

Scotch Whisky viewpoint: When to Innovate and When to Evaluate?

Morag Garden
Head of Sustainability and Innovation
European Environmental Evaluators Network Forum
23rd November 2017



The Scotch Whisky Association

- 67 members representing around 90% of Scotch Whisky production
- Distillers, blenders, bottlers and brand owners
- Governed by a Council that draws its members from large and small companies
- Our mission is to “drive the best possible global business environment for Scotch”



Scotch Whisky Industry

- 119 malt distilleries (52 Speyside)
- 7 grain distilleries
- Warehouses (20m+ casks)
- 15 major bottling plants
- Maltings, offices, research/technical centres
- By-products/dark grains processing
- Energy facilities



Scotch Whisky in Numbers

Annual exports of
£4 billion

10,800 Scottish Jobs
>7,000 in Rural Communities

Direct exports to
182 countries

40,000 in UK

23%
of UK Food and
Drink
Exports



Scotch today represents ...

- No1 net contributor to UK balance of trade in goods
- 17% of global spirits value
- 46% of global whisky value
- £5bn in added value to economy; 40,000 jobs
- 1.7m distillery visits (+8%)



Refresh of Sector Environmental Strategy

Commitments & Targets:

- Reducing our energy use and greenhouse gas emissions
- Responsible water use
- Embracing a ‘circular economy’ in our supply chain
- Sustainable land use



Scotch Whisky Environmental Strategy Potted History

- 2009 Launch by Government Minister
- 2 year(+) project driven top-down
- Commitment from all SWA Members
- 1st stakeholder report published in 2010 (on 2008 dataset)
- Further reports published in 2012 and 2013. Most recent report published in 2015
- Refresh after 5 years and published in September 2016
- Working on our next progress report

