



MARTELL

COGNAC

FONDÉE



EN 1715

PRESS BOOK

**MAISON MARTELL'S SOCIETAL
AND ENVIRONMENTAL COMMITMENTS**



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“Faced with the environmental upheavals we are experiencing today, Martell is committed to raising awareness and working with each player in the Cognac industry to gradually implement better practices. Through a collective approach, we are moving our business towards more virtuous paths one step at a time.”

César Giron
CEO of Martell Mumm Perrier-Jouët



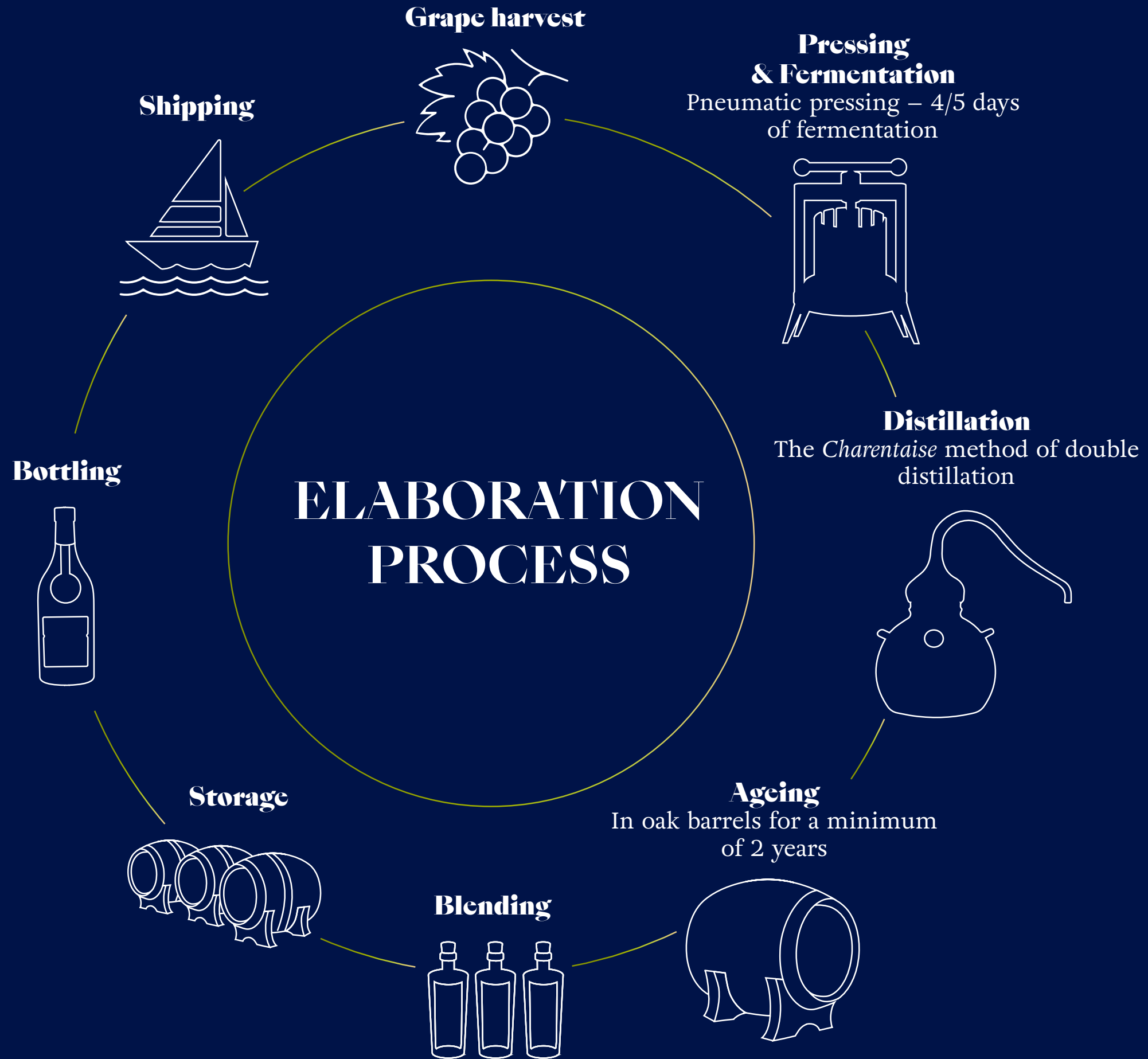
Paving the way for a more sustainable cognac for today and tomorrow: Martell is multiplying its initiatives and innovations in favor of the environment and the community

