



Our Future: Living a Spirit of Commitment



**Brown-Forman
European Union
2010 > Ongoing
#C02Emissions #Packaging
#WaterUse**



Objective

All objectives are set for 2030 unless otherwise stated.

Climate Action:

- To reduce greenhouse gas (GHG) emissions by 50%.
- To source 100% of electricity from renewable energy sources.
- To achieve net-zero GHG emissions in operations and supply chain by 2045.

Water Stewardship: 100% of high-risk and business critical watersheds to achieve water balance.

Circular Economy:

- To integrate circular economy principles into business processes across the organisation.
- To ensure that 100% of primary packaging is recyclable or reusable.

Supply Chain:

- To achieve 100% engagement with direct farmers around regenerative agriculture practices by 2025.
- To achieve 50% of white oak logs sourced from proven sustainably managed forests by 2035.

Description

As a responsible corporate citizen, Brown-Forman is committed to environmental stewardship and sustainability and their mission has long included reducing the impacts of their operations and products on the environment. Caring for natural resources and the climate is more than a business concern for them. From the fields that grow their grains, agave, and grapes, to the water they transform into spirits, to the oak for barrels, Brown-Forman depends on the earth's bounty. Their **vision for the future comes from an understanding that their actions to address climate change and water scarcity today impact their opportunities for tomorrow.** They commit to an environment that sustains us all, caring for the resources shared with the community and nurturing resources for those that come after us.

2010 Environmental Roadmap

In 2010, Brown-Forman set out an Environmental Sustainability Roadmap for 2020, which outlines how they will responsibly manage their environmental footprint as the company grows. It includes specific reduction targets for 2020 using 2009 as the baseline year.

Selected Actions

- **Watershed:** In March 2010, Brown-Forman collaborated with the NVCA to protect the local watershed by planting cedar and spruce trees along the Black Ash Creek which feeds into the Georgian Bay (this water is used in the production of Canadian Mist Whisky).
- **Jack Daniel's American Forests bottle:** In 2010, the limited-edition American Forests bottle was created from unneeded bottles resulting from a change in the Jack Daniel's Single Barrel. One tree was planted for every limited-edition bottle.
- **Reducing Waste:** In 2013, Casa Herradura changed the delivery of the largest concentrate flavour from 200 litre drums to tanker trucks.
- **Packaging process:** In 2013, the width of the shrink film for the New Mix trays was narrowed slightly.

2014: Revised Environmental Sustainability Goals

Given the positive progress by 2013, Brown-Forman made the decision to revise their goals, as well as pursue more ambitious targets for the company. The revised goals are set on a 10-year timeline with a 2012 baseline year. They set new, more ambitious environmental sustainability goals, focused on reducing absolute GHG emissions by 15% by 2023, sending zero waste to landfill by 2020 (previously set in 2010), and reducing water use and wastewater discharges per unit of product by 30% by 2023.

Selected Actions

- **Climate Declaration:** In October 2013, they signed the Climate Declaration, sponsored Ceres, to support stronger climate policies and seize the economic opportunities associated with addressing climate change proactively.
- **GHG emissions:** In 2015, they signed on to a science-based GHG emissions reduction target as part of the Road to Paris, organised by CDP.
- **Waste:** In 2015, A new biomass boiler was commissioned for production operations in Amatitán, Mexico. It is designed to use a combination of fuel sources including bagasse from agave, dried corn cobs, and wood chips. It is also designed to use biogas, which is produced by an on-site anaerobic digester.

- **White Oak:** In 2015, a white oak procurement policy developed to source white oak from suppliers that employ certified Master Loggers, incorporate forestry best management practices, and engage with state forestry associations.
- **Water Conservation:** In 2015, Finlandia Vodka launched several cause marketing campaigns in support of water conservation initiatives and created the hashtag #4PureWater to promote them on social media and video. The partners benefitting from these efforts included the Oyster Recovery Partnership, the Surfrider Foundation, and 1% for the Planet.
- **Packaging:** In 2017, they began eliminating partitions in the shipping cases used for several of their European brands, reducing cardboard volume and total packaging weight.

2021: New Sustainability Strategy

In fiscal year 2021, Brown-Forman established ambitious new sustainability commitments that are intended to align their efforts with industry best practices and the most current climate change science. Their new goals broaden focus beyond business operations to the supply chain, where most of their environmental footprint resides. With this strategy, Brown-Forman has a roadmap for continued progress over the next quarter-century. The strategy focuses on: climate action; water stewardship; circular economy and the supply chain using 2020 as a baseline.

In addition, Brown-Forman joined the Race to Zero with the Scotch Whisky Association, committing to work with other member companies to ultimately achieve net zero GHGs in their operations.

