



Slavery and Human Trafficking Statement

FOR THE YEAR ENDING 30 JUNE 2022

i OVERVIEW

Our success at Chivas Brothers Limited and Chivas Brothers International Limited (“Chivas”) is intrinsically linked to the way we conduct our business in a responsible and ethical manner. These behaviours help to foster a culture of mutual trust and ethics both within the business and with our suppliers. Chivas adopts a zero-tolerance approach to slavery and human trafficking. We are committed to taking all reasonably practicable steps to ensure that slavery and human trafficking are not present either in our business or in our supply chains. In order to achieve this, we seek to identify and tackle slavery and human trafficking risks.

1. OUR COMMITMENT

1.1 About us

Chivas is the Scotch whisky and premium gin business of Pernod Ricard, the world’s co-leader in wines and spirits. Our parent company, Pernod Ricard, has its head office in France. Further information about our parent company, business and organisational structure can be found at:

- [Universal Registration Document FY21 | Pernod Ricard \(pernod-ricard.com\)](#); and
- <http://www.chivasbrothers.com/about-us/>

1.2 Our standards

Since 2003, [Pernod Ricard has been a participating company](#) in the [United Nations Global Compact](#) - and is therefore committed to respecting and promoting the core principles.

- As part of the Pernod Ricard Group, Chivas is accordingly committed to eliminate forced labour and compulsory labour and to effectively abolish child labour.
- This includes [International Labour Organisation](#) conventions 138 & 182 on *the prohibition of child labour* and 29 & 105 on *the elimination of forced or mandatory labour*.

We expect the same standards from all those we work with, including business partners and suppliers. Chivas is committed to working closely with our suppliers to ensure that slavery and human trafficking risks are identified and managed proactively.

Sustainability and Responsibility (S&R) is also at the very core of what we do and is based on our four key pillars that address all aspects of our production, from grain to glass, with clear 2030 objectives supporting the [United Nations Sustainable Development Goals](#). Please see our [2030 S&R Roadmap](#) for further information.

1.3 Our actions

Since the [Modern Slavery Act 2015](#) came into force, we have built on our existing commitment by:

- taking legal advice on the steps necessary to support compliance;
- identifying and monitoring key slavery and human trafficking risks in our business and in our supply chains;
- maintaining a Project Plan to help manage compliance effectively;
- adopting a specific Anti-slavery Policy (which has been approved by the *Chivas Board of Directors*) and implementing this within Chivas;
- continuing to operate our cross-functional team responsible for implementing this policy (which continues to meet to monitor and review the effectiveness of our Anti-slavery Policy);
- maintaining our existing training programme to directly support compliance with our Anti-slavery Policy;

- continuing to deliver tailored training to staff with responsibility for managing supplier contracts;
- continuing to review our supplier contract terms to identify compliance opportunities;
- ensuring that bespoke contracts continue to include a compliance clause;
- maintaining a website link for suppliers to easily access all our supplier CSR policies;
- setting *Key Performance Indicators* against which to assess our progress;
- adopting and implementing a new [Code of Business Conduct](#);
- adopting and implementing a new suite of supplier due diligence tools (including a unified procurement platform, *SMART* and global due diligence platform, *Partner Up*) to ensure that our supplier due diligence and audit processes continue to support compliance with our Anti-slavery Policy;
- adopting and implementing our new [Supplier Standards](#) (which replaced our existing *Supplier CSR Commitment* and informs our suppliers of the standards we expect from them in relation to Labour & Human Rights, Health & Safety, Environmental Impact and Integrity & Fair business practices);
- adopting and implementing a new [Global Human Rights Policy](#); and
- adopting and implementing *Speak Up*, a global platform which enables all Pernod Ricard employees to raise their concerns confidentially and anonymously, where they see, know of or suspect any conduct that may be unsafe, unethical or unlawful.

