



RÉMY COINTREAU

LE PRÉSIDENT

GLOBAL COMPACT: Chairman's annual commitment

Rémy Cointreau has always stood for a continual and growing will to link the development of its business with an acute sense of social and environmental responsibility, shared by all stakeholders: employees, wine-growers and wine-makers, suppliers, distributors, consumers and those involved in local and sustainable development.

Since it became a signatory to the Global Compact in 2003, Rémy Cointreau has maintained its commitments that aim to observe and to be an ambassador for best practices in the fields of human rights, labour standards, the environment and the fight against corruption.

The commitments undertaken in terms of social and environmental responsibility are inseparable from Rémy Cointreau's strategy.

Over the past year, several concrete and responsible actions have been undertaken; they concerned the preservation of the environment, an ethical approach to our business and the professional development of our staff. These were in response to the ten principles of the Global Compact and were the subject of our annual communication on progress for 2009/2010, which is attached.

The annual renewal of our support for the Global Compact is a major vector of our desire to make progress towards sustainable and responsible development with conviction, in the appropriate manner and with application.

Respect for this commitment strengthens our ties with all our stakeholders and improves the power of our brands, the faultless quality of our expertise and the international stature of Rémy Cointreau.

Dominique Hériard Dubreuil
Chairman of the Board



Communication on Progress 2009/10 (Global Compact)

Rémy Cointreau's Social and Environmental Responsibility: redoubling our efforts to help meet our ambitions

As ratification and application of the Global Compact continues, Rémy Cointreau is maintaining its commitment to become the ambassador for best practice for this worldwide undertaking in the field of human rights, labour standards, the environment and the fight against corruption.

As a long-standing member of the "Forum for Friends' of the Global Compact in France", Rémy Cointreau respects and regularly shares the ten principles of the Compact with its staff and partners. The concept of social and environmental responsibility is thus diffused not only throughout the company, but also upstream and downstream of its immediate scope, including customers, suppliers and all stakeholders.

Rémy Cointreau's Social And Environmental Responsibility Policy (SER) is inseparable from Group strategy. It bears witness to a growing will to connect business development to an acute sense of responsibility combined with concrete, sensible action, to encourage an ethical approach to business, preservation of the environment and the professional development of our employees.

Rémy Cointreau's Social And Environmental Responsibility Policy (SER) underlines its commitment to sustainable development, as this is defined since it became a signatory to the Global Compact in 2003 and signed up in France to the terms of the *Grenelle de l'Environnement* environmental agreement on six major themes:

1. Wine-growing
2. Quality/Safety/Environment
3. Supplier relations
4. Ethical sales and marketing
5. Human Resources
6. Stakeholders and sustainable development

Respect for the Global Compact principles and their diffusion to our staff and partners falls completely within these six commitments:

Themes	Commitments	Associated Global Compact Principles
Wine-growing	Developing environmentally-friendly growing methods	Principles 7, 8 and 9
Supplier relations	Involving our suppliers in our social and environmental commitments	Principles 1, 4, 5, 7, 8, 9 and 10
Quality/Safety/Environment	Ensuring the top-of-the-range nature of our products, in a permanent quest for quality, safety and preservation of the environment	Principles 7, 8 and 9
Ethical Sales and marketing	Supporting the international development of our brands by promoting responsible communication and consumption of our products	Principles 1 and 2
Human Resources	Introduce practices ensuring social fairness and professional development for staff	Principles 1, 2, 3, 4, 5 and 6
Sustainable development	Contributing to sustainable development in the regions where Rémy Cointreau is established by sharing our commitment and experience in the field of social and environmental responsibility	Principles 1 to 9

Since 2003, Rémy Cointreau has acted in compliance with the commitments in the Global Compact, now associated with the undertakings in the *Grenelle de l'Environnement* environmental agreement.