Martell, the oldest of the great Cognac Houses, has long been committed to environmental actions, as illustrated by its patronage of the National Forestry Office (*Office Nationale des Forêts*) and research into the creation of new varieties. Over the past four years, spurred on by “Good Times from a Good Place” strategy launched in 2020 in Cognac by the Pernod Ricard Group, Maison Martell has accelerated its innovations in favor of ecological transition.

Leading with a collaborative spirit, Maison Martell is working to transform its practices in depth to produce an increasingly sustainable cognac. The initiatives implemented by the House, on its own scale, are envisaged with a logic of experimentation and sharing with its partners and players in the Cognac AOC. This vision is illustrated by Maison Martell’s new projects, announced spring 2023, such as the presentation of an innovative

vitiforestry program and a new low carbon distillation technology for the entire AOC Cognac sector.

Maison Martell’s vision is based on three pillars: the regeneration of soil and landscapes, a value chain that is as virtuous as possible and respect for the men and women who work for or are connected to the House.



A. REGENERATING OUR TERROIRS





1. Domaines Jean Martell: an open-air laboratory experimenting with regenerative viticulture

LIMITING THE USE OF INPUTS

To positively influence the ecosystem to which it belongs, Maison Martell has been implementing new, more sustainable growing practices for the past ten years. The 450 hectares of *Domaines Jean Martell* received the Cognac Environmental Certification (CEC) in 2016 and achieved zero herbicide in 2019. The House has partnered with start-up VitiBot to acquire two Bakus electric robots that are able to remove weeds under the vine row. This innovation addresses the zero herbicides strategy while improving working conditions for vine workers and limiting soil compaction. Finally, 100% of the products used at *Domaines Jean Martell* are biocontrols that rely on natural mechanisms and interactions between species to help the vines resist diseases and pests (auxiliaries, mating disruption, micro-organisms, and natural substances).

TOMORROW'S VITICULTURE

How can we enable vines to adapt to tomorrow's climate? How can we pass on to future generations a resilient terroir and a viticulture that draws its inspiration from living organisms to produce while regenerating soils and ecosystems?

Maison Martell does not claim to have all the answers, but it is convinced that changing practices and moving towards a production method that is much more respectful of natural balances is necessary. Drawing inspiration from the boldness and generosity that have marked its history, the House is committed to a collective approach that encourages a reflection on the extensive transformation of winegrowing practices, with the idea that we learn by moving forward and sharing.

Since 2020, our teams have been testing regenerative viticulture practices on the 450 hectares of *Domaines Jean Martell*, using a holistic approach that takes into account the entire vineyard ecosystem: soil health, vine nutrition, landscapes, biodiversity throughout the territory, not forgetting the women and men who work there.



Go a step further:

The starting point of Maison Martell's experimental regenerative viticulture program is to regenerate the soil and increase its fertility. Biomass cover crops and flowering cover crops are being tested, with the aim of providing the soil with the nitrogen it needs for its natural fertility and vine nutrition. Cover crops also help to create a root system that contributes to soil life and, on their aerial side, they contribute to enriching biodiversity by serving as food resources and shelter for pollinators.

Inspired by natural cycles, regenerative viticulture aims to improve the functionality and resilience of ecosystems, which requires time, daily observation and patient experimentation. Maison Martell continuously analyzes its trials not only to make progress, but also to deploy these more respectful practices on a regional scale, particularly with its partner winegrowers who supply the vast majority of its grapes. The House learns by moving forward one step at a time.





