice**

Agroforestry is a practice developed within our communities of coffee growers in Mexico in the province of Veracruz. Its purpose is to shade the coffee plants, regulate the water cycle, structure the soil and intervene in the fertility of the plots.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

22

**Please explain**

The presence of trees in the plot limits soil erosion and improves its structure. Thanks to the diversification of the present species, the resilience to climatic events is improved. Thus, fertilizer inputs are reduced.

Estimated CO2 savings based on carbon sequestration potential for agroforestry (4/1000 study) : 207 kg C / Ha / Y.

The surface under agroforestry is 30 Ha.

---

**Management practice reference number**

MP2

**Management practice**

Other, please specify (Regenerative viticulture )

**Description of management practice**

Our objective is to make our vineyards adaptable to climate change and to build terroirs that are resilient regarding increasingly extreme climatological events to come. The key factor of this adaptation is to nurture a living soil : fertile and with the capacity to keep humidity. Following a precise mapping of our vine terroirs, we defined a three axis program :

- Restoring soils health potential by implementing specific practices, such as selecting appropriate plant cover
- Natural nutrition and protection of vines relying either on plant-soil interactions or on natural inputs
- Conserving and restoring landscape and biodiversity by working on territorial mosaics or by re-introducing functional biodiversity.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

100

**Please explain**

Trial on almost 700 hectares (cover crops + low/no tillage + compost + animal grazing + biodiversity areas)

Estimated savings = 10% less on emission factor (ongoing study - does not incorporate sequestration)

---

**Management practice reference number**

MP3

**Management practice**

Other, please specify (Regenerative agriculture)

**Description of management practice**

For Pernod Ricard, Regenerative agriculture is a holistic approach that aims to protect soil life and natural fertility, improve water retention capacity, and protect and enhance biodiversity.

In the long term, this model aims to improve the global crop vigor, maximize carbon storage in the soil, ensure quality of the harvest and secure yields. As a result, it improves the overall resilience of the terroir (particularly in the face of climate change) and ensures the health and life balance of farming communities, as well as long-term economic viability.

Through our pilot trials, we seek to combine best practices (crop diversification, rotations, cover crops, low/no tillage, biodiversity areas, agroforestry, livestock introduction, etc.) in order to recreate natural balance, reduce impacts and improve resilience.

**Primary climate change-related benefit**

Increasing resilience to climate change (adaptation)

**Estimated CO2e savings (metric tons CO2e)**

3200

**Please explain**

This is a long-term adaptation (between 5-7 years) that relies both on the reduction of GHG emissions and on an increase in carbon sequestration in the land. At the moment we depend on bibliographical resources (like PADV and 4/1000 studies) : as our trials only started in 2020, we do not have the necessary insight yet.

Total surface of land covered by regenerative agriculture projects: 19 000 Ha

Estimated savings = 5% less on emission factor (ongoing study - does not incorporate sequestration)

---

**C4.5**

---

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

No

## C5. Emissions methodology

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### C5.1

---

(C5.1) Is this your first year of reporting emissions data to CDP?

No

#### C5.1a

---

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

**Has there been a structural change?**

Yes, an acquisition

Yes, a divestment

**Name of organization(s) acquired, divested from, or merged with**

Acquisition of one site for Mexico and two divestments in New Zealand and UK.

**Details of structural change(s), including completion dates**

Acquisition and divestments occurred during reporting period 2020-2021

#### C5.1b

---

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	Three methodological changes have been done for the 2020/21 reporting, affecting all affiliates : update of glass dry goods emissions factors, a new transportation calculation methodology and emission factor change for heat specific supplier. The base year has been adjusted to reflect these changes.

#### C5.1c

---

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculations policy, including significance threshold
Row 1	Yes	Pernod Ricard can face different type of changes that might impact their GHG emissions and requires them to recalculate the GHG emissions in the baseline year. This depends on different factors including the type of changes, their materiality to Pernod Ricard's total GHG emissions and the types of GHG emissions reduction targets set by Pernod Ricard. Several changes could require a recalculation: reporting perimeter change, insourcing or outsourcing, methodological changes and emissions inventory changes. Those recalculations will be triggered if the impact of those changes is significant, meaning above a materiality threshold. The materiality threshold has been set to 1%, in line with the industry practice and the Beverage Industry Greenhouse Gas (GHG) Emissions Sector Guidance.

### C5.2

---

(C5.2) Provide your base year and base year emissions.

**Scope 1**

**Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO2e)**

250542

**Comment**

**Scope 2 (location-based)****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

91685

**Comment****Scope 2 (market-based)****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

47429

**Comment****Scope 3 category 1: Purchased goods and services****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

2071451

**Comment****Scope 3 category 2: Capital goods****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

298567

**Comment****Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

71922

**Comment****Scope 3 category 4: Upstream transportation and distribution****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

286628

**Comment****Scope 3 category 5: Waste generated in operations****Base year start**

July 1 2017

**Base year end**

June 30 2018

**Base year emissions (metric tons CO<sub>2</sub>e)**

165

**Comment**

### **Scope 3 category 6: Business travel**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

43784

#### **Comment**

### **Scope 3 category 7: Employee commuting**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

20400

#### **Comment**

### **Scope 3 category 8: Upstream leased assets**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

31642

#### **Comment**

### **Scope 3 category 9: Downstream transportation and distribution**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

#### **Comment**

The emissions associated to the transportation of sold products from our production sites to retailers are included in Upstream Transportation and Distribution emissions because Pernod Ricard does pay for transportation of sold products to retailer. We consider the downstream transportation and distribution emissions not relevant as the emissions from retailers to consumers transportation of sold products, calculated based on an average travelled distance of 10km and a standard diesel vehicle emission factor, represent less than 0,1% of our Scope 3 emissions.

### **Scope 3 category 10: Processing of sold products**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

#### **Comment**

This category is considered not relevant to Pernod Ricard as our sold products don't need further processing by downstream customers.

### **Scope 3 category 11: Use of sold products**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

#### **Comment**

This category is considered not relevant to Pernod Ricard because they do not meet the relevancy criteria stipulated by the Scope 3 Reporting Standard considering Pernod Ricard's products.

### **Scope 3 category 12: End of life treatment of sold products**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

5165

#### **Comment**

### **Scope 3 category 13: Downstream leased assets**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

##### **Comment**

This category is considered not relevant to Pernod Ricard because Pernod Ricard does not lease assets to third parties.

### **Scope 3 category 14: Franchises**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

##### **Comment**

This category is considered not relevant to Pernod Ricard because Pernod Ricard does not operate any franchises.

### **Scope 3 category 15: Investments**

#### **Base year start**

July 1 2017

#### **Base year end**

June 30 2018

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

##### **Comment**

This category is considered not relevant to Pernod Ricard as we don't have any investments that meet the criteria for inclusion in this Scope 3 category.

### **Scope 3: Other (upstream)**

#### **Base year start**

#### **Base year end**

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

##### **Comment**

Not evaluated

### **Scope 3: Other (downstream)**

#### **Base year start**

#### **Base year end**

#### **Base year emissions (metric tons CO<sub>2</sub>e)**

##### **Comment**

Not evaluated

## **C5.3**

---

### **(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

---

## **C6. Emissions data**

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### **C6.1**

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

265819

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

---

## C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

The Group is using the Greenhouse Gas Protocol database for national electricity emission factors and the DEFRA emission factor for heat/steam/cooling. Consequently, country electricity emission factors were applied for all sites. All these emissions factors are verified by external parties.

---

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**

**Reporting year**

**Scope 2, location-based**

64000

**Scope 2, market-based (if applicable)**

29178

**Start date**

<Not Applicable>

**End date**

<Not Applicable>

**Comment**

---

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

---

### C6.4a

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

**Source**

We are excluding GHG emissions from cooling gas.

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

No emissions from this source

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

No emissions from this source

**Explain why this source is excluded**

GHG emissions from these sources have been estimated or calculated during the last 6 years through the Cooling gas emissions. As they represent less than 1% of our scope 1&2 emissions, they are considered not relevant.

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

1

**Explain how you estimated the percentage of emissions this excluded source represents**

---

**Source**

We are excluding GHG emissions from energy use in our agricultural activities (5631ha).

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

Emissions are not relevant

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are not relevant

**Explain why this source is excluded**

GHG emissions from the energy use in our agricultural properties are calculated every year and they account almost for less than 2% of our scope 1&2 emissions.