Across all these commitments, 2 years ago, Rémy Cointreau launched its ESR 2011 plan, and is pursuing its actions through 6 main projects for the 2010/11 financial year:

Concerning environmental responsibility:

- Carbon 2011 Project, concerning the reduction of our carbon emissions
- Eco-Design 2011 Project, to optimise our packaging
- Eco-Gestures 2011 Project, for the preservation of natural resources and social responsibility
- Suppliers 2011 Project, involving the social and environmental assessment of suppliers
- Ethical Marketing 2011 Project, involving the supervised application of the Responsible Communication Charter
- Stakeholders 2011 Project, building a permanent dialogue with all those playing a role in the development of Rémy Cointreau.

The action we are taking as part of the ESR 2011 plan is dealt with in our Annual Report ("Social and Environmental Responsibility" chapter) available from the end of July 2010. This document will then be sent out to our stakeholders and be available on our website.

The 2009/2010 Annual Report also presents all Sustainable Development indicators with the gradual introduction of GRI (Global Reporting Initiative) international indicators.

Rémy Cointreau "ESR 2011" action plan: objectives, results and prospects

Wine-growing:

Our commitment 2008 / 2011:

To implement and promote economically competitive, environmentally-friendly wine-growing methods combined with specialised, traditional expertise (application of the most advanced sensible wine-growing benchmarks).

As an ambassador for environmentally-friendly wine-growing, Rémy Cointreau continues to enter its wine-making estates for the benchmark "*Agriculture raisonnée*" (integrated agriculture) certification

Awarded in 2007, this certification undoubtedly creates a forward-thinking dynamic and represents a benchmark for Rémy Cointreau's partner wine-makers.

Information days are dedicated to them and are the opportunity for discussions about Rémy Cointreau's social and environmental responsibilities, spreading the principles and methods of responsible agriculture and regional reference documents. These days also provide the chance to raise awareness among wine-growers to the agriculture of tomorrow, and especially the inclusion of the benchmark for High Environmental Value agriculture (HEV) resulting from the *Grenelle de l'Environnement*.

Rémy Cointreau is also involved in the International Year of Biodiversity and has signed up alongside the Association "Diversity for bees". Twenty hectares of the Cognac winegrowing estate have been converted into fallow land for bee-keeping.

Additionally, these wine-growing estates have been PEFC certified (sustainable forest management) for their management of approximately thirty hectares of poplar plantation.

Quality / Safety / Environment:

Our commitment 2008 / 2011:

Ensuring the top-of-the-range nature of our products through continuous investment in research, constantly high quality standards, food and industrial safety and supervised action for environmental preservation.

Whilst ensuring the quality of its products, the aims of Rémy Cointreau are expressed through permanently high quality standards, food and industrial safety, and action to preserve the environment.

The annual updating of the Carbon Audit enables our main CO₂ emissions-generating activities to be identified and involves teams of employees from many different departments and aware of the issues, on every one of our sites.

A number of action plans have been carried out to reduce Rémy Cointreau's carbon emissions:

- 8% lower in the last 3 years for emissions linked to energy consumption
- 37% lower in the last 3 years for emissions linked to paper consumption

Supplemented by the use of the lightened champagne bottle and the optimisation of business travel, the annual reduction in CO₂ emissions this year reached almost 400 tonnes eq. CO₂ (GRI EN18 indicator).

Eco-design, which involves the product development teams, enables the environmental impact of every product to be measured.

The aim is to get into a routine of continual progress and find the best compromise between the imperatives of quality, cost, energy consumed and the inclusion of a new criterion, the environmental performance of products.

More widely, the desire to reduce the consumption of natural resources is shared across the whole of Rémy Cointreau, in every part of the business.

Buyers, too, have included these criteria.

Suppliers are chosen in the light of how fully committed they are to more environmentally-friendly measures (such as management of business travel).

Environmental concerns also affect the field of IT, through measures to reduce energy and paper consumption.

Action aimed especially at the use of paper in the office has enabled annual paper consumption to fall by 30% in three years.

Ensuring the food safety of products is always paramount. All Rémy Cointreau sites are engaged in an ISO 22000 certification scheme.