FROM SOIL TO LANDSCAPE: AN INNOVATIVE VITIFORESTRY PILOT MODEL

As part of its regenerative viticulture experiments, in spring 2023 Maison Martell launched a large-scale vitiforestry program, combining the landscape with the vines' direct environment. On an 8-hectare pilot plot, the combination and integration of various agroecological practices will foster a living, balanced ecosystem. This vitiforestry model will enable us to measure the role and impact of tree planting on the vines. The selection of tree species is based on a number of factors: the environment, the local landscape, the role of the tree as a host for auxiliary insects, the propensity to create endomycorrhizae (symbiosis between the root of a plant and a colony of fungi) and the expected services (shade, windbreak, etc.). It will be several decades before these multiple benefits can be observed and measured.



WINTER 2023

Installation of high and medium windbreak hedges and wooded strips.



SPRING 2023

Planting vines



AUTUMN 2023

Installation of functional biodiversity and flower strips.

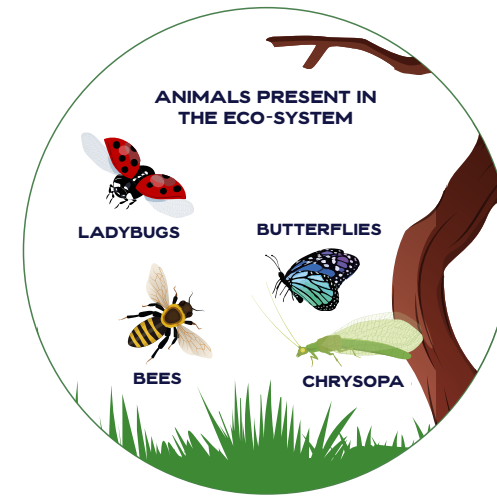


VITIFOREST' EXPERIMENTAL PLOT

This plot is currently undergoing experimentation and the results will be studied over the course of the seasons.

TREES ENRICH BIODIVERSITY

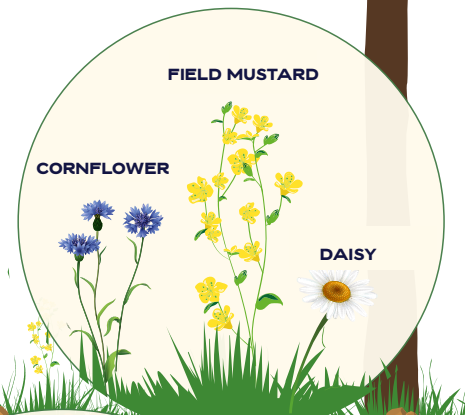
Trees improve the level of biodiversity and reestablish the ecological network. This will provide a wide variety of habitats and food for the vine's natural beneficial insects.



TREES PLAY A BIOCLIMATIC ROLE

Trees or hedges planted in vineyards create a climatic bubble that limits the effects of global warming by protecting vines and wildlife from thermal stress, wind and soil evaporation.

The layout of the trees situated in the plot and the selection of species are designed with their future development in mind.



ORGANISMS LIVING UNDERGROUND



Plant covers improve soil structure and biological activity. They are transformed into organic matter by earthworms and soil micro-organisms.

CARBON STORAGE

An exchange between the vines' roots and the trees takes place via a fungus known as a "mycorrhizal filament". As leaves and branches decompose, they provide the soil with organic matter.

PROTECTING THE SOIL

The trees' roots structure the soil, facilitating its biological activity. This improves the soil's water retention capacity, as well as the rise of minerals from the deeper layers of the soil to the vine's roots.



2. Research into the creation of new varieties for the benefit of AOC Cognac

In 2016, Maison Martell initiated a research program for the creation of new varieties in collaboration with recognized scientific experts from the National Institute for Agriculture, Food and the Environment (*l'Institut National de Recherche pour l'Agriculture, l'Alimentation et l'Environnement*), the *Conservatoire du Vignoble Charentais*, the *Institut Français de la Vigne et du Vin* and the *Bureau National Interprofessionnel de Cognac*.

The aim is to identify vine plants that are naturally resistant to disease (mildew, powdery mildew, etc.), thus requiring less treatment and adapting to climate change.