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

2

**Explain how you estimated the percentage of emissions this excluded source represents**

The total emissions from our vineyards represent around 8500 tCO2e. The part related to energy use in vineyards activities accounts for around 5800 tCO2e. This represents 2% of our Scope 1+2 (294 998 tCO2e). Then, we consider that the part of these emissions that is associated to energy use is not relevant as it accounts for less than these 2% of our Scope 1+2.

---

## C6.5

---

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

2196958

**Emissions calculation methodology**

Hybrid method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

**Capital goods**

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

285670

**Emissions calculation methodology**

Average spend-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

**Fuel-and-energy-related activities (not included in Scope 1 or 2)****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

61781

**Emissions calculation methodology**

Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain****Upstream transportation and distribution****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

278434

**Emissions calculation methodology**

Average data method

Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain****Waste generated in operations****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

478

**Emissions calculation methodology**

Waste-type-specific method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain****Business travel****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

2248

**Emissions calculation methodology**

Distance-based method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain****Employee commuting****Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO<sub>2</sub>e)**

30618

**Emissions calculation methodology**

Average data method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

## **Upstream leased assets**

### **Evaluation status**

Relevant, calculated

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

23352

### **Emissions calculation methodology**

Asset-specific method

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

## **Downstream transportation and distribution**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

The emissions associated to the transportation of sold products from our production sites to retailers are included in Upstream Transportation and Distribution emissions because Pernod Ricard does pay for transportation of sold products to retailer. We consider the downstream transportation and distribution emissions not relevant as the emissions from retailers to consumers transportation of sold products calculated based on an average travelled distance of 10km and a standard diesel vehicle emission factor represent less than 0,1% of our Scope 3 emissions.

## **Processing of sold products**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

This category is considered not relevant to Pernod Ricard as our sold products don't need further processing by downstream customers.

## **Use of sold products**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

This category is considered not relevant to Pernod Ricard because they do not meet the relevancy criteria stipulated by the Scope 3 Reporting Standard considering Pernod Ricard's products.

## **End of life treatment of sold products**

### **Evaluation status**

Relevant, calculated

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

7868

### **Emissions calculation methodology**

Waste-type-specific method

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

## **Downstream leased assets**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

This category is considered not relevant to Pernod Ricard because Pernod Ricard does not lease assets to third parties.

## **Franchises**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

This category is considered not relevant to Pernod Ricard because Pernod Ricard does not operate any franchises.

## **Investments**

### **Evaluation status**

Not relevant, explanation provided

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

This category is considered not relevant to Pernod Ricard as we don't have any investments that meet the criteria for inclusion in this Scope 3 category.

## **Other (upstream)**

### **Evaluation status**

Not evaluated

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

## **Other (downstream)**

### **Evaluation status**

Not evaluated

### **Emissions in reporting year (metric tons CO<sub>2</sub>e)**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

## **C-AC6.8/C-FB6.8/C-PF6.8**

**(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?**

No

C-AC6.9/C-FB6.9/C-PF6.9

---

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

**Agricultural commodities**

Other (Alcohol)

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information related to alcohol procurement for all our subsidiaries.

---

**Agricultural commodities**

Other (Agave)

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information from agave procurement and production.

---

**Agricultural commodities**

Other (Cereals)

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information related to the procurement of all cereals in all our subsidiaries.

---

**Agricultural commodities**

Other (Grapes)

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information related to sugar procurement in all our subsidiaries.

---

**Agricultural commodities**

Sugar

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information related to sugar procurement in all our subsidiaries.

---

**Agricultural commodities**

Other (Fruits and Plants)

**Do you collect or calculate GHG emissions for this commodity?**

Yes

**Please explain**

Company-wide: for our data collection we used information related to Fruits and Plants procurement in all our subsidiaries.

---

C-AC6.9a/C-FB6.9a/C-PF6.9a

---

**(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.**

#### Sugar

##### **Reporting emissions by**

Total

##### **Emissions (metric tons CO<sub>2</sub>e)**

28645

##### **Denominator: unit of production**

<Not Applicable>

##### **Change from last reporting year**

Much higher

##### **Please explain**

We multiply the tons from dry sugar and liquid sugar from cane and beet, and molasses from cane by emission factors (from ecoinvent, agrifootprint and agribalyse database) specific to the sugar type. We had a rebound effect in our sales after the Covid-19 pandemic that led to a significant increase in volumes of purchased sugar and in CO<sub>2</sub>e emissions associated to these (+71%).

#### Other

##### **Reporting emissions by**

Total

##### **Emissions (metric tons CO<sub>2</sub>e)**

974534

##### **Denominator: unit of production**

<Not Applicable>

##### **Change from last reporting year**

Higher

##### **Please explain**

Alcohol: We multiply the liters of alcohols from cane, beet, cereals by an emission factor (from a database specific to the spirits and wine sector or more general one such as ecoinvent) specific to the alcohol type.

Agave: We multiply the tons of agave by an average emission factor.

Cereals: We multiply the tons of each cereals by emission factor (from LCA databases) specific to each cereals.

Grapes: We multiply the tons of grapes by an average emission factor (from multiples sources including ADEME. Agribalyse v1.3). We then add up those results into a single figure.

Fruits and plants : We multiply the tons of each Fruits and Plants category reported by a generic emission factor (from Agribalyse v1.3 database). We then add up those results into a single figure.

---

## C6.10

---

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

**Intensity figure**

0.0000334

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

294998

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

8824000000

**Scope 2 figure used**

Market-based

**% change from previous year**

1

**Direction of change**

Decreased

**Reason for change**

The carbon scope 1 and 2 intensity has decreased by 1% compared to last year due to an increase in renewable electricity sourcing and improvements in energy efficiency of our activities after Covid-19 crisis.

---

**Intensity figure**

1.21

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

294998

**Metric denominator**

Other, please specify (KLAA (kilolitres absolute alcohol))

**Metric denominator: Unit total**

244190

**Scope 2 figure used**

Market-based

**% change from previous year**

1

**Direction of change**

Decreased

**Reason for change**

The carbon scope 1 and 2 intensity has decreased by 1% compared to last year due to an increase in renewable electricity sourcing and improvements in energy efficiency of our activities after Covid-19 crisis.

---

## C7. Emissions breakdowns

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### C7.1

---

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

### C7.2

---

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
Argentina	381.48
Armenia	2979.96
Australia	1071.75
Brazil	2379.31
Canada	69187.41
China	5.46
Cuba	3291.45
Spain	1112.85
Finland	0
France	8265.15
Greece	37.24
India	46562.61
Ireland	37835.11
Italy	216.63
Mexico	8417.9
New Zealand	402.3
Poland	15.37
Czechia	212.4
Sweden	994.98
United Kingdom of Great Britain and Northern Ireland	81341.02
United States of America	1053.94
Germany	55.01

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Ageing	969.19
Bottling	9121.51
Distillation	251902.96
Others	356.29
Winemaking (including bottling of wine making)	3469.35

### C-AC7.4/C-FB7.4/C-PF7.4

**(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?**

No

### C-AC7.4c/C-FB7.4c/C-PF7.4c

**(C-AC7.4c/C-FB7.4c/C-PF7.4c) Why do you not include greenhouse gas emissions pertaining your business activity(ies) in your direct operations as part of your global gross Scope 1 figure? Describe any plans to do so in the future.**

	Primary reason	Please explain
Row 1	Other, please specify (Insignificant)	Greenhouse gas emissions pertaining our business activity are considered insignificant to our Scope 1 whereas they have a more important part of our scope 3 emissions.

