

**Company Name** Pernod Ricard  
**Industry** Agricultural Products (Supply Chain and Own Operations)  
**UNGP Core Score (\*)** 11.0 out of 26

Score	Out of	For indicators
<b>Governance and Policy Commitments</b>		
1	2	A.1.1 Commitment to respect human rights
2	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
1	2	A.1.5 Commitment to remedy
<b>Embedding respect and Human Rights Due Diligence</b>		
Embedding respect		
1.5	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
1.5	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
1	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0.5	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
<b>Remedies and Grievance Mechanisms</b>		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
<b>11.0</b>	<b>26</b>	

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: UNGC principles 1 &amp; 2: According to its website the Company is 'Signatory of the United Nations Global Compact since 2003' [Sustainability &amp; Responsibility, N/A: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: UNGPs: The Company's Human Rights Policy reads: 'Our policy is aligned with the following international standards, guidelines and protocols: [...] The United Nations Guiding Principles on Business and Human Rights.' However, 'to be aligned with' is not consider a commitment statement following CHRB wording criteria. In addition, in its Registration document 2018/2019, the Company sets as an objective 'By 2025, align with the United Nations Guiding Principles (UNGPs) on Human Rights including due diligence across the Group's operations and strengthening our responsible procurement processes.' However, this is a work in progress and does not establish a current commitment. [Global human rights policy, 25/6/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a> &amp; Registration document 2018/2019, 09/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Not met: OECD: The Company's Human Rights Policy reads: 'Our policy is aligned with the following international standards, guidelines and protocols: [...] The OECD guidelines for multinational enterprises; ' However, 'to be aligned with' is not consider a commitment statement following CHRB wording criteria. [Global human rights policy, 25/6/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: UNGC principles 3-6: The Company is 'Signatory of the United Nations Global Compact since 2003'. [Sustainability &amp; Responsibility, N/A: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Met: Explicitly list All four ILO for AG suppliers: The Company's Supplier Standards explicitly covers all ILO core. With respect freedom of association and collective bargaining, the Company indicates: 'Workers have the right to or not to form, join, and organise trade unions of their choice and for them to bargain collectively on their behalf with the company. In situations where the right to freedom of association and collective bargaining are restricted under law, the company shall allow workers freely to elect their own representatives.' [Supplier Standards, 2013: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: The Company includes provisions for each one of the ILO Core in its Human Rights Policy. With respect freedom of association and collective bargaining, the Company states: 'Pernod Ricard respects employees right to collective bargaining and ensures labour agreements are developed with employee representatives and, at a minimum, comply with local rules and regulations [...] We respect the right of our employees to join, form or not join a trade union, elect their representatives and be elected to hold representation positions. Where employees are represented by a legally recognised union, the company is committed to bargaining in good faith with such representatives'. Through this statement, It is not clear whether it is committed to respect these rights in all contexts and locations (i.e. alternative mechanisms for those countries where there are legal restrictions to the exercise of these rights), as the Company indicates refers to the context of 'legally recognised' unions. In addition, the Company devotes a section of its Registration document 2017/2018 to its human rights commitments. It explicitly commits to each ILO core: Respect for freedom of association and the right to collective bargaining, elimination of forced labour and effective abolition of child labour and non-discrimination. With respect freedom of association and collective bargaining, the Company states that</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>it 'is committed to ensuring freedom of association and the right to collective bargaining.' The Company refers to the 'Internal Charter', which also contains commitments to the ten principles: 'These 10 principles, including those relating to Human Rights, are available to the employees at any time on the Group's Intranet. No new relevant evidence found in last year Registration document. [Registration document 2017/2018, 26/9/2018: <a href="http://pernod-ricard.com">pernod-ricard.com</a> &amp; Global human rights policy, 25/6/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Respect H&amp;S of workers: The Company states in its Health and Safety Policy: 'At Pernod Ricard, we promote Health &amp; Safety adhering to internationally recognized standards and best practices while addressing any gaps that may arise.' [Health and Safety Policy, 11/09/19: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Met: H&amp;S applies to AG suppliers: With respect health and safety, the Company's Supplier Standards indicates: 'A safe and healthy workplace environment is provided, and the supplier takes effective steps to prevent potential accidents and injury to workers' health occurring in the course of work or as a result of the employer's operations, by minimizing the sources of hazards inherent to the work environment.' [Supplier Standards, 2013: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul>
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Regular stakeholder engagement: In the Registration document the Company describes methods of engagement with its different stakeholders including employees (opinion surveys, European and local works councils, employee representation, etc.), suppliers (training, materiality questionnaire, Supplier CSR commitment), and communities (consultations for development projects). The Company describes actions carried out in relation to social dialogue with employees representatives. No new relevant evidence found in the most recent Registration document. [Registration document 2017/2018, 26/9/2018: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to remedy: The Company 'commits to proactively avoid human rights abuses, complicity in abuses by business partners and provide remediation.' [Global human rights policy, 25/6/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with AG suppliers to remedy impacts</li> </ul>

## Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions: See indicator A.1.2. The Company is signatory to the UN Global Compact.</li> <li>• Met: Senior responsibility for HR: 'The Executive Vice President, Human Resources, Sustainability &amp; Responsibility oversees the implementation of the Group's Human Rights Policy. Human Resources Directors and each Managing Director at local level are in charge of implementing the Pernod Ricard Global Human Rights Policy.' [Global human rights policy, 25/6/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Day-to-day responsibility: 'A S&amp;R Strategic Committee includes employees from all regions and functions. Its primary missions are to examine and make recommendations on strategic S&amp;R challenges to the Executive Committee, to ensure the proper implementation of S&amp;R initiatives and to validate the assessment of the progress made each year.' In addition, a 'network of S&amp;R leaders from more than 86 countries operate under the management of their affiliate to implement the strategy at a local level.' S&amp;R includes human rights. No new relevant evidence found in latest Registration document. [Registration document 2017/2018, 26/9/2018: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Not met: Day-to-day responsibility for AG in supply chain: The Company provided feedback to CHRB regarding this indicator, but supporting document is still not public.</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Identifying risks in own operations: In the process of identification and evaluation of risks the Company considered both internally and externally. Internally, the Company has 'iSay' a global commitment survey to allow employees to freely express their opinions on 14 subjects and including work environment and interpersonal relationships. Externally, it implements a 'Proactive supplier analysis based on the Blue Source process, which includes the Risk Mapping Tool; Identification of environmental and social risks in agricultural activities'. [Registration document 2018/2019, 09/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Met: Identifying risks in AG suppliers: As indicated above, the Company reports that it implements a 'Proactive supplier analysis based on the Blue Source process, which includes the Risk Mapping Tool; Identification of environmental and social risks in agricultural activities'. [Registration document 2018/2019, 09/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Ongoing global risk identification: The Company carries out its survey to employees every two years since 2011 and is continually analysed suppliers using the CSR risk mapping tool. [Registration document 2018/2019, 09/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> <li>• Not met: Explains use of HRIAs or ESIA (inc HR)</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context)</li> <li>• Not met: Public disclosure of salient risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Including in AG supply chain</li> <li>• Met: Example of Actions decided: In relation to water risk, 'the Group faces several challenges: it must reduce water consumption, particularly in areas with hydric stress; preserve water quality by monitoring pollutants rejected by production sites and be fully compliant with evolving environmental laws. [...] To better understand and identify priorities, Pernod Ricard has categorised its production sites as high risks, significant risks and low risks, using the Overall Water Risk Index. For each category of risk, a specific water management strategy is applied: High risk: 6 sites, in India, Argentina and Australia. Sites must take specific actions with local communities and other stakeholders to contribute to improving the local water management plan; Significant risks: Site must perform studies of their water catchment areas to ensure there is a balance, monitor any change in risk, and maintain a dialogue with the main stakeholders: Low risk: Sites must at a minimum manage water resources efficiently on their premises'. [Registration document 2018/2019, 09/2019: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Comms plan re identifying risks: See indicator B.2.1. The Company carries out a global risk identification and assessment process that includes both its own operations and business partners, and describes at least some features of the process.</li> <li>• Not met: Comms plan re assessing risks</li> <li>• Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3</li> <li>• Not met: Comms plan re reviewing action plans: See indicator B.2.4</li> <li>• Not met: Including AG suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: If an employee is aware of any breach of the Code of Business Conduct, which includes human rights issues, he or she is encouraged to speak up. The Company 'has implemented an ethics alert line hosted by an independent company (NAVEX Global): "Speak Up". This line is available 24/7 through My Portal, and can receive calls in most languages. It is aimed at allowing Pernod Ricard employees and temporary staff to report serious or sensitive situations where they have personal knowledge of facts, while ensuring that their concerns are addressed appropriately and in confidence.' [Code of Business Conduct Updated, N/A: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved</li> <li>• Met: Channel is available in all appropriate languages: As indicated above, the Company 'has implemented an ethics alert line hosted by an independent company (NAVEX Global): "Speak Up". This line is available 24/7 through My Portal, and can receive calls in most languages.' [Code of Business Conduct Updated, N/A: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> <li>• Met: Opens own system to AG supplier workers: The Company indicates in its Supplier Standards: 'Any concern from the supplier, his employees, managers, workers or any other stakeholders regarding these Rules or their application (including any failure by a Pernod Ricard employee or anyone acting on behalf of Pernod Ricard) should be reported to your Pernod Ricard contact who will ensure this concern is flagged in our secured tool "Speak Up". Managed by an independent service provider, this tool can be used anonymously (where permitted by law) and is available in any languages via telephone or through the internet-based message interface, 24 hours a day, 7 days a week.' [Supplier Standards, 2013: <a href="http://pernod-ricard.com">pernod-ricard.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Grievance mechanism for community: No evidence found of a grievance mechanism open to external individuals.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects AG supplier to have community grievance systems</li> <li>• Not met: AG supplier communities use global system</li> </ul>
C.7	Remediating adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found.

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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