Climate Action selected actions

- **GHG Emissions:** In April 2021, Brown-Forman began a partnership with the TVA, DREMC, and SR to provide solar energy for the Jack Daniel Distillery and bottling operations. In FY2022, Casa Herradura made energy-efficiency improvements across its operations, to include improving steam-use efficiency, installing high-efficiency pumps and fans for wastewater treatment, and upgrading to LED lighting in bottling operations.
- **Renewable Energy:** In FY2021, Brown-Forman joined the RE100 (global corporate renewable energy initiative) to show their commitment to procuring 100% of their electricity from renewable sources by 2030.
In FY2024, Brown-Forman installed a rooftop solar system at their Newbridge bottling plant in Edinburgh, Scotland, in partnership with YLEM Energy.

Water Stewardship selected actions: In FY2022, the Sonoma-Cutrer vineyard made improvements including investing in water recycling systems for barrel washing, use of fan-based systems to prevent frost and reducing the total area of landscaping that is being watered or maintained.

Circular Economy selected actions

- **Circular economy principles:** In FY2022: They invested in equipment to get more barrels out of the wood that comes into their cooperages and convert wood chips and mulch into usable materials. In addition, barrels are designed to prevent the loss of whiskey through evaporation during the maturation process. In FY2023, work began to develop an anaerobic digester at Jack Daniel's that will convert a portion of the distillery by products to renewable natural gas and low-carbon fertiliser. The project is expected to

become operational in fiscal 2025.

- **Sustainable Packaging:** In FY2022, Brown-Forman worked to remove or replace materials that are not recyclable, such as single-use plastics from gift packaging. In FY2023, “Bring Back Jack,” was launched with the New Hampshire Liquor Commission to encourage consumers to bring empty glass spirits bottles back to stores in exchange for a coupon. Also, a 50 mL bottle of Jack Daniel’s Tennessee Whiskey made with 15% post-consumer recycled plastic was introduced.

Supply Chain selected actions

- **Regenerative agriculture practices with direct farmers:** In FY2022, Kentucky corn farmers were encouraged to plant rye as a winter cover crop to help build healthy soils. In June 2023, the Woodford Reserve Distillery announced a five-year commitment to purchase the rye grown by Kentucky farmers as part of the Rye in Kentucky research led by the University of Kentucky.
- **Oak logs purchased from sustainably managed forests:** Since FY2020, Brown-Forman has planted white oak at the Old Forester Tree Nursery, a 15-year white oak genetic improvement project in partnership with the University of Kentucky.

Partners

Selected Partnerships (for more partnerships please refer to the annual reports)

- American Forests: One of the U.S.’s oldest non-profit organisations.
- BIER: A global partnership of beverage companies working together to drive continuous improvement in the industry’s practices and performance in relation to environmental sustainability.
- Ceres: A non-profit network of investors, environmental groups, and other public interest organisations working with companies to tackle sustainability challenges such as global climate change and water use.
- Dendrifund: The new name for the Brown-Forman environmental sustainability foundation.
- Nottawasaga Valley Conservation Authority (NVCA): A public agency representing a group of municipalities in Ontario.
- Tennessee Valley Authority (TVA), Duck River Electric Membership Corporation (DREMC), and Silicon Ranch (SR): Producers of green energy.
- The 3% Solution: A collaboration between the **CDP** (international non-profit organisation that helps others disclose their environmental impact) and the World Wildlife Fund.
- The Nature Conservancy of Kentucky: Global and Kentucky nature conservancy.

Results

2021 Sustainability Strategy: Progress as of the fiscal year ended 30 April 2024
2023 targets

- **Reduce GHG emissions by 50%:** 14.8% reduction FY2023. 13% increase FY 2024.
- **Use 100% renewable electricity:** 84% in FY2021. 88% in FY2023. 79% in FY2024. As of April 2021, 20 megawatts of solar energy supplies 70% of the energy needed for the Jack Daniel Distillery and bottling operations.
- **Water balance for key watersheds:** Water risk measurement systems in place in FY2023 and in FY2024. Sonoma-Cutrer saved 1.8 million gallons of water between July 2021 and July 2022.
- **Circular economy principles:** New partnerships to drive reuse of glass and grain in FY2023 and implementing opportunities for integration in FY2024.
- **100% recyclable/reusable primary packaging:** New initiatives to expand the use of recyclable and reusable materials in 2023 and 98% recyclable in FY2024.

2025 target: Engage with 100% of direct farmers: Achieved in FY2024.

2035 target: White oak logs from sustainably managed forests: Working group in place to create new forestry commitments in FY2023. Evaluating the wood supply chain and developing new sustainable forestry goals in FY2024.

2014: Revised Environmental Sustainability Goals Target for 2023. Status at 2023:

- Reduce absolute GHG emissions by 15%: **Achieved.** Reduced by 31% in 2021.
- Reduce water use per unit of product by 30%: **Not clear.** Possible reduction of 20.3%.
- Reduce wastewater discharges per unit of product by 30%: **Achieved.** Reduced by at least 32.7%.