### C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	1286.1	1286.1
Armenia	471.55	471.55
Australia	9378.65	10239.38
Brazil	262.23	0
Canada	1192.74	1192.74
China	470.42	470.97
Cuba	1423.68	1386.34
Spain	2463.17	0.56
Finland	228.38	0
France	1266.06	0
Greece	75.83	0
India	3015.27	3015.27
Ireland	12104.17	0
Italy	309.98	0
Mexico	1243.48	1243.48
New Zealand	589.03	0
Poland	8960.82	7990.44
Czechia	290.67	0
Sweden	680.17	1.45
United Kingdom of Great Britain and Northern Ireland	13418.94	0.03
United States of America	4756.74	1763.94
Germany	112.79	116.16

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

## C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Ageing	2193.47	207.54
Bottling	14798.27	3758.67
Distillation	25578.11	6174.2
Others	7019.77	6549.89
Winemaking (including bottling of winemaking)	14411.27	12488.08

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Remained the same overall

## C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1354.7	Increased	0.48	1) This year, the part of the renewable energy consumption increased. This increase represents 1354.7 tCO2e. 2) Our previous year Scope 1+2 emissions are: 284 974 tCO2e 3) Calculation $1354.7 / 284\ 974 = 0.48\%$
Other emissions reduction activities		<Not Applicable>		
Divestment	4094.13	Decreased	1.44	1) We sold 2 sites : in New Zealand and UK. This represents a saving of 4094.13 tCO2e compared to last year. 2) Our previous year Scope 1+2 emissions are: 284 974 tCO2e 3) Calculation $4094.13 / 284\ 974 = 1.44\%$
Acquisitions	3.94	Increased	0.001	1) We acquired 1 site in Mexico. The Scope 1 and 2 emissions represent 3.94 tCO2e. 2) Our previous year Scope 1+2 emissions are: 284 974 tCO2e 3) Calculation $3.94 / 284\ 974 = 0.001\%$
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	3217	Increased	1.1	1) We have adjusted emissions factor for a heat supplier (scope 2) from generic data to supplier specific data 2) Our previous year Scope 1+2 emissions are: 284 974 tCO2e 3) Calculation $3217 / 284\ 974 = 1.1\%$
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 5% but less than or equal to 10%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	7454.72	1183479.19	1190933.9
Consumption of purchased or acquired electricity	<Not Applicable>	199844.5	46370.93	246215.44
Consumption of purchased or acquired heat	<Not Applicable>	0	28207.06	28207.06
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	4429.18	<Not Applicable>	4429.18
Total energy consumption	<Not Applicable>	211728.4	1258057.18	1469785.58

## C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

## C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

### Sustainable biomass

#### Heating value

Unable to confirm heating value

#### Total fuel MWh consumed by the organization

0

#### MWh fuel consumed for self-generation of electricity

<Not Applicable>

#### MWh fuel consumed for self-generation of heat

0

#### MWh fuel consumed for self-generation of steam

0

#### MWh fuel consumed for self-generation of cooling

<Not Applicable>

#### MWh fuel consumed for self- cogeneration or self-trigeneration

0

### Comment

### Other biomass

#### Heating value

LHV

#### Total fuel MWh consumed by the organization

715.78

#### MWh fuel consumed for self-generation of electricity

<Not Applicable>

#### MWh fuel consumed for self-generation of heat

0

#### MWh fuel consumed for self-generation of steam

0

#### MWh fuel consumed for self-generation of cooling

<Not Applicable>

#### MWh fuel consumed for self- cogeneration or self-trigeneration

0

### Comment

**Other renewable fuels (e.g. renewable hydrogen)**

**Heating value**

  LV

**Total fuel MWh consumed by the organization**

  6738.94

**MWh fuel consumed for self-generation of electricity**

  <Not Applicable>

**MWh fuel consumed for self-generation of heat**

  0

**MWh fuel consumed for self-generation of steam**

  0

**MWh fuel consumed for self-generation of cooling**

  <Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

  0

**Comment**

**Coal**

**Heating value**

  LV

**Total fuel MWh consumed by the organization**

  134778.97

**MWh fuel consumed for self-generation of electricity**

  <Not Applicable>

**MWh fuel consumed for self-generation of heat**

  0

**MWh fuel consumed for self-generation of steam**

  0

**MWh fuel consumed for self-generation of cooling**

  <Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

  0

**Comment**

**Oil**

**Heating value**

  LV

**Total fuel MWh consumed by the organization**

  80571.2

**MWh fuel consumed for self-generation of electricity**

  <Not Applicable>

**MWh fuel consumed for self-generation of heat**

  0

**MWh fuel consumed for self-generation of steam**

  0

**MWh fuel consumed for self-generation of cooling**

  <Not Applicable>

**MWh fuel consumed for self- cogeneration or self-trigeneration**

  0

**Comment**

**Gas****Heating value**

HHV

**Total fuel MWh consumed by the organization**

944781.71

**MWh fuel consumed for self-generation of electricity**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

Other non-renewable fuels (e.g. non-renewable hydrogen)

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

23347.31

**MWh fuel consumed for self-generation of electricity**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment**

Total fuel

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

1190933.9

**MWh fuel consumed for self-generation of electricity**

&lt;Not Applicable&gt;

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

0

**MWh fuel consumed for self-generation of cooling**

&lt;Not Applicable&gt;

**MWh fuel consumed for self- cogeneration or self-trigeneration**

0

**Comment****C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	4429.18	4429.18	4429.18	4429.18
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2g

---

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

**Country/area**

Germany

**Consumption of electricity (MWh)**

290.9

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

290.9

**Is this consumption excluded from your RE100 commitment?**

No

---

**Country/area**

Argentina

**Consumption of electricity (MWh)**

4004.04

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

4004.04

**Is this consumption excluded from your RE100 commitment?**

No

---

**Country/area**

Armenia

**Consumption of electricity (MWh)**

2477.95

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2477.95

**Is this consumption excluded from your RE100 commitment?**

No

---

**Country/area**

Australia

**Consumption of electricity (MWh)**

17046.57

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

17046.57

**Is this consumption excluded from your RE100 commitment?**

No

---

**Country/area**

Brazil

**Consumption of electricity (MWh)**

2632.83

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2632.83

**Is this consumption excluded from your RE100 commitment?**

No

---

**Country/area**

Canada

**Consumption of electricity (MWh)**

9091

**Consumption of heat, steam, and cooling (MWh)**

0

---

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

9091

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

China

**Consumption of electricity (MWh)**

767.67

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

767.67

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Cuba

**Consumption of electricity (MWh)**

2887

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2887

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Spain

**Consumption of electricity (MWh)**

9718.25

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

9718.25

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Finland

**Consumption of electricity (MWh)**

1955.28

**Consumption of heat, steam, and cooling (MWh)**

2232.11

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

4187.39

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

France

**Consumption of electricity (MWh)**

24003.24

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

24003.24

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Greece

**Consumption of electricity (MWh)**

139.42

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

139.42

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

India

**Consumption of electricity (MWh)**

4864.72

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

4864.72

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Ireland

**Consumption of electricity (MWh)**

36690.42

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

36690.42

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Italy

**Consumption of electricity (MWh)**

1010.37

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

1010.37

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Mexico

**Consumption of electricity (MWh)**

2732.95

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2732.95

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

New Zealand

**Consumption of electricity (MWh)**

5433.88

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

5433.88

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Poland

**Consumption of electricity (MWh)**

2721.93

**Consumption of heat, steam, and cooling (MWh)**

21156.95

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

23878.88

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Czechia

**Consumption of electricity (MWh)**

589.11

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

589.11

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

Sweden

**Consumption of electricity (MWh)**

51032

**Consumption of heat, steam, and cooling (MWh)**

4818

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

55850

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

United Kingdom of Great Britain and Northern Ireland

**Consumption of electricity (MWh)**

58984.34

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

58984.34

**Is this consumption excluded from your RE100 commitment?**

No

**Country/area**

United States of America

**Consumption of electricity (MWh)**

11570.77

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

11570.77

**Is this consumption excluded from your RE100 commitment?**

No

**C8.2h****(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country****Country/area of renewable electricity consumption**

Brazil

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Solar

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**  
2633

**Tracking instrument used**  
I-REC

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**  
Brazil

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**  
Please select

**Brand, label, or certification of the renewable electricity purchase**  
Please select

**Comment**

---

**Country/area of renewable electricity consumption**  
Spain

**Sourcing method**  
Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**  
Solar

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**  
9538

**Tracking instrument used**  
GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**  
Spain

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**  
Please select

**Brand, label, or certification of the renewable electricity purchase**  
Please select

**Comment**

---

**Country/area of renewable electricity consumption**  
France

**Sourcing method**  
Green electricity products from an energy supplier (e.g. Green Tariffs)

**Renewable electricity technology type**  
Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**  
23185

**Tracking instrument used**  
GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**  
France

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**  
Please select

**Brand, label, or certification of the renewable electricity purchase**  
Please select

**Comment**  
Commissioning year of the energy generation facility not available in the green tariffs contract.

---

**Country/area of renewable electricity consumption**  
Finland

**Sourcing method**  
Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**  
Wind

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

1955

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

Finland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

**Country/area of renewable electricity consumption**

Greece

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

139

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

Greece

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

**Country/area of renewable electricity consumption**

Ireland

**Sourcing method**

Green electricity products from an energy supplier (e.g. Green Tariffs)

