

## CREATING SHARED VALUE THROUGH ENVIRONMENT AND WATER STEWARDSHIP



Shared Value goes beyond institutionalisation of societal benefits and Pernod Ricard India (PRI) has imbedded this belief to maximising the competitive value of solving key social problems in markets, including resource poverty, community development, and more. PRI's strategy of Integration of shared value into business strategy, translates as re-conceiving a business model around a social issue, and implementing shared value approaches at either the initiative or enterprise level.

### STEWARDSHIP OF NATURAL RESOURCES LEADING TO SHARED VALUE

Integration of Shared Value in business practices and public policy entails a ground-up approach that aims at end-to-end sustainable practices. This is being actively executed at Pernod Ricard India (PRI). Among the leading corporate guardians of India's natural resources, its Environment Stewardship Program include management of natural resources, reduce land degradation, biodiversity loss, protect and restore one of the most important natural resources - water.

The company's Environment Stewardship Program has been continually asserting its commitment to the responsible use and protection of the natural environment through conservation and sustainable practices.

Each stage in the lifecycle of PRI's products has a direct and indirect impact on the environment. This impact is exacerbated by climate and environmental phenomena that pose multiple risks to operations, including on procurement of raw materials and water management in particular.

To counter these risks and as a means to generate lasting shared value, the PRI has defined an environmental policy in the form of a 'Roadmap for 2020' that sets out environmental principles, water neutrality priorities and objectives

Directed to all stakeholders starting with all employees across the world as well as numerous suppliers and partners, 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. Their Environmental Policy is based on five areas of commitment:

- Roll-out of an effective environmental management system,
- Promotion of a sustainable agriculture and biodiversity protection,
- Preservation of water resources,
- Reduction in energy consumption and carbon footprint, and
- Development of sustainable products and a reduction in the impact of waste.

The Environmental Policy is a manifestation of PRI's larger aims -- aligned to the United Nations' Sustainable Development Goals (SDGs)

"All our programs are aligned to United Nations SDGS, and provide us with a common language to contribute to India's Developmental Goals and then measure how we are also contributing to the worlds Sustainability"

Sunil Duggal, Vice President, Corporate Affairs



Our corporate purpose is to enhance quality of life towards a better future for the communities around the plants. Our belief in the long term is only by creating value, for both our shareholders and for the society around our plants. We are committed to the development of thriving and resilient communities around our plants, and on stewarding the planet's natural resources for future generations, with a particular focus on water, says

Guillaume Girard-Reydet, MD and CEO, Pernod-Ricard India.



### SDGs: A GLOBAL MANDATE



United Nations' Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all. They address the global challenges the planet faces, including those related to poverty, inequality, climate, environmental degradation, prosperity, peace and justice. The Goals interconnect and in order to leave no one behind, it states the imperative of achieving each Goal and target by 2030.

### Water Stewardship: The 4R approach



A recent report by Safe Water Network (SWN) says the government needs to spend Rs.44,000 crore on 2.2 lakh small water enterprises to provide safe drinking water to about 37 crore people, mostly in urban slums where piped water infrastructure is difficult to build, and in rural areas with contaminated water sources. With 82 crore Indians who still do not have access to piped water and 70 per cent of water in the country being contaminated by pollutants, the government is increasingly starting to accept small water enterprises — such as water ATMs and community purification plants — as an alternative solution to the safe drinking water challenge.

Asserting that managing its impact on water, and being efficient stewards of this resource is its highest environmental priority, PRI's 360-degree Water Stewardship Program has been in operation across several states, delivering notable benefits to communities, citizens and the environment. At the heart of The Water Stewardship Program's success are the principles of 4R: Reduce-Reuse-Recycle-Recharge.

At Pernod Ricard India, creating shared value addresses the undeniable linkages between societal development and environmental preservation. Through tailored activities targeting disparate community needs and challenges, PRI has created a portfolio of highly innovative solutions that are modernising entire communities, while also delivering measurable benefits to the environment.

"Through the ongoing practice of reducing water consumption by 50 per cent, we are looking at the larger objective to becoming a 'water-neutral organisation by year 2021. In order to achieve this aim, multiple far-reaching initiatives and innovations, that limit environmental stress while enhancing manufacturing efficiency, have been embedded at our production sites"

P Sriram, VP, Operations, PRI