Maison Martell is the first private company to invest in a project of this scale. Of the 280 varieties initially planted, 130 were harvested in 2022. Only 50 were then vinified and distilled in micro-alembic stills. The latest stage to date: 20 new varieties have been planted at the end of June 2023.

The results of this program are intended to be shared with the entire cognac industry. At the end of these successive selection stages, the selected grape varieties could be included in the national catalogue of varieties and then in the Cahier des charges of the Cognac AOC between 2028 and 2034.



3. Ecosystem conservation initiatives

Wood is essential to the production of cognac during the ageing process. Maison Martell and the *Office National des Forêts* have been partners since 2013. In recent years, the House has lent its financial support to several action programs in favor of French forests, aimed at protecting and enhancing biodiversity, improving the way the public is received in the forest and educated about it and creating a dialogue between nature and culture through artistic collaborations.

Since last year, the House has decided to become involved in projects aimed at studying alternatives to combat global warming (reintegration of older varieties, resilience tests, creation of an arboretum, etc.). Through these philanthropic initiatives, Maison Martell aims to give back to the forest some of what it has given by preserving wood, a precious natural resource.

**B. EFFORTS THROUGHOUT
THE VALUE CHAIN**





The Cognac sector's carbon footprint shows that the top three emissions are linked to the production of agricultural raw materials, the energy consumed during distillation and packaging, particularly glass, which consumes a lot of energy. The road to decarbonization is a long and difficult one, but Maison Martell is determined to make progress thanks to bold R&D programs and a collaborative approach.

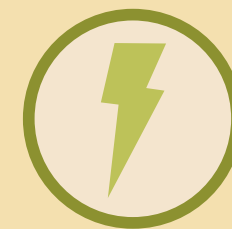
1. Low-carbon distillation: innovative technology for the entire industry

After five years of research and development, Maison Martell presents a low-carbon distillation technology developed in partnership with the Chalignac Group for the entire Cognac AOC sector. This technology complements the alternative heating process developed in close collaboration with the *Bureau National Interprofessionnel du Cognac (BNIC)*, industry operators and the *Institut National de l'Origine et de la Qualité (INAO)*.

The proposed technology recycles part of the energy consumed by the still, thus considerably reducing the energy consumption and carbon footprint of the *Charentaise distillation* process. This technology offers the distillation a concrete solution for meeting the 2050 targets set by France and Europe, thus helping to limit the effects of global warming.

REDUCTION OF ENERGY CONSUMPTION BY MORE THAN

50%



MORE THAN **85%**

REDUCTION IN GREENHOUSE GAS EMISSIONS



SPX



Find out more :

AN ENERGY RECOVERY SYSTEM:

To meet the challenges set by European national regulations for 2050, Maison Martell and the Chavignac Group have invested in research and development that has led to an innovation which consists of recovering and recycling the available energy at the level of the refrigerating element of the Charentais still. This new process opens up new possibilities of reducing energy consumption and the Charente distillery's carbon footprint. After two years of testing at Maison Martell distilleries, the first results show a decrease in the carbon footprint, with a reduction of more than 85% in greenhouse gas emissions, and a reduction in energy consumption of more than 50%.



2. Investments in energy and transport with a reduced carbon footprint

BIOGAS:

Since 2021, Maison Martell has been investing in the “BIOGAS” methanization sector via the acquisition of biomethane guarantee of origin certificates close to methanization plants located in Nouvelle-Aquitaine. By supporting a more virtuous energy sector locally, the House hopes to enable regional players to benefit from a higher proportion of green gas from biomethane. This initiative contributes to the policy of low-carbon transition with a circular logic.

BIOFUEL:

for the past year, half of the volumes of Martell cognacs transported between Cognac and Le Havre have been carried by trucks running on biofuel produced in a short cycle by farmers based in the Poitou-Charentes region. In this way, Martell reduces its carbon footprint per journey by 60% and contributes to the development of a virtual local

industry. To go even further, more than 70% of its eaux-de-vie are transported locally using biofuel.

