

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Pernod-Ricard
Industry Agricultural Products (Supply Chain and Own Operations)
Overall Score (*) 21.3 out of 100

Theme Score	Out of	For Theme
4.5	10	A. Governance and Policies
7.6	25	B. Embedding Respect and Human Rights Due Diligence
0.0	15	C. Remedies and Grievance Mechanisms
3.3	20	D. Performance: Company Human Rights Practices
4.3	20	E. Performance: Responses to Serious Allegations
1.7	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2018 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

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: UNGC principles 1 & 2: The Company indicates that 'Since 2003, the Group is a signatory of the United Nations Global Compact and communicates on this commitment. The 10 principles, including those linked to human rights (business should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses), are fully accessible to the Group's staff worldwide on its intranet'. Score 2 • Met: OECD: The 2015 Registration document indicates that 'Pernod Ricard adheres to and intends to respect the internationally recognised principles and guidelines set out in authoritative texts such as: the OECD Guidelines for Multinational Enterprises'. [Registration document, 2015: pernod-ricard.com]
A.1.2	Commitment to respect the human rights of workers	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: UNGC principles 3-6: The Company states that human rights commitment 'is reflected in its support for the principles of the United Nations Global Compact, which Patrick Ricard signed up to in 2003. These 10 principles, including those related to human rights, are available to the employees at any time on the Group's Intranet'. [Registration document, 2017: pernod-ricard.com & Commitments to Sustainable development: pernod-ricard.com] • Met: All four ILO for AG suppliers: The supplier CSR commitment explicitly covers all ILO core. [Supplier CSR commitment: pernod-ricard.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: All four ILO Core: The Company devotes a section of the Registration document 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. 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. [Registration document, 2017: pernod-ricard.com] • Met: Respect H&S of workers: 'Pernod Ricard shares the International Labour Organisation's basic values in workforce relations and it commits itself to ensuring the safety and well-being of its people. The Group keeps employees informed regularly and honestly'. [Commitments to Sustainable development: pernod-ricard.com] • Met: H&S applies to AG suppliers: 'A safe and healthy workplace environment shall be provided and the company shall take effective steps to prevent potential accidents and injury to workers' health occurring in the course of work, by minimizing the causes of hazard inherent to the work environment'. [Supplier CSR commitment: pernod-ricard.com]
A.1.3.a.AG	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	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"> • Not met: Respect land ownership and resources • Met: Respecting the right to water: The Company states that 'Pernod Ricard has marked water management as one of the five strategic focuses in its environmental policy. The Group has been a member of the United Nations CEO Water Mandate since 2010'. [Registration document, 2017: pernod-ricard.com] • Not met: Expecting suppliers to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Voluntary Guidelines on Tenure • Not met: IFC Performance Standards • Not met: FPIC for all • Not met: Zero tolerance for land grabs • Met: Respecting the right to water: See above. • Not met: Expecting suppliers to respect these rights
A.1.3.b.AG	Commitment to respect human rights particularly relevant to the industry - people's rights (AG)	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"> • Met: Women's rights: The Company 'seeks to comply with the following texts: on human rights: the Universal Declaration of Human Rights, the Declaration on the Elimination of all Forms of Discrimination against Women, the Declaration of the Rights of the Child'. [Registration document, 2015: pernod-ricard.com] • Met: Children's rights: See above • Not met: Migrant worker's rights • Met: Expects suppliers to respect these rights: On the company's 'Supplier CSR Commitment', the states that 'By signing this Supplier CSR Commitment, the Company is, within its scope of influence, committed to acknowledge the social and environmental standards laid down in this Supplier CSR Commitment and to take appropriate measures for their implementation and compliance. The Company must also ensure that this Supplier CSR Commitment is observed by subcontractors.' [Supplier CSR commitment: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: See above. [Registration document, 2015: pernod-ricard.com] • Met: Child Rights Convention/Business Principles: See above. [Registration document, 2015: pernod-ricard.com] • Not met: Convention on migrant workers • Not met: Expecting suppliers to respect these rights: See above [Supplier CSR commitment: pernod-ricard.com]
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"> • 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. [Registration document, 2017: pernod-ricard.