After the Angers site was awarded certification at the end of 2008, the Reims site was this year accorded ISO 22000 certification.

Responsible suppliers/purchasing:

Our commitment 2008 / 2011:

To involve our suppliers in our social and environmental commitments, check their real involvement and support them in their measures to make progress.

Rémy Cointreau's awareness of the challenges of sustainable development requires the same level from its suppliers. We will thus step up monitoring of our suppliers' Social and Environmental Responsibility policy.

The exact map of the social and environmental risks faced by the SER policy of 40 key suppliers, drawn up last year, has been extended with a series of indicators for suppliers requiring an audit as a priority. Beyond a commitment to respect the Global Compact, a number of precise imperatives have been set, linked not only to professionalism and value creation, but also to food safety following the Group's ISO 22000 certifications, and also the environment - especially carbon emissions and the consumption of natural resources.

The "Responsible Suppliers" action plan has been extended for the coming 3 years, as part of our partnership with a specialist and highly renowned consultancy. The audits performed must ensure full application of local law, especially in terms of pay, minimum age and working conditions.

In association with these Global Compact commitments, Rémy Cointreau has also continued to implement its policy of supporting its suppliers' SER measures, by initiating and supporting plans for progress, as identified by audits carried out.

Ethical sales and marketing:

Our commitment 2008 / 2011:

To support the international development of our brands through the promotion of responsible consumption. To implement perfectly ethically sound sales and marketing policies in terms of principles and transparency, communicated by partner distributors and an effective Consumer department.

The international development of brands relies on the promotion of responsible consumption of our products, and the implementation of perfectly ethically sound sales and marketing policies in terms of principles and transparency, communicated by partner distributors and an effective Consumer department.

Signed in 2004 by Rémy Cointreau's chairman and CEO, the Responsible Communication Charter lays down a list of 6 fundamental principles following discussions with all those involved, including consumers, authorities, NGOs, cross-industry bodies (such as the *Bureau National de l'Interprofession du Cognac* or the European Spirits Organisation).

This charter guides the work of all sales and marketing teams throughout the world as well as the Consumers' department.

The Responsible Communication Committee (CCR) monitors the effective application of the charter, bringing together the relevant functions from each field involved, such as legal, marketing, sales and advertising.

Beyond the legal standpoint, by giving its views on ethics, the CCR ensures that no communication project from Rémy Cointreau or its brands if it does not fully comply with the principles laid down in the charter.

Furthermore, the Customer Services Department this year introduced an innovative initiative concerning the continual assessment of customer service.

Actual performance measurements are assessed each month by distributor customers, based on five criteria essential to maintaining quality of service.

An action plan is then introduced to continually monitor and improve the supply chain.

Human Resources:

Our commitment 2008 / 2011:

To guarantee social fairness and the development of our staff, to promote their involvement in company strategy and involve them in Group citizen actions as part of Rémy Cointreau's founding values of listening and dialogue.

Combined with the structure of its distribution network, Rémy Cointreau is introducing an innovative and dynamic human resources policy.

Over the last two years, measures to motivate and generate enthusiasm among employees have increased and been backed by increased internal communication. These efforts have been noticed, especially by scoring bodies, whose assessments have improved in the light of the measures taken on human resources.

The agreement on diversity, signed in 2008, enabled measures to bring staff together to be launched. The Group's 800 employees in France, at all levels of responsibility, took part in an awareness-raising day on diversity and curiosity.

In accordance with the terms of the agreement, Rémy Cointreau stepped up its efforts to help young people joining the company. A charter to assist trainees was drawn up, with common rules on the drawing up of job descriptions, mentoring, pay, support and skills transfer. Furthermore, recruitment numbers through combined work/study contracts have been maintained: 3% of staff currently work for the company in this way. Clearly keen to conserve and maintain levels of knowledge closely linked to experience, Rémy Cointreau signed an agreement with its social partners concerning the resources to be devoted to maintaining the attractiveness of working and motivation for staff over 50 years of age.