2. OUR POLICY

2.1 About our Anti-slavery Policy

We are committed to ensuring that there is no slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to prevent slavery and human trafficking in our supply chains. Our Anti-slavery Policy:

- applies to all staff and suppliers working for or on our behalf in any capacity;
- builds upon our existing policies (including our [Procurement Code of Ethics](#) and [Responsible Procurement Policy](#));
- aligns with our new Code of Business Conduct;
- includes guidance to our staff with examples of unusual behaviour displayed by workers which may be indicative of someone experiencing slavery or human trafficking;
- makes it clear that Chivas will support anyone who raises genuine concerns in good faith, even in circumstances where it transpires that those concerns are mistaken.

The Policy can be found at: <http://www.chivasbrothers.com/media/1175/slaveryandhumantraffickingpolicy.pdf>

2.2 Working with our suppliers

To identify and mitigate the risk of slavery and human trafficking being present in our product supply chains, we employ a number of sourcing strategies, including:

- informing our suppliers of the standards that we expect through our [Supplier Standards](#);
- identifying potentially at-risk suppliers by using the *CSR Risk Mapping Tool* to identify key risks (such as the presence of a supplier in an at-risk country, how critical the product is to our operations and the size of the supplier);
- communicating concerns to at-risk suppliers;
- assessing suppliers using tools such as the *SMART*, *Partner-up* and *EcoVadis* platforms and our *Supplier-Audit Checklist* (which includes scoring based on factors such as health & safety, child labour, slavery, payment of the minimum wage, membership of *Sedex* and SA8000 certification);
- analysing the results of our assessments; and
- conducting on-site audits.

2.3 Covid-19 response

Throughout the global pandemic, we treated the health and wellbeing of Chivas employees as a priority and implemented a number of measures targeted at safeguarding the interests of employees and stakeholders, including:

- proactive monitoring of employee wellness by line managers;

- provision of home working equipment;
- provision of PPE, and rapid adoption of safe systems of work, safe return to work kits, investment in technology and fittings to allow Covid secure working;
- multiple safety initiatives including workplace testing;
- enhanced and regular update meetings on developments, with Q&A available;
- regular communications and leadership visibility; and
- ensuring that our *Speak Up* platform remained fully operational.

We also maintained our commitment to support our suppliers by conducting virtual meetings with our key suppliers to discuss the impacts of Covid on their business operations.

2.4 Training our people

Training on Chivas' Anti-slavery Policy and the risks of modern slavery and human trafficking in our business and in our supply chains is available:

- as part of the induction process for individuals who work for us; and
- as part of a tailored training program for those with responsibility for managing supplier contracts.

3. ENSURING EFFECTIVENESS

3.1 Measuring our success

We use the following *key performance indicators* to measure how effective we have been in combatting slavery and human trafficking:

- Training is incorporated in all staff inductions and made available to all relevant existing staff.
- Policy breaches are reported to Chivas Legal within three business days of occurring.
- Policy breaches are assessed within one week of being reported and further investigations concluded as soon as possible thereafter.

We will continue to monitor the effectiveness of our compliance regime and take necessary steps to address any identified instances of slavery and human trafficking.

3.2 Our next steps

Following a review of the effectiveness of the steps we have taken to manage the risks of slavery and human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

- we will continue to enforce our effective systems and controls to prevent slavery and human trafficking in our supply chains;
- we will monitor and review the effectiveness of our new supplier due diligence tools *SMART* and *Partner-up* and wider compliance regime;
- we will ensure that all of our new and existing wet goods suppliers are assessed via our new *Partner-up* due diligence process;
- we will continue to implement our new Supplier Standards and Global Human Rights Policy;
- we will continue to conduct our business in accordance with our ethical sourcing standards across our supply chains through our Responsible Procurement Policy;
- as far as reasonably practicable, we will continue to use external risk management tools (such as the [Global Slavery Index](#) and the [International Labour Organization's Resources on Forced Labour, Human Trafficking and Slavery](#)) to assess and manage geographical and sector risks.

This statement is made pursuant to [section 54\(1\) of the Modern Slavery Act 2015](#) and constitutes our slavery and human trafficking statement for the year ending 30 June 2022.



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Jean-Etienne Gourgues

Chairman and CEO
Chivas Brothers Limited and Chivas Brothers International Limited