MARITIME TRANSPORT:

After tending toward zero air freight, Maison Martell is committed to multimodal transport (train and barge). It also favors maritime transport, with the signing in 2021 of a partnership with TOWT, a Breton company developing transport solutions using sail-powered freighters. By using the force of wind, these boats should save over 30g of CO2 per bottle and reduce transport-related emissions by 90%, currently the best performance on the market in terms of CO2 savings. The first shipments of Martell cognacs will take place in early 2024, bound for New York in the United States.



“Rethinking the packaging lifecycle”

3. More resource efficient packaging

CAPS

TRANSITION FROM POLYSTYRENE CAPS (NON-RECYCLABLE) TO RECYCLABLE POLYETHYLENE CAPS WITH 40% WOOD CONTENT.



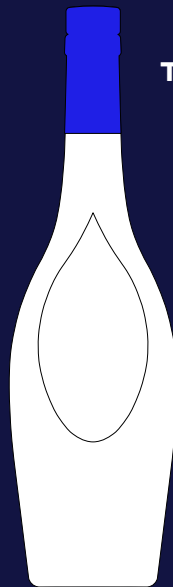
Primary packaging (the bottle) and secondary packaging (the cardboard case used as a box) are key areas for improvement of Martell S&R equation in general. Even though glass is recyclable, it accounts for 88% of Martell’s packaging-related carbon footprint. Maison Martell is working with its glassmaking partners to reduce the energy used in glass production and lighten the weight of bottles. Its objective is to increase the use of recycled glass by 2050 by raising the level of cullet, which reduces the energy consumption of the glass furnace.

For several years, the House has been working closely with its suppliers on the selection of materials (origin, recyclability, etc.) used to make its boxes, with the aim of reconciling aesthetic and environmental considerations. The House decided to remove Martell VS and Martell VSOP giftboxes by 2023. Single-use plastic tasting objects have also been banned.

BOTTLES



MARTELL CORDON BLEU WEIGHTS **-35%** LESS THAN MARTELL XO

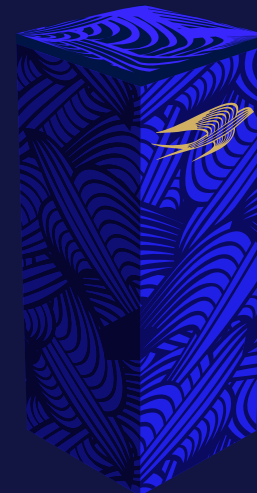


ON AVERAGE NEW NOBLIGE PACK RANGE IS **10%** LIGHTER THAN BEFORE

REDUCING GLASS WEIGHT TO LOWER CARBON EMISSIONS AT THE SOURCE AND THROUGHOUT THE VALUE CHAIN

CASE

REMOVAL OF VS AND VSOP CASES: **60%** OF OUR PRODUCTS ARE SHIPPED WITHOUT CASES



C. ACTING IN FAVOR OF THE COMMUNITY





1. Sharing with our partners

TECHNICAL DAYS: EXPERIMENTATION FOR BETTER SHARING

Maison Martell experiments with alternative practices and innovative techniques with the aim of sharing the results and lessons learned with its winegrowing partners, and more widely, with all those involved in the Cognac appellation. To bring about fundamental, rapid and lasting change, collective action is necessary. To this end, the company is stepping up its training and awareness-raising initiatives in support of its partners. Among them is its “Technical Days”, held several times a year, which brought together more than 500 winegrowers in 2023. It offers them the opportunity to deepen their knowledge about soil biology and plant covers, among other things, and to take part in equipment demonstrations.

“FERMES 30,000”: ACTIVE PARTICIPATION SINCE 2017

Maison Martell is invested in the “Fermes 30,000” project, which involves sharing best practices and test results in the agronomic, economic and environmental fields from DEPHY networks, in order to reduce the use of phytosanitary products. The aim is to involve 30,000 farms in the transition to agroecology to reduce the use of plant protection products. Each winegrower will set a target for the reduction of plant protection products to be achieved by the end of the three-year period. Soil life and biodiversity are among the subjects studied and shared.