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> Not met: Commits to engage stakeholders in design Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Commits to remedy Score 2 <ul style="list-style-type: none"> Not met: Not obstructing access to other remedies Not met: Collaborating with other remedy initiatives Not met: Work with AG suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Zero tolerance attacks on HRs Defenders (HRDs): The Company is committed to protect employees that report issues in good faith. However, no evidence found of a commitment to not tolerate threats against any person defending human rights. [Code of business conduct: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> Not met: Expects AG suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: CEO or Board approves policy: The Company indicates that its commitment to respect human rights 'is reflected in its support for the principles of the United Nations Global Compact, which Patrick Ricard signed up to in 2003'. The Registration document is signed by the CEO and the Chairman. [Registration document, 2017: pernod-ricard.com] Met: Board level responsibility for HRs: The Registration document indicates that the roles of the Nominations, Governance and CSR Committee include 'evaluating the suitability of the commitments of the Company with regard to corporate social responsibility (S&R); monitoring the implementation of the S&R commitments at Group level'. Sustainable Development commitments include respect human rights. [Registration document, 2017: pernod-ricard.com & Commitments to Sustainable development: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Board/Committee review of salient HRs: The Formal role of the CSR Committee include monitoring the implementation of the S&R commitments at Group level, and evaluate the suitability of the commitments of the Company with regard to corporate and social responsibility. During the 2017 it carried out these activities and will review during 2017/2018 the Group S&R Challenges. These include human rights. [Registration document, 2017: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> Not met: Examples or trends re HR discussion
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Incentives for at least one board member Not met: At least one key AG HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Senior responsibility fo HR (inc ILO): Responsibility for S&R [Sustainability & Responsibility] is allocated to Executive VP Human Resources. S&R include human rights. [Registration document, 2017: pernod-ricard.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> Met: Day-to-day responsibility: Group-Level S&R Strategic Committee was created. Its membership includes employees from all regions and functions. Its primary missions are to examine and make recommendations on strategic S&R challenges to the Executive Committee, to ensure the implementation of S&R initiatives and to validate the assessment of the progress made each year'. In addition, a 'network of S&R leaders, comprising employees from more than 86 countries, who operate under the management of their affiliate to implement the S&R strategy at local level. [Registration document, 2017: pernod-ricard.com] Not met: Day-to-day responsibility in supply chain
B.1.2	Incentives and performance management	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"> Not met: Senior manager incentives for human rights: Although the Company indicates that Managing Directors' [of affiliates] performance evaluations include social as well as corporate and economic aspects of performance. The targets considered are specific to each affiliate. [Registration document, 2017: pernod-ricard.com] Not met: At least one key AG HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	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"> Met: HR part of enterprise risk system: Following the French Monitoring Law 2017-399 the Company has been implementing a vigilance plan to monitor risks including human rights: 'Pernod Ricard has implemented various working groups comprised of representatives of the Sustainability & Responsibility, Purchasing, Human Resources, internal Audit, Production and Legal Departments in order to establish a vigilance plan applicable to companies within the Pernod Ricard Group'. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	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"> Not met: Communicates its policy to all workers in own operations: The Company states "The 10 principles, including those linked to human rights are fully accessible to its employees on the Group's Intranet (businesses should support and respect the protection of internationally proclaimed Human Rights and ensure that they are not complicit in human rights abuses). Respect for human rights and prevention of abuses Pernod Ricard's Internal Charter sets out the requirement that its employees and suppliers comply with the law, including fundamental principles such as the respect of human rights. In addition, Pernod Ricard policy has been detailed in Pernod Ricard's Sustainable Development Commitment. These two documents are available on the Group's global website. However, it is not clear whether the policy commitment, although communicated to employees through the intranet, is communicated in local languages where necessary. [Registration document, 2017: pernod-ricard.com & Registration document, 2015: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Communication of policy commitments to stakeholder Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	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"> Met: Steps to communicate policy commitments to BRs: The Company has a 'Supplier CSR commitment, launched in October 2013, to be signed by suppliers of Pernod Ricard. The ultimate aim of this document is to raise our suppliers' awareness of the following topics: Working and Human Rights, Health and Safety, Environmental management, Ethics and Fair Commercial practices, and responsible drinking. It is available in English, French, Spanish, Portuguese, Mandarin, Russian, Finnish and Armenian'. The CSR commitment applies to suppliers and subcontractors: 'Pernod Ricard requests its suppliers and sub-contractors ("Companies") to share these initiatives by committing themselves in a continuous improvement approach'. [Registration document, 2017: pernod-ricard.com & Supplier CSR commitment: pernod-ricard.com] Met: Including to AG suppliers: See above [Registration document, 2017: pernod-ricard.com & Supplier CSR commitment: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> Met: How HR commitments made binding/contractual: 'By signing the Supplier CSR commitment, the Company is, within its scope of influence, committed to