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

36690

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

Commissioning year of the energy generation facility not available in the green tariffs contract

---

**Country/area of renewable electricity consumption**

Italy

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

1010

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

Italy

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

**Country/area of renewable electricity consumption**

New Zealand

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Wind

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

5434

**Tracking instrument used**

I-REC

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

New Zealand

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

**Country/area of renewable electricity consumption**

Poland

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Wind

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

1374

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**

Poland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

**Country/area of renewable electricity consumption**

Czechia

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

---

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)****Country/area of origin (generation) of the renewable electricity/attribute consumed**

Czechia

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)****Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment****Country/area of renewable electricity consumption**

Sweden

**Sourcing method**

Green electricity products from an energy supplier (e.g. Green Tariffs)

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

51032

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)****Country/area of origin (generation) of the renewable electricity/attribute consumed**

Sweden

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)****Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

Commissioning year of the energy generation facility not available in the green tariffs contract

**Country/area of renewable electricity consumption**

United Kingdom of Great Britain and Northern Ireland

**Sourcing method**

Green electricity products from an energy supplier (e.g. Green Tariffs)

**Renewable electricity technology type**

Hydropower (capacity unknown)

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

58984

**Tracking instrument used**

GO

**Total attribute instruments retained for consumption by your organization (MWh)****Country/area of origin (generation) of the renewable electricity/attribute consumed**

United Kingdom of Great Britain and Northern Ireland

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)****Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

Commissioning year of the energy generation facility not available in the green tariffs contract

**Country/area of renewable electricity consumption**

United States of America

**Sourcing method**

Unbundled Energy Attribute Certificate (EAC) purchase

**Renewable electricity technology type**

Wind

**Renewable electricity consumed via selected sourcing method in the reporting year (MWh)**

7280

**Tracking instrument used**

I-REC

**Total attribute instruments retained for consumption by your organization (MWh)**

**Country/area of origin (generation) of the renewable electricity/attribute consumed**  
United States of America

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

**Vintage of the renewable energy/attribute (i.e. year of generation)**

Please select

**Brand, label, or certification of the renewable electricity purchase**

Please select

**Comment**

---

C8.2i

---

**(C8.2i) Provide details of your organization's low-carbon heat, steam, and cooling purchases in the reporting year by country.**

**Country/area of consumption of low-carbon heat, steam or cooling**

Finland

**Sourcing method**

Heat/steam/cooling supply agreement

**Energy carrier**

Heat

**Low-carbon technology type**

Low-carbon energy mix

**Low-carbon heat, steam, or cooling consumed (MWh)**

2232.11

**Comment**

---

**Country/area of consumption of low-carbon heat, steam or cooling**

Sweden

**Sourcing method**

Heat/steam/cooling supply agreement

**Energy carrier**

Heat

**Low-carbon technology type**

Low-carbon energy mix

**Low-carbon heat, steam, or cooling consumed (MWh)**

4818

**Comment**

---

C8.2j

---

**(C8.2j) Provide details of your organization's renewable electricity generation by country in the reporting year.**

**Country/area of generation**

Australia

**Renewable electricity technology type**

Solar

**Facility capacity (MW)**

1

**Total renewable electricity generated by this facility in the reporting year (MWh)**

3846.59

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)**  
2604.57

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)**  
0

**Renewable electricity sold to the grid in the reporting year (MWh)**

1242.02

**Certificates issued for the renewable electricity that was sold to the grid (MWh)**

1242.02

**Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)**

0

**Type of energy attribute certificate**

Australian LGC

**Total self-generation counted towards RE100 target (MWh) [Auto-calculated]**

2604.57

**Comment**

---

**Country/area of generation**

Spain

**Renewable electricity technology type**

Solar

**Facility capacity (MW)**

1

**Total renewable electricity generated by this facility in the reporting year (MWh)**

178.46

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)**

178.46

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)**

0

**Renewable electricity sold to the grid in the reporting year (MWh)**

0

**Certificates issued for the renewable electricity that was sold to the grid (MWh)**

0

**Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)**

0

**Type of energy attribute certificate**

<Not Applicable>

**Total self-generation counted towards RE100 target (MWh) [Auto-calculated]**

178.46

**Comment**

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**Country/area of generation**

France

**Renewable electricity technology type**

Solar

**Facility capacity (MW)**

1

**Total renewable electricity generated by this facility in the reporting year (MWh)**

817.93

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)**

817.93

**Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)**

0

**Renewable electricity sold to the grid in the reporting year (MWh)**

0

**Certificates issued for the renewable electricity that was sold to the grid (MWh)**

0

**Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)**

0

**Type of energy attribute certificate**

<Not Applicable>

**Total self-generation counted towards RE100 target (MWh) [Auto-calculated]**

817.93

**Comment**

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**Country/area of generation**

India

**Renewable electricity technology type**

Solar

<b>Facility capacity (MW)</b>	1
<b>Total renewable electricity generated by this facility in the reporting year (MWh)</b>	910.31
<b>Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)</b>	828.22
<b>Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)</b>	0
<b>Renewable electricity sold to the grid in the reporting year (MWh)</b>	82.09
<b>Certificates issued for the renewable electricity that was sold to the grid (MWh)</b>	82.09
<b>Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)</b>	0
<b>Type of energy attribute certificate</b>	Indian REC
<b>Total self-generation counted towards RE100 target (MWh) [Auto-calculated]</b>	828.22
<b>Comment</b>	

## C8.2k

**(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.**

Pernod Ricard's renewable electricity sourcing strategy is focusing on four options :

- Green Tariffs (bundled EACs);
- Unbundled EACs;
- On-site solar panels;
- PPA (Power Purchased Agreement).

The current strategy is a mix between the first three options. The affiliates are investigating on-site solar panel options where it makes sense. Besides, the Group has started during FY21 to investigate a global PPA strategy (Europe, NA and India). These initiatives will contribute to bring new capacity into the grid in the countries in which we will develop the project.

The objective of the Group is to cover the majority of our consumption load with PPA and on-site options.

## C8.2l

**(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?**

	<b>Challenges to sourcing renewable electricity</b>	<b>Challenges faced by your organization which were not country-specific</b>
Row 1	Yes, in specific countries/areas in which we operate	<Not Applicable>

## C8.2m

**(C8.2m) Provide details of the country-specific challenges to sourcing renewable electricity faced by your organization in the reporting year.**

<b>Country/area</b>	<b>Reason(s) why it was challenging to source renewable electricity within selected country/area</b>	<b>Provide additional details of the barriers faced within this country/area</b>
Cuba	Other, please specify (Policy barriers)	Country-specific challenges related to market for voluntary procurement of renewable electricity options (green tariffs, unbundled EACs, PPA). Only on-site solar panel options but challenging due to policy barriers.
Argentina	Other, please specify (Policy barriers)	Country-specific challenges related to market for voluntary procurement of renewable electricity options (green tariffs, unbundled EACs, PPA). Only on-site solar panel options but challenging due to policy barriers.
Armenia	Other, please specify (Policy barriers)	Country-specific challenges related to market for voluntary procurement of renewable electricity options (green tariffs, unbundled EACs, PPA). Only on-site solar panel options but challenging due to policy barriers.

## C9. Additional metrics

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### C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

**Description**

Other, please specify (Water Efficiency)

**Metric value**

23.68

**Metric numerator**

Total volume of water abstracted (cubic metres)

**Metric denominator (intensity metric only)**

KLPA

**% change from previous year**

5

**Direction of change**

Decreased

**Please explain**

This year, the return to normal for activities after the Covid-19 impact and a continuous improvement in water efficiency measures led to a reduction in water use per litre of pure alcohol produced in distilleries, down by 5.3% compared to last year.

---

**Description**

Waste

**Metric value**

147

**Metric numerator**

Tonnes

**Metric denominator (intensity metric only)**

**% change from previous year**

74

**Direction of change**

Decreased

**Please explain**

This year, the total quantity of waste sent to landfill has sharply decreased from 557 to 147 tonnes, a significant reduction compared with 10,253 tonnes in FY10. This is the result of our Group campaign towards zero waste to landfill implemented across all production sites, with noticeable improvements this year in affiliates in New Zealand and France.

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## C10. Verification

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### C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

### C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

pernodricard\_urd\_2020\_21.pdf

**Page/ section reference**

P145-146 of the registration document attached, section: "Statutory Auditor's report".