2. Our programs

THE ETHNOS PROGRAM: PROMOTING TRAINING AND ACCESS TO EMPLOYMENT

For almost four years now, Maison Martell has been financing a training program for vineyard workers with the aim of developing the lifeblood of Cognac AOC, and promoting and perpetuating this savoir-faire.

The ETHNOS Viticultural Workers program is aimed at motivated adults who will eventually be able to join an AOC Cognac farm.

It is carried out in partnership with the Maison Familiale Rurale de Triac-Lautrait and Martell provides support for recruiting candidates, connecting partner winegrowers and hosting training on its sites.

In January 2023, the Maison launched the ETHNOS *Conducteurs d'eaux-de-vie* program. This new, customized training program includes a six-month internship with one of Martell's transport partners, with the possibility of employment afterwards.

THE CONVIVIALITY PROGRAM BY MARTELL

In June 2022, Maison Martell unveiled the “Even a little is too much” («Même un peu, c'est déjà trop») advertising campaign, produced by Publicis Activ, to raise awareness of responsible consumption of cognac and other spirits. The campaign was widely diffused in the local press, on public billboards, in Martell venues open to the public in Cognac, on digital media and at regional events. This visibility reflects the importance of Martell's standpoint.

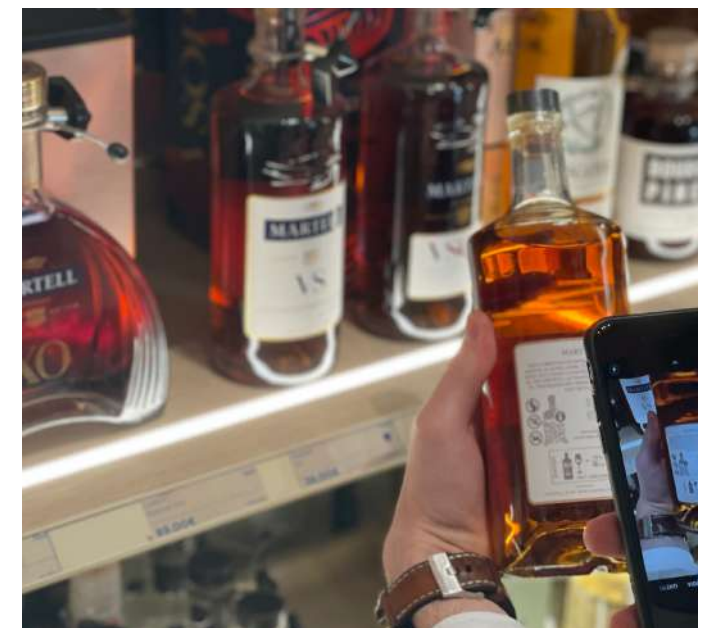
Beginning in 2021, the House set up a convivial yet responsible experience at the “Indigo bar by Martell”, in Cognac, that features the alcohol units consumed in each cocktail. In addition, for the first year, one euro per alcoholic beverage sold was donated to the *Association Routière de Nouvelle Aquitaine*, followed by a three-year partnership with the *Syndrôme d'alcoolisation fœtale (SAF)*. This campaign has since been renewed to support an association promoting responsible drinking.



E-LABEL: DIGITAL LABELING FOR RESPONSIBLE CONSUMPTION

Since July 2022, the Pernod Ricard Group has been implementing a worldwide digital labeling system to provide consumers with a concrete response to their expectations for greater transparency on product content and health information. This pioneering scheme for more responsible consumption was introduced by Maison Martell, demonstrating its commitment to being a proactive and committed player in the wine and spirits sector. In concrete terms, the QR code on the back label of its cognacs, once scanned with a smartphone, provides access to the list of ingredients and complete nutritional information.

It also provides access to information on the health risks associated with alcohol consumption. Thanks to geolocation, consumers can find recommendations on responsible drinking issued by their own country and in their own language (instructions from health authorities on the amount of alcohol that shouldn't be exceeded, individuals who shouldn't consume alcohol and consumer information websites).