These agreements demonstrate high-quality social dialogue, with a correspondingly high level of listening. On subjects linked to diversity such as the pay agreement signed at the start of 2010, management and unions showed their willingness to reach a consensus that benefits everyone.

The agreement on classification of production jobs, signed in 2009, defined the skills required throughout an employee's career on a job-by-job basis. This gave everyone a clear vision of their role within the company and what action to take in order to make progress in their area of competence.

More specifically in terms of executives, the development plans introduced two years ago have demonstrated their impact: more than 3 out of 4 executives were given a positive appraisal paving the way for a new plan for the next two years.

The number of hours of training stabilised at a high level of almost 20,000 hours per year, including 20% concerning the challenges involved in responsibility and sustainable development.

In terms of career progression, the Group paid particular attention in training to avoiding discrimination between men and women.

In terms of professional development, a "map of talents" is being drawn up. The Group can use this to identify career paths for its key staff members, in every country where it is established. Training matched to the Group's needs strengthens each person's ability to understand and integrate the strategy and the challenges in developing the brands.

The issues more closely linked to sustainable development have also been the subject of special efforts. Rémy Cointreau has continued to be innovative through eco-design, linked to the in-depth measures taken in this field.

In addition, as part of the new company savings scheme management plan, Rémy Cointreau has decided to make all the funds "socially responsible". These are now fully invested in socially responsible and community investments.

Stakeholders and sustainable development:

Our commitment 2008 / 2011:

To respond to the expectations of stakeholders, to share our experience in the field of sustainable development in all territories where Rémy Cointreau is established, with concrete action for sustainable development at local level.

Dialogue, sharing experiences in the field of sustainable development, long-term commitment and voluntary work are all distinctive aspects of Rémy Cointreau's relationship with its stakeholders both within and outside the company.

Following meetings of volunteer staff members in 2007, which enabled us to identify 11 "ecogestures", action to spread these and raise awareness was undertaken, especially concerning energy and paper consumption.

As part of the same measures to involve staff, Rémy Cointreau demonstrated its solidarity following the terrible events that hit the Charente region, bringing all its employees together in a support scheme for those affected.

Also open to outside influences, and strongly committed to sustainable development in other territories, Rémy Cointreau has developed its discussions with the institute for training and environmental research, which is working towards providing education in the institutional, educational and entrepreneurial spheres in the Poitou-Charentes regions.

Links with the local economic fabric translate into regular participation by Rémy Cointreau in action undertaken by business associations working toward sustainable development in the regions.

Furthermore, and in the spirit of the 2004 agreement, Rémy Cointreau remains a partner of the Second Chance Foundation, providing support through a network of 19 volunteers, for professional projects aimed at people in difficult circumstances in the Reims and Cognac areas.

Conclusions and prospects:

Social and Environmental Responsibility is now an intimately integrated part of daily company life for Rémy Cointreau. It meets Group objectives by ensuring faultless product quality, reinforcing the international reputation and power of its brands, and by complying with the social and environmental commitments with regard to all Rémy Cointreau stakeholders.

Fully integrated with working methods and communication, it also involves upstream stakeholders including suppliers.

Continual discussions with all those involved, especially major regional and national stakeholders confirm that Rémy Cointreau is perceived as an active contributor to sustainable development at regional level.

The past year was also notable for the progress made on all indicators, moving overall in a positive direction. These provide tangible evidence of Rémy Cointreau's commitment and its desire for continual improvement.