**Relevant standard**

ISAE3000

**Proportion of reported emissions verified (%)**

100

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## C10.1b

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(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

pernodricard\_urd\_2020\_21.pdf

**Page/ section reference**

P145-146 of the registration document attached, section: "Statutory Auditor's report".

**Relevant standard**

ISAE3000

**Proportion of reported emissions verified (%)**

100

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## C10.2

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(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

## C10.2a

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(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1)	Statutory Auditor's report - Verification standard : ISAE3000	
C4. Targets and performance	Year on year change in emissions (Scope 2)	Statutory Auditor's report - Verification standard : ISAE3000	
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	Statutory Auditor's report - Verification standard : ISAE3000	
C4. Targets and performance	Change in Scope 1 emissions against a base year (not target related)	Statutory Auditor's report - Verification standard : ISAE3000	
C4. Targets and performance	Change in Scope 2 emissions against a base year (not target related)	Statutory Auditor's report - Verification standard : ISAE3000	
C8. Energy	Energy consumption	Statutory Auditor's report - Verification standard : ISAE3000	

## C11. Carbon pricing

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### C11.1

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(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

## C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

## C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

16.32

% of Scope 2 emissions covered by the ETS

0

Period start date

July 1 2020

Period end date

June 30 2021

Allowances allocated

43395

Allowances purchased

20046

Verified Scope 1 emissions in metric tons CO2e

265819

Verified Scope 2 emissions in metric tons CO2e

29178

Details of ownership

Facilities we own and operate

Comment

Four of our distilleries are regulated by the EU ETS carbon price system

## C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

*A description of your strategy for complying with the systems in which you participate*

The Group's two largest distilleries are participating to the EU- Emissions Trading Scheme in 3 different countries.

For all of them, the strategy is:

- continuous monitoring of energy consumption;
- in-depth energy assessments, with the setting of energy-efficiency targets;
- roll-out of consumption reduction programmes requiring the management of processes and utilities, and which may involve significant investment;
- implementation of energy management systems with ISO 50 001 certification when relevant.

We commit to reduce by 30% absolute scope 1+2 CO2 emissions from 2018 to 2030 in line with SBTi requirements which will lead to set additional investment plans to reduce significant CO2 emissions of our main distilleries.

*An example of how you have applied your strategy*

To date, the Nöbbelöv (Sweden), Middleton (Ireland) and Gallienne (France) distilleries and the Campo Viejo (Spain) vinification site are ISO 50001 certified.

In Sweden, the Nöbbelöv distillery has a certified energy management system (ISO 50001), reuse the heat produced during the fermentation and distillation processes. In Ireland, Irish Distillers took advantage of the extension of its Midleton distillery to optimize its processes and select the best available technologies, leading to energy savings and CO2 emissions reduction.

Therefore, this year, energy consumption per unit produced amounted to 6.02 kWh per liter of pure distilled alcohol, down -17% compared to 2009/10.

## C11.2

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(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

### C11.2a

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(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

**Credit origination or credit purchase**

Credit purchase

**Project type**

Forests

**Project identification**

Scolelte is the world's longest-running ecosystem services project on the Voluntary Carbon Market and traded the world's first voluntary carbon credits. It has served as an international benchmark for other projects and formed the basis for the development of the Plan Vivo system.

The project "Scolelte" in Mexico is part of Plan Vivo system and contributes to agroforestry systems established and promoted aim to provide social, environmental and economic benefits for local communities.

<https://www.planvivo.org/scolelte>

**Verified to which standard**

Plan Vivo

**Number of credits (metric tonnes CO<sub>2</sub>e)**

997

**Number of credits (metric tonnes CO<sub>2</sub>e): Risk adjusted volume**

997

**Credits cancelled**

Not relevant

**Purpose, e.g. compliance**

Voluntary Offsetting

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## C11.3

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(C11.3) Does your organization use an internal price on carbon?

Yes

### C11.3a

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(C11.3a) Provide details of how your organization uses an internal price on carbon.

**Objective for implementing an internal carbon price**

Drive low-carbon investment

**GHG Scope**

Scope 1

**Application**

An internal price is taken into consideration for all investments on production sites.

**Actual price(s) used (Currency /metric ton)**

80

**Variance of price(s) used**

Pernod Ricard uses Static pricing: a price that is constant over time.

**Type of internal carbon price**

Shadow price

**Impact & implication**

Pernod Ricard has set an internal price of carbon at 80 € / t for the production sites' investment.

This impacts our business because for each investment, the calculation of the return on investment considers the internal price of carbon as any other elements including the investment amount and all the savings and cash in generated by the investment.

This allows us to invest in low carbon projects.

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## C12. Engagement

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### C12.1

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#### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

### C12.1a

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#### (C12.1a) Provide details of your climate-related supplier engagement strategy.

##### Type of engagement

Information collection (understanding supplier behavior)

##### Details of engagement

Other, please specify (Climate change is integrated into supplier evaluation processes)

##### % of suppliers by number

10

##### % total procurement spend (direct and indirect)

30

##### % of supplier-related Scope 3 emissions as reported in C6.5

70

##### Rationale for the coverage of your engagement

Pernod Ricard has sustainable relationships with its suppliers and subcontractors and relies upon them to convey its values and share its S&R commitments. A process was implemented within the Group to allow affiliates of Pernod Ricard to deploy the strategy of responsible purchasing locally. To know which suppliers and subcontractors should be assessed, a CSR Risk Mapping Tool, is implemented since 2013. The supplier or subcontractor is evaluated by the affiliate working with them directly, using a matrix of various responses (production or service company, size of the Company, presence in a country deemed to be risky, turnover, dependence of the supplier on the affiliate, annual expenditure, the critical nature of the product, the social, environmental and supply chain risks of the supplier). The next step is a S&R Assessment of suppliers and subcontractors using the EcoVadis platform, which specialises in this field.

The questions are based on four major topics: the environment, social, ethics and supply chain.

In addition, we work in partnership with our suppliers to reduce emissions:

1/ We have regular meeting with our main glass suppliers to discuss various actions to reduce emissions: light weighting, increasing recycled content, investing in new technologies for producing glass etc..

2/ We collaborated with our growers to change their practices and introduce cover crops in vineyards for instance, as well as developing new vines able to adapt to climate change

3/ We transfer technologies we are developing to our suppliers. For instance, gas reduction consumption for distilleries to reduce our carbon footprint and our suppliers carbon footprint.

This represents around 10% of our suppliers covering 30% total procurement spend.

##### Impact of engagement, including measures of success

A company specific description of the impact of climate-related supplier engagement. Since 2011, the Responsible Procurement Policy for products and services, covering all purchases made by the entire workforce, is a key element of our supplier's policy. Therefore, in the Pernod Ricard internal training course on procurement, a selection of suppliers and partnerships is made. Moreover, we cannot work with partners that don't respect our S&R commitments. To do so, Pernod Ricard pays careful attention to the partners engaged and S&R audits of suppliers and subcontractors are made to ensure that this measure is a success.

##### Comment

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##### Type of engagement

Engagement & incentivization (changing supplier behavior)

##### Details of engagement

Run an engagement campaign to educate suppliers about climate change

Other, please specify (Assess suppliers sustainability against a scorecard)

##### % of suppliers by number

5

##### % total procurement spend (direct and indirect)

10

##### % of supplier-related Scope 3 emissions as reported in C6.5

40

##### Rationale for the coverage of your engagement

Suppliers for this assessment are selected based on their total emissions taken as a proportion of Pernod Ricard Group's emissions. Pernod Ricard prioritises "hotspots" within the supply chain, therefore top emitters are selected. Engagement is tailored to understand main emissions hotspots in a better way and to reinforce Group's CO2 reduction strategy.

##### Impact of engagement, including measures of success

Pernod Ricard is assessing its suppliers' sustainability performance via a scorecard centered around data quality and CO2 reduction ambition. The scoring is made in the way that prioritises methodological alignment and data granularity. Suppliers are given scores from 0 to 100.

Measure of success is the % of suppliers who provided data for the assessment. 80% of glass emissions are targeted to be covered in FY23.

The aim of this activity is to give Pernod Ricard clearer outlook into the suppliers CO2 data using primary data sources and drive CO2 reduction initiatives.

## Comment

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### Type of engagement

Innovation & collaboration (changing markets)

### Details of engagement

Collaborate with suppliers on innovative business models to source renewable energy

### % of suppliers by number

1

### % total procurement spend (direct and indirect)

10

### % of supplier-related Scope 3 emissions as reported in C6.5

40

### Rationale for the coverage of your engagement

Suppliers are selected based on their carbon footprint composition (significant Scope 1 & 2-related emissions).

