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Pernod Ricard's Russia commitment is unsatisfactory

- The world's second largest drinks conglomerate bows to pressure but leaves itself too many loopholes
 - The Moral Rating Agency reacts
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For Immediate Release, 13 May 2023: Following pressure, Pernod Ricard has cancelled its plan to recommence supplies of drinks to Russia and will take “some months” to cease doing business in the country. However, it will keep paying Russian staff so that it is positioned for recommencing operations in the future as and when it decides.

Pernod Ricard was the first large group tracked by the Moral Rating Agency to announce a return to Russia, which the MRA has described as “swimming against the moral tide”. In response, it awarded the company's CEO Alexandre Ricard a “Legion Déshonneur medal, for services to the economy that pays for the invasion of Ukraine”.

Mark Dixon of the MRA responded to Pernod Ricard's latest climbdown.

“It was an outrageous idea to dare to restart exports to Russia. Pernod Ricard's climbdown in the face of a public outcry is a lesson for other companies – no one should be tempted to do the same.”

Mr. Dixon warned that the MRA will be calling out any company that takes a step back into Russia. Apart from such an action weakening the boycotting effort, it would set a dangerous precedent by making a Russian return seem less unacceptable.

The MRA had previously questioned what had changed that would allow Pernod Ricard to restart sales to Russia, given that Putin's invasion of Ukraine was continuing apace.

Mr. Dixon explained what is wrong with the company's latest announcement:

“Pernod has made a pathetic commitment laced with caveats.

Since we attacked its plan to restart supplies, it has refused to give a concrete date for a pull-out and has said it may resume operations in the future. Since we don't know when the trading will stop and when it might restart, the company is giving itself far too much wriggle room. We will be watching its actions closely to see that it does actually get out. ”

The MRA also took issue with the company's double standards.

“Pernod originally claimed it needed to maintain a sufficient level of business in Russia because of a responsibility “to protect our local teams, their livelihoods, and the welfare of their families” and in order “to avoid intentional bankruptcy, which is a criminal offence in Russia and represents a significant risk for our employees”.

Following public outcry, the company has now changed its position, revealing that Pernod cares more about lost profits in the West than its employees in Russia. The company's decision is simply about money.”

The Moral Rating Agency, the corporate watchdog, was set up to get Russia out of Ukraine and use this momentum to help pro-democracy Russians get Putin and his regime out of Russia. The MRA rates global companies on how effectively they are pulling out of Russia on its site moralratingagency.org.

Pernod Ricard [announcement](#).

Further info from [Just Drinks](#).

For press inquiries, please contact press@MoralRatingAgency.org. Or, for comment/interview, we can be reached on one of these numbers:

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About the [Moral Rating Agency](#)

The Moral Rating Agency was set up to get Russia out of Ukraine. It later plans to cover unethical corporate actions in other countries and on other issues.

In addition to exposing, and crediting, corporations through moral ratings, the MRA maintains an [Indelible Ledger](#) of a company's actions so any later corrective actions do not wipe the slate clean. Time is of the essence, so the rating system includes a disincentive for delay through exposing and tracking what preceded a later corrective action.

Unlike ESG (Environmental, Social and Governance) rating agencies, which have a commercial responsibility to their institutional investor clients to cover the range of issues these clients wish, the Moral Rating Agency is zeroing in on a single corporate moral issue, in this case the Russia-Ukraine war.

The MRA was founded and is led by Mark Dixon, who runs the mergers & acquisitions consultancy Thinking Linking in the City of London and New York. He was one of the co-founders of the online financial commentator [BreakingViews.com](#), which is today part of Thomson Reuters. Mark has been opposed to autocratic regimes, particularly to the Chinese government and to Putin's transformation of Russia from a nascent democracy into a fully-throttled autocracy. He has a personal connection with Ukraine because he has owned an apartment in the city of Lviv since 2010. He has also lived in China.

The MRA has a paid staff of moral raters, verifiers, and fact-checkers who operate according to its [Rating Methodology](#). It also has an on-site team involved in statistics, media relations, site production and publishing.

The MRA has no customers, external commercial relationships, or conflicts of any kind. It will rate and publish so that consumers, media and governments can judge companies on a single topic on a fair basis. This objectivity on individual companies and their relative scores is maintained despite the campaigning nature of the agency, as explained in [Rating Philosophy](#).