2015: The biomass boiler will reduce fuel oil consumption at the site by 40% and replace oil use altogether after approximately three years. By 2014, absolute GHG emissions increased by 5.2%, absolute water use decreased by 3.5%, absolute wastewater discharge increased 0.6% but wastewater per unit of product increased 3.3%. Three of the 14 facilities achieved zero waste to landfill: Brown-Forman Cooperage, Jack Daniel Distillery, and Brown-Forman Tequila Mexico.

2014: Revised Environmental Sustainability Goals Target for 2020. Status at 2020: Send zero waste to landfill by 2020: **Achieved.** 99.4% of waste generated by facilities was diverted from landfill in 2020.

2010 Environmental Roadmap Target Progress for 2020: Status at 2013:

- Reduce GHG emissions by 30% per unit of product: **Achieved.** Decreased by 48%.
- Increase energy efficiency by 30% per unit of product: **Achieved.** Increased by 36%.
- Decrease decreased wastewater generated per unit of product by 30%: **In progress.** Decreased by 25%.
- Achieve zero waste sent to landfill from facilities. **Stalled.** This continues to present challenges.

In 2013, Brown-Forman achieved a decrease in GHG emissions of 48% per unit of product and increased energy efficiency by 36% per unit of product (against a 2009 baseline), exceeding the goals of 30% in each category well ahead of schedule. They also decreased

wastewater generated per unit of product by 25% (target is 30%). However, the target of zero waste sent to landfill from their facilities continues to present challenges. In 2013, Casa Herradura eliminated the use of over 3,000 plastic drums a year by using tanker trucks. In addition, the narrowed shrink film for the trays saves 13 tons of plastic a year. In 2010, sales of the special edition Jack Daniel's bottles meant that 120,000 trees were planted in Illinois, New Mexico, and Wisconsin restoring more than 430 acres of forests. These trees will sequester at least 33,000 tons of CO₂ as they grow, the equivalent of taking nearly 6,000 cars off the road for a year.

Measurement & evaluation

Recognitions

- In 2024, Casa Herradura received the Environmental Excellence Award from the Mexican Federal Attorney for Environmental Protection (PROFEPA). The award is PROFEPA's highest honour for companies that have demonstrated a commitment to environmental improvement. This is the fifth consecutive year the distillery obtained this certification.
- In 2022 and 2023, Brown-Forman was recognised as one of the World's Most Ethical Companies by Ethisphere, a global leader in defining and advancing the standards of ethical business practices. To earn this distinction, Brown-Forman was evaluated on more than 200 dimensions of culture, environmental and social practices, ethics and compliance activities, governance, diversity, and initiatives to support a sustainable value chain.
- In FY2023, the Old Forester Tree Nursery received the Environmental Pacesetter Award by the Kentucky Department of Environmental Protection for innovative efforts to protect the environment.
- In FY2023, Sonoma-Cutrer was named Sustainable Producer of the Year by Sonoma County Winegrowers for preservation and enhancement of farming in Sonoma County.
- In 2016, Newsweek magazine named Brown-Forman the third "greenest" U.S. beverage company, and number 52 among the 500 largest publicly traded companies in the United States.
- In 2015, Casa Herradura received the Environmental Excellence Award from PROFEPA.
- In FY2015, Brown-Forman received a Climate Leadership Award from the U.S. Environmental Protection Agency for Excellence in Greenhouse Gas Management (Goal Setting Certificate). Brown-Forman was one of eight companies recognised for setting aggressive GHG goals.
- In 2015 Casa Herradura in Jalisco, Mexico, received the 2015 Environmental Excellence Award from Mexico's Federal Attorney for Environmental Protection, recognizing its clean technology, environmental awareness and continuous improvement programs, and sustainability targets for water and greenhouse gas emissions.
- In 2009, Casa Herradura received a Level 2 Clean Industry Certificate, by (PROFEPA) and is the first tequila distillery, and the third company in the state of Jalisco, to receive this honour.

Certifications

- In 2015, Sonoma-Cutrer Vineyards achieved certification from the California Certified Sustainable Winegrowing (CCSW) programme.
- In 2015, the Sonoma-Cutrer warehouse received Leadership in Energy and Environmental Design (LEED) Gold certification.

Employee Survey

In Fiscal 2015, Brown-Forman conducted a survey of their North American employees to gather feedback on their environmental sustainability efforts (nearly 800 responses received). Results showed:

- 87% agree Brown-Forman is an environmentally responsible organisation
- 63% agree Brown-Forman communicates sustainability information to employees
- 77% agree Brown-Forman cares about waste reduction
- 78% agree environmental sustainability offers Brown-Forman a business advantage
- 80% indicated an interest in getting more involved in promoting environmental sustainability through committees or special projects

Website

<https://www.brown-forman.com/environmental-sustainability>

Downloads

Photo gallery

