

# CHIVAS BROTHERS



## ABOUT CHIVAS BROTHERS

Chivas Brothers is a global drinks producer and exports company steeped in Scottish heritage. It is the only Pernod Ricard business dedicated entirely to Scotch whisky and comprises a prestigious range of single malt and blended whiskies. Chivas Brothers' award-winning portfolio features some of the world's most revered Scotch whisky brands including Chivas Regal, Ballantine's, Royal Salute and The Glenlivet. With a multitude of awards and accolades for its quality, craftsmanship, industry-leading sites and award-winning campaigns, its brands are at the heart of moments of connection across the globe.

The company comprises 1,600 employees, 14 Scotch distilleries, two bottling facilities and over 300 warehouses across its 29 sites including: Orkney, central Scotland and London.

## COMMERCIAL HIGHLIGHTS

- **Chivas Brothers'** Scotch portfolio has seen a year of stable and encouraging growth<sup>2</sup>, with share gains for three consecutive years<sup>1</sup>.
- **Chivas Regal** is the world's No.3 Scotch whisky by volume<sup>1</sup> with recovery in progress, moving from -1.6% to +2.6%, with China driving the momentum.
- **Ballantine's** is the No.1 contributor to Scotch growth and No.2 Scotch whisky in the world<sup>1</sup>, driven by the success of Ballantine's Finest.
- **The Glenlivet** remains the No.1 contributor to Single Malt growth over the past five years, with Founder's Reserve selling the highest volumes of any new Scotch product in 2016<sup>1</sup>.
- **Royal Salute** returned to growth in China and has exciting innovations in the pipeline.

## MARKETING CAMPAIGN HIGHLIGHTS



'The Chivas Venture' was activated across 32 markets. With over \$1 million in funding and resources, The Chivas Venture supports the next generation of startups that want to succeed while creating a better future for society.



Chivas Regal hosted its fourth annual Chivas Masters. The brand's global bartending competition saw finalists tasked with celebrating the traditions of Tokyo's bartending culture.



Ballantine's global partnership with Boiler Room has been watched by 20+ million fans online across the globe, championing new artists across their True Music platform.



The Whisky, The Glenlivet. A celebration of life's definitive moments by the definitive Single Malt, the campaign is running around the world through TV, online and print.



Royal Salute celebrated its seventh year as title sponsors at Sentebale with the donations from the brand exceeding £1.5million to the charity and 12 polo tournaments taking place across the globe.

## INVESTMENT

Dedicated to achieving operational excellence through enhanced production and manufacturing facilities, geared towards innovation and long-term global growth of Scotch whisky. Key developments include:

- Plans to invest £40 million in a new plant, equipment and facilities at Chivas Brothers Kilmalid site to deliver a world-class operation with outstanding performance in quality, safety and efficiency.
- Work in progress to expand The Glenlivet distillery will further increase distillation capacity for the long-term.
- Capital expenditure commitment of £60m+ annually.

## INNOVATION HIGHLIGHTS

Chivas Brothers is leading successful innovation with a pipeline that anticipates category trends to meet consumer demand. Chivas Brothers has launched five of the top 10 Scotch innovations over the past five years<sup>1</sup>.



**Chivas Regal Ultis:** A premium blend of five of the most precious Speyside single malts in honour of the five generations of Chivas Regal Master Blenders.



**Ballantine's Hard Fired and Brasil:** Two new flavour expressions that encourage consumers to experience the brand in a completely new way.



**Royal Salute Polo Edition:** Developed by Royal Salute's Director of Blending Sandy Hyslop and bottled in Royal Salute's signature porcelain flagon, which has been embossed with powerful images of polo players in action.



**The Glenlivet Founder's Reserve:** Created as a tribute to George Smith's vision to craft the most definitive, smooth single malt. The skillful and selective use of American first-fill casks imparts a hint of creamy sweetness, creating an exceptionally well-balanced malt.

## FAST FACTS

- 1,600 employees in UK across 29 sites from Orkney, Scotland to Hammersmith, London.
- Headquarters in Scotland.
- 14 Scotch distilleries (13 malt, 1 grain) and two bottling facilities.
- 300+ warehouses containing six million casks.

## COMMITMENT

Chivas Brothers is committed to promoting responsible drinking, developing its communities, protecting the planet and empowering its people through a number of initiatives:

- **Responsib'ALL day:** A Pernod Ricard-wide global day of action uniting 19,000 employees to make a difference and support local communities.
- **Chivas Spirit of Support:** A staff-inspired community volunteering scheme that offers all employees the opportunity to make a difference in their local communities.
- **Doubling Up:** Employees can have up to £500 in fundraising matched by Chivas Brothers each year.
- **Outward Bound:** Partnership and employee mentoring project which aims to inspire the next generation to become more entrepreneurial.
- **Chivas Brothers' Bursary:** Bursary available to Chivas Brothers employees and their families for further education and vocational training.
- **Chivas Brothers' PhD:** Partnership with the University of Aberdeen to undertake research into combating the effects of climate change on distillery water resources.