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			<p>acknowledge the social and environmental standards laid down in this supplier CSR commitment and to take appropriate measures for their implementation and compliance. The Company must also ensure that this Supplier CSR commitment is observed by their subcontractors'. [Supplier CSR commitment: pernod-ricard.com]</p> <ul style="list-style-type: none"> • Met: Including on AG suppliers: See above [Supplier CSR commitment: pernod-ricard.com]
B.1.5	Training on 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"> • Not met: Trains all workers on HR policy commitments • Met: Trains relevant managers including procurement: The Company has an internal training course on procurement, addressing selection of suppliers and partnerships, and implements training in 'Smart and Safe POS purchasing, linked to S&R [Sustainability & responsibility]'. Procurement code of ethics is shared with the departments concerned in different languages and S&R clauses templates are used in contracts and terms and conditions of purchase. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	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"> • Met: Monitoring implementation of HR policy commitments: The Company indicates that 'dedicated teams at Group Level regularly evaluate these principles [Human rights-related,] (through internal audit and support for local initiatives aimed at developing or monitoring the Company's commitment to ethical practices). The visits to affiliates by cross-functional internal audit teams include elements of social evaluation, allowing for coverage of matters specific to human rights'. [Registration document, 2017: pernod-ricard.com] • Met: Monitoring AG suppliers: The Company indicates that it assesses 'suppliers and subcontractors using the EcoVadis platform'. At the end of June 2017, 379 suppliers or subcontractors had been assessed or re-assessed using EcoVadis. In addition, S&R audits of suppliers and subcontractors are carried out. 'Pernod Ricard has selected SMETA standards (Sedex Members Ethical Trade Audit); a stage of Responsible Procurement process'. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored: Although it indicates that 379 suppliers or subcontractors had been assessed or re-assessed using EcoVadis. [Registration document, 2017: pernod-ricard.com]
B.1.7	Engaging business relationships	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"> • Met: HR affects selection of suppliers: The Company describes how human rights performance is taken into account in the identification and selection of potential business relationships and how it can affect decisions to enter into or select business relationships. Indeed, a dedicated CSR risk mapping tool allows affiliates to identify suppliers and subcontractors for priority assessment. The objective of the tool is designed as a decision-making tool, to help affiliates determining, out of the full supplier portfolio, the suppliers to assess on CSR topics, in priority. It will rank the suppliers by assessment priority order for the Group. It also allows collecting the information required to request the CSR assessment of the selected suppliers [Registration document, 2017: pernod-ricard.com & Registration document, 2015: pernod-ricard.com] • Not met: HR affects on-going supplier relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Working with suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	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"> • Not met: Stakeholder process or systems • Not met: Frequency and triggers for engagement • Not met: Workers in SC engaged • Not met: Communities in the SC engaged <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