Suppliers are selected based on their total emissions taken as a proportion of Pernod Ricard Group's emissions.

### Impact of engagement, including measures of success

PR is exploring new long-term partnerships with its suppliers looking at CO2 reduction through the use of alternative energy sources in suppliers' furnaces.

Examples include hydrogen pilots and co-investment exploration in electric furnaces, biofuels.

Measure of success is a reduction in glass emission factors, 5% yearly as per our SBTi ambition. The aim is to reduce Pernod Ricard Group's Scope 3 emissions in line with our Science Based Targets.

## Comment

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## C12.1d

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**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

#### Overview

Since late 2021, Pernod Ricard has been collaborating with packaging supplier O-I Glass; the City of Waco, Texas; and non-profit organization Keep Waco Beautiful (KWB) to lay the foundation for establishing a recycling system for post-consumer glass in the Waco community. This recycling initiative would support objectives outlined in Pernod Ricard's *Good Times from a Good Place* sustainability approach.

Now, in April 2022, the four collaborating groups are ready to take the needed actions – including purchasing key pieces of equipment and committing to donations – that will enable the City of Waco to introduce the new recycling program to Waco residents in mid-2022.

#### Alignment with Pernod Ricard Sustainability Roadmap – Waco Recycling Project

Action to support glass recycling is important to Pernod Ricard for many reasons, including that it advances:

- **Responsible product management:** In alignment with the "Circular Making" objectives outlined in Pernod Ricard's Good Times from a Good Place sustainability efforts, contributing to the establishment of glass recycling capabilities in Waco demonstrates Pernod Ricard's active role in ensuring that the brand's products packaged in glass and consumed in the Waco market have a clear pathway to being recycled.
- **Recycled content percentages in new glass bottles:** Pernod Ricard has made public its goal to "Help increase recycling rates in top 10 largest markets with low recycling levels by 2030." This is important as currently, due in large part to poor glass collection and recycling rates in the United States, there is limited availability of recycled glass content (also known as "cullet") that can be used in the manufacture of new glass containers. Low glass recycling rates are an obstacle to Pernod Ricard's goal of achieving 50% recycled content for its glass by 2025. The recycling collaboration in Waco would enable more post-consumer glass to be kept in the value chain, facilitating the availability of cullet to Pernod Ricard packaging supplier O-I Glass, which has a glassmaking plant in Waco.
- **Reducing carbon emissions:** Using cullet in place of raw materials in the glassmaking process results in lower carbon emissions — another priority issue for Pernod Ricard. Community recycling programs help increase the amount of cullet available to glassmakers, allowing them to use more cullet in place of raw materials and lower the carbon emissions associated with the packaging they produce for Pernod Ricard and other customers.
- **Positive community engagement:** Making glass recycling available to Waco residents and supporting a valued community organization like Keep Waco Beautiful is a positive way to engage local residents around an important environmental initiative, showing investment in the community.

The participation of Pernod Ricard in this collaborative program is limited to:

- **Donation – Keep Waco Beautiful:** Making a charitable donation to Keep Waco Beautiful to support ongoing operation of the program. *Note: Half of the 2022 donation to be made in May/June 2022, the other half in November/December 2022. Estimate: \$15,000 / year*
- **Participation in launch PR/communications & local awareness-raising:** To increase Waco residents' awareness of the new recycling capabilities, drive collection activity, and support the overall success of the program, Pernod Ricard will participate in public relations around the program launch, and contribute marketing/advertising capabilities to the local effort. *Note: The City of Waco and O-I Glass communications teams will also contribute to PR/comms around the program in order to drive glass collections. Estimate [if any]: To be determined by Pernod Ricard.*
- **Continued Collaboration (Limited):** Affiliation with the collaborative effort will continue for three years after the program launch, at which time Pernod Ricard's continued involvement will be re-evaluated.

The total anticipated financial donation from Pernod Ricard is estimated to be approximately **\$15,000**.

## C12.2

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

Yes, climate-related requirements are included in our supplier contracts

## C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

**Climate-related requirement**

Waste reduction and material circularity

**Description of this climate related requirement**

Suppliers are requested to provide primary data that allows Pernod Ricard to calculate their 2025 target with the objectives that post-consumer recycled content for glass will reach 50% and 25% for PET.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

30

**% suppliers by procurement spend in compliance with this climate-related requirement**

30

**Mechanisms for monitoring compliance with this climate-related requirement**

First-party verification

Off-site third-party verification

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

---

**Climate-related requirement**

Implementation of emissions reduction initiatives

**Description of this climate related requirement**

Suppliers are requested to provide a detailed, action-based CO2 reduction roadmap for the products they supply to Pernod Ricard. The roadmaps have to show clear alignment to Pernod Ricard's Science Based Targets ambition and be detailed enough for the Group to be able to track these initiatives implementation on a consistent basis.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

30

**% suppliers by procurement spend in compliance with this climate-related requirement**

15

**Mechanisms for monitoring compliance with this climate-related requirement**

First-party verification

Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

---

**Climate-related requirement**

Measuring product-level emissions

**Description of this climate related requirement**

Suppliers are requested to provide primary data that allows Pernod Ricard to calculate their product-level emissions. Data collected includes electricity & natural gas consumption, % of recycled content, other energy-intensive processes description and quantification.

**% suppliers by procurement spend that have to comply with this climate-related requirement**

30

**% suppliers by procurement spend in compliance with this climate-related requirement**

15

**Mechanisms for monitoring compliance with this climate-related requirement**

First-party verification

Supplier scorecard or rating

**Response to supplier non-compliance with this climate-related requirement**

Retain and engage

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## C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

## C-AC12.2a/C-FB12.2a/C-PF12.2a

**(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.**

**Management practice reference number**

MP1

**Management practice**

Other, please specify (Sustainable sourcing practices)

**Description of management practice**

There are two aspects to the Group's actions in respect of agricultural product purchases and to ensure that our suppliers use sustainable agriculture practices:

- The application of the Responsible Procurement approach allows us to identify and evaluate direct suppliers at risk in terms of S&R in order to develop suitable action plans.
- Certification implementation to address environmental and social risks in agricultural activities and collaboration with our suppliers to mitigate risks identified.

**Your role in the implementation**

Procurement

**Explanation of how you encourage implementation**

We encourage implementation of agriculture practices by implementing sustainable agriculture standards and sharing good practices between our suppliers. For instance, In France, at Martell, regular working groups are organised with the Grapes growers to share the impact on new sustainable agriculture principles.

**Climate change related benefit**

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

Increase carbon sink (mitigation)

Reduced demand for pesticides (adaptation)

**Comment**

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**Management practice reference number**

MP2

**Management practice**

Other, please specify (Regenerative agriculture)

**Description of management practice**

For Pernod Ricard, Regenerative agriculture is a holistic approach that aims to protect soil life and natural fertility, improve water retention capacity, and protect and enhance biodiversity.

In the long term, this model aims to improve the global crop vigor, maximize carbon storage in the soil, ensure quality of the harvest and secure yields. As a result, it improves the overall resilience of the terroir, particularly in the face of climate change, ensures the health and life balance of farming communities as well as long-term economic viability.

Through our pilot trials, we seek to combine best practices (crop diversification, rotations, cover crops, low/no tillage, biodiversity areas, agroforestry, livestock introduction, etc.) in order to recreate natural balances, reduce impacts and improve resilience.

**Your role in the implementation**

Financial

Knowledge sharing

Procurement

**Explanation of how you encourage implementation**

Pernod Ricard invest in pilot testings together with suppliers and farmers to test the best combination of practices. Meaning co-investing in inputs and equipments, in training sessions and knowledge promotion.

**Climate change related benefit**

Increasing resilience to climate change (adaptation)

Reduced demand for fertilizers (adaptation)

**Comment**

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**C-AC12.2b/C-FB12.2b/C-PF12.2b**

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**(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?**

Yes

**C12.3**

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(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

**Row 1**

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers  
Yes, we engage indirectly through trade associations

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

Yes

**Attach commitment or position statement(s)**

pernodricard\_urdu\_2020\_21.pdf

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

To ensure that our engagement activities are consistent with our climate change strategy, we engage in extensive collaboration with the Public Affairs, S&R and Operations teams. This allows us to best select our engagements, ensuring that our messages are well aligned with our strategy, roadmap and ambitions, as well as our reduction targets.

**Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

**Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate**

<Not Applicable>

## C12.3a

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Focus of policy, law, or regulation that may impact the climate**

Other, please specify (Product Environmental Footprint)

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

For our cognac distillation process we have invested in a research programme aiming at developing a carbon neutral distillation adapted to the specific cognac double distillation in potstill "méthode charentaise".

**Policy, law, or regulation geographic coverage**

Regional

**Country/region the policy, law, or regulation applies to**

France

**Your organization's position on the policy, law, or regulation**

Neutral

**Description of engagement with policy makers**

We are engaging the cognac industry to obtain from the regulatory authority the right to test and develop an alternative way of conducting the double distillation with renewable energy. This is expected to replace in future the direct gas firing currently used, which relies on fossil gas.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

<Not Applicable>

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

## C12.3b

**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

**Trade association**

Federation of French Industry (MEDEF)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

The MEDEF supports all initiatives that encourage companies to start an ecological transition. The organization launched The French Business Climate Pledge, a voluntary commitment by companies based in France to take concrete action to make the transition to a low-carbon economy a success and to innovate and develop low-carbon solutions, technologies, products and services. The aim of this collective mobilization is to show that the voluntary initiative has a key role to play in making a success of the ecological transition and to highlight the diversity of the solutions provided by companies in the fight against climate change. Pernod Ricard is one of the signatory companies.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

10000

**Describe the aim of your organization's funding**

We are affiliated with the MEDEF to be accompanied regarding business and sustainability issues.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

---

**Trade association**

Other, please specify (AFEP)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Afep fully supports the implementation of the Paris Agreement at the European and national levels.

Large companies play a key role in the development of new sustainable production models and technological solutions, while having the capacity to bring together other large companies and SMEs.

The energy transition must be a source of investment, job creation and growth in an attractive Europe. To achieve this, the afep defends the need to provide companies with a long-term, stable, coherent and integrated political and regulatory framework.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

70000

**Describe the aim of your organization's funding**

We are affiliated with the AFEP to be accompanied regarding business and sustainability issues.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

---

**Trade association**

Other, please specify (SpiritsEurope)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We have already influenced them to change their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Going forward, our ambition is to be climate-neutral by 2050 and to achieve this objective, we are fully committed to:

SUPPORTING sustainable farming practices,

ACHIEVING significant reductions in water use & implementing specific water management strategies in areas where water resources are at risk or limited,

INCREASING our use of renewable energy & reducing overall energy use,

FOSTERING the re-use of by-products in a sustainable, circular, and beneficial manner,

PARTNERING with the glass industry to boost the glass collection rate for recycling,

MAKING logistics processes more resource-efficient & supporting the decarbonisation of the transport sector,

MOVING towards more circular models throughout the business – from the packaging and promotional items to the distribution – in line with the EU Action Plan for the Circular Economy.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

325000

**Describe the aim of your organization's funding**

To support an important organization for the spirits sector and portfolio of Pernod Ricard that is furthering PR's business & sustainability aims.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

---

**Trade association**

International Chamber of Commerce (ICC)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We are not attempting to influence their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

We believe climate action is everyone's business.

The Chambers Climate Coalition is grounded in the belief that a practical response to climate change must be rooted in creating enabling regulatory environments where local businesses and communities can feel empowered to take action – without sacrificing their bottom lines.

Since its launch at the 11th World Chambers Congress in 2019, our coalition has attracted support and signatories from a diverse range of chamber members and leaders across the world. Our mission is to create a global forum that offers members actionable, real-world solutions and recommendations on cost-effective, sustainable business practices aligned with Paris targets. In parallel, we act as a trusted partner to multinational businesses and governments in identifying and implementing incentives which support small actors in their supply chains and their communities on their journeys to reduce their environmental impact.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

9000

**Describe the aim of your organization's funding**

We are affiliated through the French chapter and leverage ICC mostly for trade projects, we have other organizations that are better suited for sustainability policies.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Trade association**

Other, please specify (Comité Européen des Entreprises Vins)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We have already influenced them to change their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Promoting production and trading practices that are environmentally sound, socially equitable and economically feasible, for the sake of the wine sector's sustainability.

To improve the environmental performance of the EU wine sector by preserving natural assets and promoting environmentally sustainable wine-making practices.

Foster the wine companies commitment to tangibly improve and communicate their sustainability performance. CEEV is therefore committed to tangibly contribute to the environmental, health, economic and social sustainability of the EU wine system and value chain.

To support the EU in developing appropriate and adapted tools to measure wines' and wine companies' environmental performance and communicate it to consumers.

To promote the improvement of the energy and environmental performance of wine production and trade, identifying opportunities for innovation, and coordinating the EU wine sector's efforts towards a more environmentally sustainable viticulture as our sector's contribution to the European Green Deal.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

117000

**Describe the aim of your organization's funding**

To support an important organization for the Wines, Champagne and aromatised wines sector and portfolio of Pernod Ricard that is furthering PR's business & substanability aims.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

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**Trade association**

Other, please specify (World Federation of Advertisers)

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We have already influenced them to change their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

WFA "Planet Pledge" is a Chief Marketing Officers -led framework designed to galvanise action from marketers to promote and reinforce attitudes and behaviours which will help the world meet the challenges laid out in the UN SDGs - including environmental sustainability and climate change related.

Commit to being a part of, and a champion for, the global Race to Zero campaign, and encourage marketing supply chain to do the same.

Scale the capability of marketing organisations to lead for climate action, by providing tools and guidance for our marketers and agencies.

Harness the power of marketing communications to drive more sustainable consumer behaviours.

Reinforce a trustworthy marketing environment, where sustainability claims can be easily substantiated so that consumers can trust the marketing messages they are presented with.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

68000

**Describe the aim of your organization's funding**

To support an important organization for marketers and marketing function of our brand and company that is furthering PR's business & substanability aims.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

Yes, we have evaluated, and it is aligned

---

**Trade association**

Other, please specify (European Brands Association (AIM))

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

We have already influenced them to change their position

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

AIM brands fully support the objective of the Green Deal and the new Circular Economy Action Plan to mobilise industry towards a clean, circular and climate neutral economy.

Brands are in a unique position to promote environmental sustainability, health and well-being of citizens and their communities, and to shape consumer behaviour and choices in line with the SDGs. They do this by focusing on:

- Innovating to develop and market goods and services that have a more sustainable life cycle.
- Optimising the economic and environmental efficiency as well as the social impact of current products and activities in the supply chain.
- Communicating their efforts on sustainable development based on proven science and in line with EU policy on advertising and claims.

AIM member companies are integrating circular thinking into their business strategies through sustainable product and packaging design, optimised resource use and

efficient waste management and recycling of their products, but also efficient production processes, responsible sourcing practices (AIM-Progress) and consumer involvement (Brands Nudging for Good).

Brands are united in these efforts, commitments and progress towards a sustainable future, in terms of achieving a clean and circular economy but also to reach the 2030 UN Sustainable Development Goals,

However, in order to reach the objective of a truly circular and climate neutral economy, much more needs to be done and invested in the upcoming years. These aspects are highlighted in our AIM position on the Circular Economy Action Plan.

AIM supports the Commission's various initiatives regarding product sustainability information for consumers, substantiating green claims and tackling greenwashing, to ensure the continuing veracity and relevance of product claims related to environmental attributes. We need a coordinated, harmonised and holistic approach, bringing together the different measures that relate to the various aspects of consumer information.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**  
24200

**Describe the aim of your organization's funding**

To support an important organization for our brands and company that is furthering PR's business & sustainability aims.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**  
Yes, we have evaluated, and it is aligned

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## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In mainstream reports, incorporating the TCFD recommendations

**Status**

Complete

**Attach the document**

pernodricard\_urd\_2020\_21.pdf

**Page/Section reference**

For the Governance : page 48, section "Governance Structure"

For the Strategy, Emissions figures, Emission targets and Other metrics : page 117 to 127, section 3.3.3 "Circular Making"

The four pillars of the Good Times from a Good Place roadmap, between pages 98-99 and 103-131

**Content elements**

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

**Comment**

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## C13. Other land management impacts

### C-AC13.1/C-FB13.1/C-PF13.1

**(C-AC13.1/C-FB13.1/C-PF13.1) Do you know if any of the management practices implemented on your own land disclosed in C-AC4.4a/C-FB4.4a/C-PF4.4a have other impacts besides climate change mitigation/adaptation?**

Yes

### C-AC13.1a/C-FB13.1a/C-PF13.1a

**(C-AC13.1a/C-FB13.1a/C-PF13.1a) Provide details on those management practices that have other impacts besides climate change mitigation/adaptation and on your management response.**

**Management practice reference number**

MP1

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

Other, please specify (Cost)

**Description of impact**

We use and promote functional biodiversity (cover crops, flower bands, sheeps, agroforestry...) and mechanical practices to globally reduce agrochemicals use and avoid the more dangerous ones.