Boldness and collaboration have been an integral part of Maison Martell's history for the past 300 years. By drawing on these values, the House is acting today to provide answers to current challenges. Every effort is being made to meet the objectives that have been set:

- **100%** of partner winegrowers are committed to certification and **10%** are committed to regenerative viticulture by **2030**
- Contribution to Pernod Ricard Group's SBTI* trajectory of carbon neutrality by 2050, which requires halving emissions by 2030.

SONIA LE MASNE,
SUSTAINABILITY & RESPONSIBILITY DIRECTOR
MARTELL MUMM PERRIER-JOUËT

**SBTI – Science Based Target Initiative, a rigorous scientific methodological framework to assess the decarbonization of companies.*

450
HECTARES
DEDICATED
TO VITICULTURE



10
years
ONF
PARTNERSHIP



CERTIFICATION SINCE
2018
(COGNAC
ENVIRONMENTAL
CERTIFICATION)



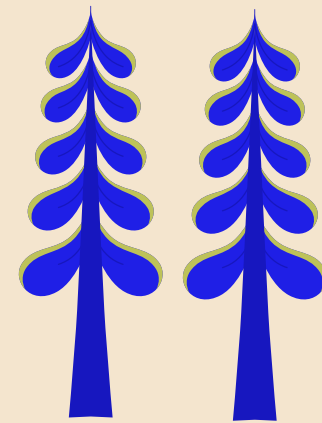
100%
BIOCONTROL



RESEARCH INTO NEW
VARIETIES SINCE
2016



8 hectares
UNDER VITIFORESTRY



ZERO
HERBICIDES
SINCE
2019



PARTNERSHIP WITH TOWT,
THE FIRST SHIPMENTS IN

2024

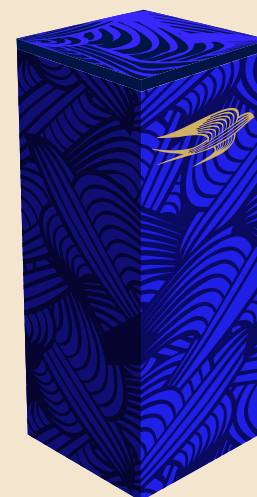
WILL HELP REDUCE
SHIPPING EMISSIONS BY

90%



2023

REMOVAL OF
CARDBOARD
BOXES FOR VS
AND VSOP



SINCE

2021

PURCHASE OF GUARANTEE
OF ORIGIN CERTIFICATES
FROM METHANIZATION
PLANTS LOCATED
IN NOUVELLE AQUITAINE



FOR THE PAST
4 years

A TRAINING PROGRAM
FOR VINEYARD WORKERS
IN PARTNERSHIP WITH
THE MAISON FAMILIALE
RURALE IN TRIAC-LAUTRAIT

LOW-CARBON DISTILLATION: ALTERNATIVE HEATING
METHOD + ENERGY RECOVERY SYSTEM =

85%

REDUCTION IN GAS EMISSIONS





About Maison Martell

The oldest of the great cognac houses, founded by Jean Martell in 1715, Maison Martell is renowned throughout the world for the finesse and elegance of its cognacs, the result of a legacy of savoir-faire handed down through nine generations. Together with a passion for its craft and a profound attachment to the terroir, Maison Martell is defined by the audacity with which it has challenged convention to create new expressions of cognac, including the icon Martell Cordon Bleu in 1912.

About Martell Mumm Perrier-Jouët

Martell Mumm Perrier-Jouët is the prestige subsidiary of Pernod Ricard, the world's number 2 wines and spirits group. Cognac Maison Martell and champagne Maisons Mumm and Perrier-Jouët are part of the Group's strategic international brands portfolio. Together with the Sainte Marguerite en Provence wines, our Maisons perpetuate unique know-how and contribute to an exceptional *art de vivre* throughout the world.

Martell Mumm Perrier-Jouët is committed to a more sustainable and responsible world through the Pernod Ricard roadmap to 2030, «Good Times from a Good Place», which is centered around four pillars: Nurturing Terroir, Valuing People, Circular Making and Responsible Hosting.

Maison Martell's commitments are part of the Pernod Ricard "Good times from a Good Place" Roadmap



DRINK RESPONSIBLY

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