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"> • 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 has a process to raise suppliers awareness and 'identify the risks that they represent. It is applied within all affiliates and monitored at Headquarters'. It uses a CSR mapping tool to identify suppliers and subcontractors that should be assessed as priority. [Registration document, 2017: pernod-ricard.com] • Met: Identifying risks in AG suppliers: See above [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: The Company carries out its survey to employees since 2011 and is continually analysed suppliers using the CSR risk mapping tool. [Registration document, 2017: pernod-ricard.com] • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
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"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
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"> • Not met: Action Plans to mitigate risks • Met: Example of Actions decided: The Company has made the sugar cane sector a priority for action. Sugar cane is often grown in poor countries where social protection, working conditions and respect for social rights or environmental protection are not guaranteed. An addition, this sector has a particularly complex supply chain involving a series of numerous operators from the field to the crushing plant, the distillery and the trader, through to the end user. To demonstrate its commitment and make an active contribution to developing this sector, the Company joined the Bonsucro association in 2015, whose purpose is to develop internationally recognised responsible practices for a sustainable sugar cane sector. Through the standards that it has developed, Bonsucro contributes to improving the conditions of sugar cane production on plantations and in processing plants and ensures that practices are traceable across the supply chain. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Including in AG supply chain: See above • Not met: Both requirements under score 1 met
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"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
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"> • Met: Comms plan re identifying risks: The Company communicates in publicly available sources its process to identify human rights risks and impacts in own operations and supply chain (see B.2.1). [Registration document, 2017: pernod-ricard.com] • Not met: Comms plan re assessing risks

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Channel accessible to all workers: The Code of business conduct applying to all employees describes complaint mechanisms: 'We encourage you to speak up. Who you speak to depends on the circumstances. In some cases, specific people need to be notified as set out in this code. If not, you should think about talking to your Line Manager (N+1), your human resources department or someone from the Legal Department. Pernod Ricard is committed to protecting employees that come forward to report issues in good faith'. However, the Code of Business conduct does not address Human Rights issues. [Code of business conduct: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • Not met: Expect AG supplier to have equivalent grievance systems • Not met: Opens own system to AG supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Grievance mechanism for community Score 2 <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects AG supplier to have community grievance systems • Not met: AG supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AG suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed Score 2 <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation: The Company states that it 'is committed to protecting employees that come forward to report issues in good faith. Such issues will be dealt with in confidence. We will not accept any retaliation or discrimination against an employee who reports conduct that he or she believes violates this Code or the law'. However, no evidence found of this commitment being extensive to other stakeholders. [Code of business conduct: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Not met: Practical measures to prevent retaliation • Not met: Has not retaliated in practice • Not met: Expects AG suppliers to prohibit retaliation
C.6	Company involvement with State-	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights

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	based judicial and non-judicial grievance mechanisms		Score 2 <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remediating adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.a	Living wage (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage target timeframe: The Company states that ‘each affiliate manages its policy locally while upholding a common set of rules: develop a performance culture, offer compensation that is competitive with local market practices, and set up straightforward, meaningful and engaging compensation packages’. However, no evidence found in relation to living wages (if it pays living wages or timeframe to pay living wage to all workers). [Registration document, 2017: pernod-ricard.com] • Not met: Describes how living wage determined Score 2 <ul style="list-style-type: none"> • Not met: Paying living wage • Not met: Definition of living wage reviewed with unions
D.1.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts: The supplier code states that ‘wages paid for regular working hours, overtime hours and overtime differentials shall meet or exceed legal minimums and/or industry standards’. The Company shall ensure that wage and benefits composition are detailed clearly and regularly for workers and are rendered in full compliance with all applicable law’. However, no evidence found in relation to living wage guidelines. [Supplier CSR commitment: pernod-ricard.com] • Not met: Improving living wage practices of suppliers Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in progress made
D.1.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs (purchasing practices) • Not met: Positive incentives to respect human rights (purchasing practices) Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.1.3	Mapping and disclosing the supply chain	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Identifies suppliers back to manufacturing sites (factories or fields): The Company has a CSR mapping tool ‘to allow affiliates to identify which suppliers and subcontractors should be assessed as a priority’. It indicates that 1,386 suppliers were analysed. [Registration document, 2017: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Not met: Discloses significant parts of SP and why
D.1.4.a	Child labour: Age verification and corrective actions (in own agricultural operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Does not use child labour: The Company states that it ‘is committed through the United Nations Global Compact to eliminating forced or compulsory labour and to abolishing child labour’. [Registration document, 2017: pernod-ricard.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Age verification of applicants and workers: The Company states that it 'is committed through the United Nations Global Compact to eliminating forced or compulsory labour and to abolishing child labour'. The Company indicates that all affiliates must comply with the Group policies and they respond to a questionnaire 'in which they must state whether they are compliant with Group policies'. However, no evidence found in relation to verifying the age of job applicants and workers in the Company's own operations. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remediation if children identified
D.1.4.b	Child labour: Age verification and corrective actions (in the supply chain)	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"> • Not met: Child Labour rules in codes or contracts: The Supplier CSR commitment document requires the following: 'Child labour, as defined by ILO and United Nations Conventions and/or applicable national law, is forbidden. In the event that underage children are found to be working, their employer shall provide adequate financial and other support to enable such children to attend and remain in school until no longer a child'. However, no evidence found in relation to age verification guidelines. [Supplier CSR commitment: pernod-ricard.com] • Not met: How working with suppliers on child labour <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.5.a	Forced labour: Debt bondage and other unacceptable financial costs (in own agricultural operations)	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"> • Not met: Pays workers in full and on time: However, the Company indicates that one of the rules for affiliates is to 'set up straightforward, meaningful and engaging compensation packages'. [Registration document, 2017: pernod-ricard.com] • Not met: Payslips show any legitimate deductions <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.1.5.b	Forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	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"> • Met: Debt and fees rules in codes or contracts: The Supplier CSR commitment states that 'all forms of forced labour, such as withholding deposits, salary and benefits or the retention of identity documents from personnel are forbidden'. [Supplier CSR commitment: pernod-ricard.com] • Not met: How working with suppliers on debt & fees <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made
D.1.5.c	Forced labour: Restrictions on workers (in own agricultural operations)	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"> • Not met: Does not retain documents or restrict movement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How these practices are monitored for agencies, labour brokers or recruiters
D.1.5.d	Forced labour: Restrictions on workers (in the supply chain)	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"> • Met: Free movement rules in codes or contracts: The Supplier CSR commitment states that 'all forms of forced labour, such as [...] the retention of identity documents from personnel are forbidden. Personnel shall have the right to leave the workplace premises after completing the standards workday, and be free to terminate their employment provided that they give reasonable notice to their employer'. [Supplier CSR commitment: pernod-ricard.com] • Not met: How working with suppliers on free movement <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Analysis of trends in progress made

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.6.a	Freedom of association and collective bargaining (in own agricultural operation)	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"> • Not met: Commits not to interfere with union rights / Steps to avoid intimidation or retaliation: The Company is committed to respect freedom of association and the right to collective bargaining, and discloses social dialogue carried out during the last reporting year. However, no evidence found of guidelines including prohibition of intimidation or retaliation against union members or representatives and to not interfering with the rights of workers to join unions and bargain collectively. [Registration document, 2017: pernod-ricard.com] • Not met: Discloses % covered by collective bargaining agreements: The Company discloses social dialogue carried out during the last year with European employee representatives through the European Works Council and discloses agreements signed by affiliates with the various social partners it has around the world. This led to the Company signing 126 agreements. 26 affiliates (accounting for 43% of the Group's workforce) signed at least one company agreement during the year. Trade unions are present in 32% of the Group's entities. However, it is not clear whether all these agreements refer to collectively bargained agreements and the total percentage of the workforce actually covered by collective bargaining agreements. [Registration document, 2017: pernod-ricard.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	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"> • Not met: FoA & CB rules in codes or contracts [Supplier CSR commitment: pernod-ricard.com] • Not met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in progress made
D.1.7.a	Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)	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"> • Met: Injury Rate disclosures: The Company reports frequency rate for the last two reporting years. [Registration document, 2017: pernod-ricard.com] • Met: Lost days or near miss disclosures: The Company reports severity rate for the last two reporting years. [Registration document, 2017: pernod-ricard.com] • Met: Fatalities disclosures: "Pernod Ricard has had 0 fatality in its own operations during this fiscal year". <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Set targets for H&S performance • Not met: Met targets or explains why not
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	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"> • Not met: Sets out clear Health and Safety requirements: The Supplier CSR commitment states that 'a safe and healthy workplace environment shall be provided and the company shall take effective steps to prevent potential accidents and injury to workers' health occurring in the course of work, by minimizing the causes of hazards inherent to the work environment'. However, no further details found on health and safety guidelines. [Supplier CSR commitment: pernod-ricard.com] <ul style="list-style-type: none"> • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosure <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How working with suppliers on H&S • Not met: Provide analysis of trends in progress made
D.1.8.a	Land rights: Land acquisition (in own agricultural operations)	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"> • Not met: Approach to identification of land tenure rights holders • Not met: Approach to doing so if no recent land deals <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Steps to meet IFC PS 5 in state deals • Not met: Describes approach if no recent land deals