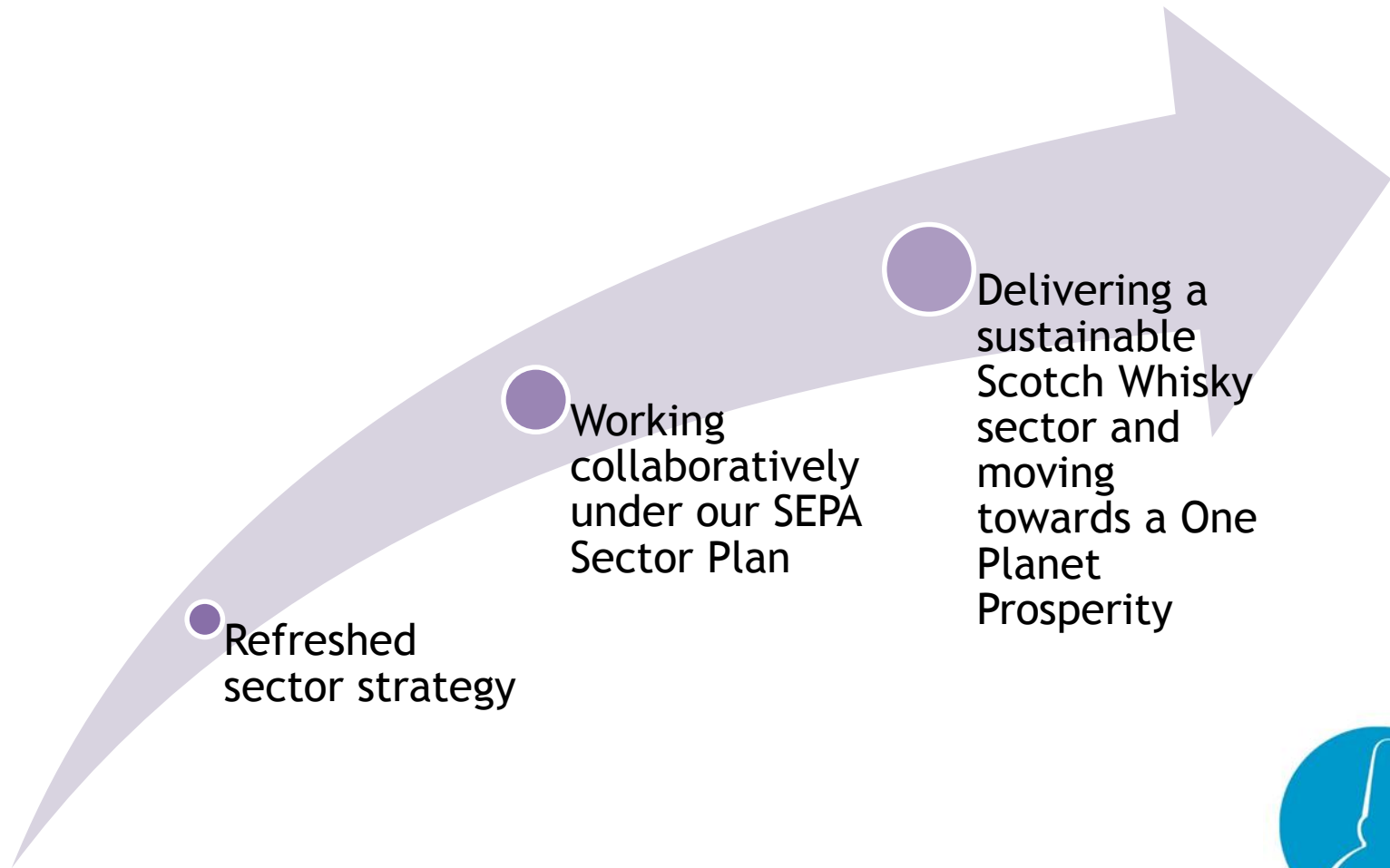


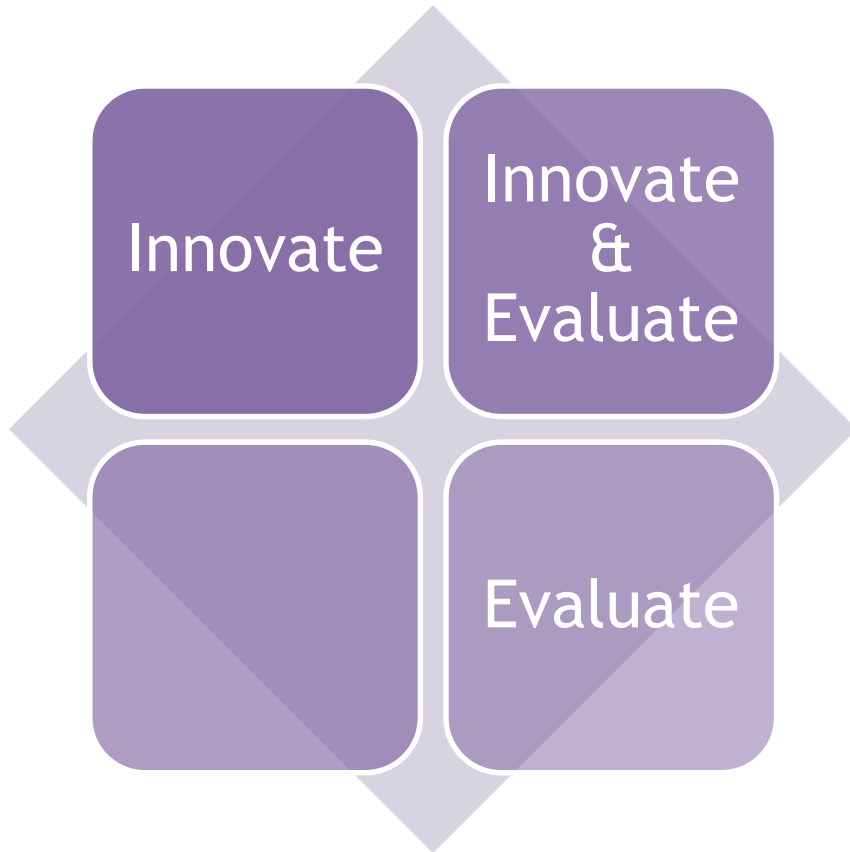
Why develop a Sector Strategy?

- More than just PR (but a good platform to promote all our “good news stories”)
- Consumer/shareholder/stakeholder confidence
- To articulate industry top impact areas and challenges
- Motivate supply chain to join us on our sustainability journey
- Shelter from uncertainties (e.g. energy prices)/ Strong financial imperative
- Environment is non-competitive
- Put sustainability at heart of our own long term success
- Sector approach brings co-ownership of targets
- Collaboration is vital as no one person has all the answers
- Collectively deliver an enduring strategy bigger than the sum parts



Strong Business Relationship with our Regulator





- Evaluate (UKTAG Copper Standard)
- Innovate (SEPA Industry Training day)
- Innovate & Evaluate (By-products definition)



Any Questions?

- More information on the SWA Environmental Strategy can be found at <http://www.scotch-whisky.org.uk/what-we-do/environmental-strategy/>
- Or contact me: mgarden@swa.org.uk
- Or via twitter: [@ScotchWhiskySWA](https://twitter.com/ScotchWhiskySWA)