Moreover, 100% of vineyards (by hectares) are certified according to environmental standards.

As a consequence, we expect positive impacts on soil fertility and moisture, natural balance and biodiversity expansion. And this management practice reduces also our costs due to less chemical product usage.

**Have you implemented any response(s) to these impacts?**

No

**Description of the response(s)**

We have not implemented any response as we did not identify any negative impacts caused by this management practice.

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## C-AC13.2/C-FB13.2/C-PF13.2

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**(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?**

Yes

## C-AC13.2a/C-FB13.2a/C-PF13.2a

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**(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.**

**Management practice reference number**

MP1

**Overall effect**

Positive

**Which of the following has been impacted?**

Biodiversity

Soil

Water

Other, please specify (Cost)

**Description of impacts**

The direct purchasing of agricultural products by affiliates results in a number of partnership initiatives being undertaken with the Group's agricultural suppliers.

For example, In Sweden, 100% of the wheat bought by The Absolut Company is produced locally in line with rigorous specifications and monitored in terms of sustainable agriculture.

In France, the majority of the fennel used for the production of Ricard is grown by farmers in Provence in accordance with sustainable agriculture principles.

Our goal is to improve the crop yield while protecting the environment.

Furthermore, it reduces the production cost of our suppliers due to less chemical product usage. Therefore, ours is also reduced.

**Have any response to these impacts been implemented?**

No

**Description of the response(s)**

We have not implemented any response as we did not identify any negative impacts caused by this management practice.

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## C15. Biodiversity

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### C15.1

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**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	<b>Board-level oversight and/or executive management-level responsibility for biodiversity-related issues</b>	<b>Description of oversight and objectives relating to biodiversity</b>	<b>Scope of board-level oversight</b>
Row 1	Yes, both board-level oversight and executive management-level responsibility	As we are 100% dependent on natural ingredients, climate issues are for us closely linked to biodiversity issues. Under the S&R steering committee (part of board members) and executive management responsibility (Operations and S&R department), each terroir/supply chain has been the subject of a risk analysis, including biodiversity, pollution, scarcity of resources and deforestation. Then, we aim to eliminate all negative impacts through regenerative agriculture and biodiversity programs by 2030.	<Not Applicable>

## C15.2

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	<b>Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity</b>	<b>Biodiversity-related public commitments</b>	<b>Initiatives endorsed</b>
Row 1	No, but we plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

## C15.3

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

	<b>Does your organization assess the impact of its value chain on biodiversity?</b>	<b>Portfolio</b>
Row 1	Yes, we assess impacts on biodiversity in our upstream value chain only	<Not Applicable>

## C15.4

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	<b>Have you taken any actions in the reporting period to progress your biodiversity-related commitments?</b>	<b>Type of action taken to progress biodiversity-related commitments</b>
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Education & awareness Livelihood, economic & other incentives

## C15.5

**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

	<b>Does your organization use indicators to monitor biodiversity performance?</b>	<b>Indicators used to monitor biodiversity performance</b>
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

## C15.6

**(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

<b>Report type</b>	<b>Content elements</b>	<b>Attach the document and indicate where in the document the relevant biodiversity information is located</b>
No publications	<Not Applicable>	<Not Applicable>

## C16. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Vice President Human Resources Sustainability & Responsibility	Board/Executive board

## SC. Supply chain module

### SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

### SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	8824000

### SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

**Requesting member**  
J Sainsbury Plc

**Scope of emissions**  
Scope 1

**Allocation level**  
Company wide

**Allocation level detail**  
<Not Applicable>

**Emissions in metric tonnes of CO2e**  
1054

**Uncertainty (±%)**  
10

**Major sources of emissions**  
Fossil fuel energy used in our production sites (Distillery, winery, Bottling and ageing sites).

**Verified**  
Yes

**Allocation method**  
Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**  
Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**  
We have identified GHG sources allocated to Sainsbury Plc based on the percentage of the turnover (in Euros) made by Pernod Ricard with Sainsbury Plc. We have multiplied this percentage to our Total Scope 1 emissions to have an estimation of GHG emissions that could be allocated to Sainsbury Plc.

**Requesting member**  
J Sainsbury Plc

**Scope of emissions**  
Scope 2

**Allocation level**  
Company wide

**Allocation level detail**  
<Not Applicable>

**Emissions in metric tonnes of CO2e**  
116

**Uncertainty (±%)**

10

**Major sources of emissions**

Electricity and other indirect energy used in our production sites (Distillery, winery, Bottling and ageing sites).

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We have identified GHG sources allocated to Sainsbury Plc based on the percentage of the turnover (in Euros) made by Pernod Ricard with Sainsbury Plc. We have multiplied this percentage to our Total Scope 2 emissions to have an estimation of GHG emissions that could be allocated to Sainsbury Plc.

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**Requesting member**

J Sainsbury Plc

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

11453

**Uncertainty (±%)**

10

**Major sources of emissions**

Indirect emissions generated through the purchase of our agricultural raw materials, packaging and services (transport, etc.).

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We have identified GHG sources allocated to Sainsbury Plc based on the percentage of the turnover (in Euros) made by Pernod Ricard with Sainsbury Plc. We have multiplied this percentage to our Total Scope 3 emissions to have an estimation of GHG emissions that could be allocated to Sainsbury Plc.

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**Requesting member**

Wal Mart de Mexico

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

&lt;Not Applicable&gt;

**Emissions in metric tonnes of CO2e**

334

**Uncertainty (±%)**

10

**Major sources of emissions**

Fossil fuel energy used in our production sites (Distillery, winery, Bottling and ageing sites).

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We have identified GHG sources allocated to Wal-Mart Mexico based on the percentage of the turnover (in Euros) made by Pernod Ricard with Wal-Mart Mexico. We have

multiplied this percentage to our Total Scope 1 emissions to have an estimation of GHG emissions that could be allocated to Wal-Mart Mexico.

---

**Requesting member**

Wal Mart de Mexico

**Scope of emissions**

Scope 2

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

37

**Uncertainty (±%)**

10

**Major sources of emissions**

Electricity and other indirect energy used in our production sites (Distillery, winery, Bottling and ageing sites).

**Verified**

Yes

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We have identified GHG sources allocated to Wal-Mart Mexico based on the percentage of the turnover (in Euros) made by Pernod Ricard with Wal-Mart Mexico. We have multiplied this percentage to our Total Scope 2 emissions to have an estimation of GHG emissions that could be allocated to Wal-Mart Mexico.

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**Requesting member**

Wal Mart de Mexico

**Scope of emissions**

Scope 3

**Allocation level**

Company wide

**Allocation level detail**

<Not Applicable>

**Emissions in metric tonnes of CO2e**

3627

**Uncertainty (±%)**

10

**Major sources of emissions**

Indirect emissions generated through the purchase of our agricultural raw materials, packaging and services (transport, etc.).

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Market value or quantity of goods/services supplied to the requesting member****Unit for market value or quantity of goods/services supplied**

Currency

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

We have identified GHG sources allocated to Wal-Mart Mexico based on the percentage of the turnover (in Euros) made by Pernod Ricard with Wal-Mart Mexico. We have multiplied this percentage to our Total Scope 3 emissions to have an estimation of GHG emissions that could be allocated to Wal-Mart Mexico.

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## SC1.2

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(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

The data we used for scope 1 , 2 and 3 emissions are publically available in our reference document available on our website.

## SC1.3

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**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	

## SC1.4

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

No

## SC1.4b

**(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.**

We have a too large and diverse customer base to accurately track emissions to the Customer Level. Additionally, diversity of product lines which makes accurately accounting for each product / product line cost ineffective. Consequently, we do not plan to develop capabilities to allocate emissions to our customers as it would require too much resources (human and Financial).

## SC2.1

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

## SC2.2

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

## The European Climate Pact Submission

**Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.**

Yes, we wish to pledge to the European Climate Pact through our CDP disclosure

**Please confirm below**

I have read and accept the applicable Terms