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Rules on land & owners in codes or contracts • Not met: How working with suppliers on land issues Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends in the progress made
D.1.9.a	Water and sanitation (in own agricultural operations)	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Action to prevent water and sanitation risks: The Company states that 'at production site level, the affiliates' actions are based on four levers put in place to optimise the management of water resources and preserve the quality and availability of water'. This includes 'ensuring that water intake does not endanger resources'. 'These actions are particularly important for sites located in geographical regions where water is a sensitive resources'. For sites located in stressed areas, the company has developed actions plans for managing water resources: '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'. It explains an example case that takes place in India. [Registration document, 2017: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Met: Water targets considering local factors: The Company has mapped water risk establishing three categories and established the following target to be achieved by 2020: '100% of sites located in high water risk areas have implemented an action plan for managing water resources'. As indicated above, for actions plans for sites where the risk is considered high, the process includes stakeholder engagement, including local communities. [Registration document, 2017: pernod-ricard.com] • Met: Reports progress and shows trends in progress made: In relation to the progress against the target, the Company states that 'the sites at risk were mapped, and an action plan has been established for the 7 sites deemed high-risk'. It also indicates that '7 sites are located in or in the immediate vicinity of high-risk areas. These 7 sites account for 5% of the Group's total consumption and are divided between two countries (India and Australia). The water used by these sites decreased by 35% between 2008 and 2017'. IT also discloses performance for 'significant risk areas', although the target covered 'high risk areas'. [Registration document, 2017: pernod-ricard.com]
D.1.9.b	Water and sanitation (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Rules on water stewardship in codes or contracts: The supplier CSR commitment includes requirements in the workplace, including 'access to toilet facilities, drinkable water'. However, no evidence found of guidelines regarding access to safe water beyond the workplace (i.e. right to water for local communities). [Supplier CSR commitment: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on water stewardship issues • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.1.10.a	Women's rights (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Process to stop harassment and violence against women • Not met: Working conditions take account of gender • Not met: Equality of opportunity at all levels of employment: However, the company monitors percentage of men and women in managerial and non-managerial positions at operations, sales and support employment segments. It indicates that more than 36% of the Company's employees are women and that in last year 43% of external recruits were women. [Registration document, 2017: pernod-ricard.com] Score 2 <ul style="list-style-type: none"> • Not met: Meet all requirements under score 1

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.10.b	Women's rights (in the supply chain)	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"> • Not met: Women's rights in codes or contracts: The Supplier CSR commitment states that 'no discrimination shall be tolerated by the Company in hiring, remuneration, access to training, promotion, termination or retirement, based on gender'. However, no details found in relation to measures to ensure equal opportunities throughout all levels of employment and to eliminate health and safety concerns particularly prevalent among women workers. [Supplier CSR commitment: pernod-ricard.com] • Not met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity thresholds were found, and so the score of 17.07 out of 80 points scored in themes A-D & F has been applied to produce a score of 4.27 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.73 out of 4	Out of a total of 51 indicators assessed under sections A-D of the benchmark, Pernod-Ricard made data public that met one or more elements of the methodology in 22 cases, leading to a disclosure score of 1.73 out of 4 points.
F.2	Recognised Reporting Initiatives	0 out of 2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Company reports on GRI • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	<p>Pernod-Ricard met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator.</p> <p>Specificity and use of concrete examples</p> <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) <p>Discussing challenges openly</p> <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned <p>Demonstrating a forward focus</p> <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.1.1.a : Living wage (in own agricultural operations) • Not met: Score 2 for D.1.7.a : Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)

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 2018 Key Findings report for more details of the research process.

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As CHR B Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.