Christian Lafage

Sustainable Development Director

Appendix

examples of indicators monitored as part of the introduction of Rémy Cointreau's Social and Environmental Responsibility policy (these correspond to GRI indicators)

**REMY COINTREAU INDICATORS - LINK WITH THE GRI INDICATORS
(GLOBAL REPORTING INITIATIVE)**

REMY COINTREAU Indicators (France)

G R I Indicators

CSR AGREEMENT	INDICATORS	YEAR 2007 / 2008	YEAR 2008 / 2009	YEAR 2009 / 2010	AERA	INDICATORS
WINE MAKING	Employees training	39 persons	47 persons	78 persons	Labor practices and decent work	LA10
SUPPLIERS AND RESPONSIBLE PURCHASING	CSR notation of the key suppliers	--	--	100%	Human rights	HR2
SALES AND MARKETING ETHICS	RCC meetings (Responsible Communication Committee)	2	2	2	Product Responsibility	PR6
	Total number of incidents of non compliance with regulation and voluntary codes	None	None	None	Product Responsibility	PR7
	Fines for non compliance with laws and regulations	None	None	None	Product Responsibility	PR9
	Customers satisfaction	--	--	17,6/20	Product Responsibility	PR5
HUMAN RESSOURCES	Total workforce (World) France Europe (except for France) America Asia	1246 68% 3% 26% 3%	1512 55% 10% 22% 13%	1571 52% 10% 19% 19%	Labor practices and decent work	LA1
	Rate of absenteeism	4,6%	3,8%	4,2%	Labor practices and decent work	LA7
	Average hours of training	14880 heures	20760 heures	19140 heures	Labor practices and decent work	LA10
	Percentage of employees receiving regular performance and career development reviews	100%	100%	100%	Labor practices and decent work	LA12
	Incidents of discrimination	None	None	None	Human rights	HR4

**REMY COINTREAU INDICATORS - LINK WITH THE GRI INDICATORS
(GLOBAL REPORTING INITIATIVE)**

REMY COINTREAU Indicators (France)					G R I Indicators	
CSR AGREEMENT	INDICATORS	YEAR 2007 / 2008	YEAR 2008 / 2009	YEAR 2009 / 2010	AERA	INDICATEURS
QUALITY / SAFETY / ENVIRONMENT	Glass consumption saved	--	--	100 tons	Environment	EN26
	C02 emissions	--	--	Scope 1 3700 tons eq.C02 Scope 2 4330 tons eq.c02	Environment	EN16
	C02 emissions saved related to energy	--	182 tons éq.C02	92 tons eq.C02	Environment	EN18
	C02 emissions saved related to vehicles	--	--	3,5 tons eq.C02	Environment	EN18
	Paper consumption	5,55 million sheets	4,47 million sheets	3,47 million sheets	Environment	
	C02 emissions saved related to glass comsuption reduction	--	--	100 tons eq.C02	Environment	EN18
	C02 emissions saved related to paper consumption	--	7,1 tons eq.C02	6,7 tons eq.C02	Environment	EN18
	Total weight of waste	2630 tons	2360 tons	2130 tons	Environment	EN22
	Waste sorting	90,1%	89,3%	92,1%	Environment	EN22
	Quantity of the non sorting waste	260 tons	250 tons	170 tons	Environment	EN22
	Waste recovering	--	42,0%	46,7%	Environment	EN22
	Energy consumption (electricity)	13870 MWh	13580 MWh	12700 MWh	Environment	EN3 / EN4
	Energy saved (electricity)	--	290 MWh	880 MWh	Environment	EN5
	Energy consumption (gas)	12200 MWh	11480 MWh	11260 MWh	Environment	EN3 / EN4
	Energy saved (gas)	--	720 MWh	220 MWh	Environment	EN5
	Water consumption	122180 m3	88180 m3	81230 m3	Environment	EN8
	Water effluents	--	--	28290 m3	Environment	EN21
	Polluting load of water effluents	7180 eq. inhabitants	5950 eq. inhabitants	5200 eq. inhabitants	Environment	EN21
	Training of the employees in the safety	780 persons	800 persons	860 persons	Labor pratices and decent work	LA10
	Fines and penalties for non compliance with the environmentlaws and regulations	None	None	None	Environment	EN28
	QSE Investments	2,1 million of euros	3,4 million of euros	3,9 million of euros	Environment	EN30