Help reduce climate change

Policies	Objectives	Achievements and next steps
2030 S&R Strategy	Through the new S&R strategy, the Group has set itself ambitious new goals to speed up progress and extend its actions (Scopes 1, 2 and 3), as follows: • by 2030: "net zero carbon" emissions on production sites (Scopes 1 and 2) with a 30% reduction in absolute carbon emission (base year 2018). Reduction is aligned with the below 2°C scenario and will be reviewed next year to be aligned with 1.5°C; • by 2030: 50% reduction in the intensity of the Scope 3 carbon footprint (base year 2018). This reduction is aligned with 2°C scenario and will be reviewed next year to be aligned with 1.5°C; • by 2050, "net zero carbon" emissions for our scope 3; • by 2025: 100% renewable electricity used on production sites and in administrative offices.	• A taskforce has been set up with the main distilleries to identify technologies that will help achieve Scope 1 SBTs. • 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 over 300 international companies committed to 100% renewable electricity. The proportion of renewable electricity used is 81% for production sites and administrative offices. • Since FY18, Scopes 1 and 2 carbon emissions have fallen by 1% in absolute value. • Weight reduction for many bottle types has already led to a significant reduction in the carbon footprint from glass. • Discussions will be 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 Science Based Targets.

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

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

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

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

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 targets.

Overview of the Group's carbon footprint and energy consumption

Overall performance	Unit	FY18	FY20	FY21
Energy (production sites only)				
Total energy consumed	MWh LHV	1,447,315	1,438,332	1,469,786
Energy consumption per unit (distilled alcohol)	MWh PCI/kl PA	6.22	6.19	6.02
% renewable energy	%	14	13	14
% renewable electricity	%	74	74	83

Overall performance	Unit	FY18	FY21
Carbon footprint			
Direct emissions (Scope 1)		250,542	265,819
Indirect emissions (Scope 2)		47,429	29,178
Direct and indirect emissions (Scope 1 + Scope 2)	t CO_2e	297,971	294,998
All other indirect emissions (Scope 3)		2,829,724	2,887,407
Group Carbon footprint (Scopes 1, 2 and 3)		3,127,694	3,182,405
Carbon emissions intensity at production site level (Scopes 1 and 2)	t CO_2e/kl PA	1.28	1.21