

# Environment and resources

## TOPIC AREA III

- Consumption of energy and resources
- Emission of air and water pollutants
- Recycling and waste disposal



### **RELEVANCE AND GOALS**

Lalique Group considers global climate change to be one of the key indicators of resource overexploitation and depletion today. The Group has therefore adopted various measures to promote climate-conscious operations and environmentally aware product manufacture. The Group has a direct influence on the emission of greenhouse gases primarily through the energy sources used in the manufacturing facilities. Lalique Group can limit the output of greenhouse gases through the reduction of its reliance on fossil energy sources, thereby increasing energy efficiency.

Packaging protects products. However, it is only used once and quickly becomes waste. "Avoid, reduce and reuse" is therefore the approach to sustainability favoured at Lalique. It applies wherever packaging is used—in production, logistics and as part of sales operations. In specific terms, the product development and purchasing departments are focusing increasingly on the use of lighter packaging made from sustainable materials with a high recycling component.

Fresh water is a valuable resource that is coming under pressure due to increasing demand. The manufacture of crystal glass requires large volumes of water. Lalique Group is promoting sustainable practices in water consumption to preserve the quality and availability of this vital resource in the long term. Regulations to protect drinking water and conserve resources are steadily increasing in all the countries where Lalique operates. There are also increasing requirements regarding water abstraction and pretreatment of wastewater.

Over the past years, there has been a transition from conventional cars powered by fossil fuels to electric vehicles. Lalique Group is no exception, and increasingly uses electric cars wherever possible—for example at The Glenturret, where the Group is seeking a viable alternative to the agricultural vehicle used on site.

The three Lalique restaurant-hotels in France and the recently opened Lalique restaurant at The Glenturret in Scotland also pay attention to sparing and efficient use of raw materials and foodstuffs in order to maintain the smallest possible ecological footprint.

The Group annually monitors implementation status and target attainment in respect of energy, greenhouse gas emissions, water and waste disposal at regular intervals. This will contribute to further optimization of the Group's energy and water management and the reduction of process water output.

#### MEASURES

## **Energy consumption**

The production sites do everything possible to detect further sources of cost savings in energy consumption. Modern equipment is used wherever possible, and investments are made in new and environmentally compatible installations. Energy consumption is calculated at all sites and any discrepancies are rapidly revealed. In addition, an energy audit is conducted every four years, pinpointing possible sources of cost saving.

The efficient use of waste and process heat at the production sites is playing an increasingly important role. Waste heat recovery systems are already in operation. At the Lalique crystal glass manufacturing plant in Wingen-sur-Moder, air compressors are deployed to improve the energy balance. They allow energy recovery for pre-heating of process water. A lot of heat is generated during the manufacture of crystal glass, and major investments have been made to enable warming of process water and heating of office space by using waste heat from furnaces.

During operational maintenance of machinery and systems, the Group attaches great importance to a systematic approach. At the perfume production site in Ury, production machinery has been replaced by more efficient systems, LED lighting installed, and the building insulation improved. Further measures include renewal and extension of the air conditioning and ventilation systems.

At The Glenturret, 80% of the internal lighting has been replaced with LED fittings, with a commitment to replacing the rest within the next two years. Around 80% of the external lighting has also been upgraded to LED. Additionally, motion sensors and timers are in place to ensure outside lights are off when not required. All the internal lighting in The Glenturret's cask warehouses is LED-based and the area is on an isolated circuit so the power can be shut off completely when not required.

The Glenturret has a large, modern production boiler, which was installed only recently. It uses natural gas to create steam and has a maintenance programme to ensure it always runs at its most efficient level. The Glenturret's production processes are also designed to maximize efficiency. The electricity supply contract is due for renewal soon and the Group is working with a global energy provider to look at sustainable options for the power supply.

The Group has set itself the goal of monitoring energy consumption more systematically.

## Mash tun refurbishment at The Glenturret

In 2022, a new mash tun was installed at The Glenturret, which enables the production of higher volumes at the site whilst reducing the impact on the environment. The average energy consumption when making the spirit for whisky distilling is currently 12.0 KWh/LOA (kilowatt hours per litre of alcohol). After the refurbishment of the production process, this is expected to fall to around 8.5 KWh/LOA.

The Glenturret started implementing certain changes to the distillation process in the first half of 2022. A new and more efficient heating system was installed inside the stills and the stillhouse was equipped with a preheating system to utilize the waste left after distillation (hot water at approx. 99.8°C). The energy from this is used to increase the temperature of the next batch from 25°C to around 80°C before distilling, thus saving both energy and time.

#### Water consumption

For the Group, sustainable water management means analysing and optimizing operations to ensure efficient water consumption. Operational cooling processes and also the sanding process in crystal glass manufacture entail largevolume water consumption and contamination.

The Group has set itself the goal of recording water consumption more systematically in the future. This will facilitate the timely recognition of fluctuations in consumption and adoption of appropriate measures.

### Wastewater

The crystal glass manufacturing site has its own wastewater treatment plant which processes industrial effluents. A new treatment plant is planned that will reduce pollutants in the effluent water by a further 30%.

The new acid-polishing workshop lowers the levels of water and acid consumption. The state-of-theart installations allow constant automated monitoring of these levels. Additional external checks are carried out. The company invested a significant amount in the renewal of the wastewater treatment plant and acid-polishing workshop. The Group is working steadily to further improve wastewater values and reduce the consumption of process water.

#### Water at The Glenturret

The Glenturret has a licence to abstract water from the river to cool the stills. Approximately 500 cubic metres of water is used every day, 100% of which is returned to the river.

At the Glenturret, the changes resulting from refurbishment of the mash tun have had a major impact. The size of the mash has been increased, but less water is used to extract the sugars. Reducing the amount of water means that less energy is required to heat it up. The sugar extraction process is consequently 50% more efficient. As the wash (the finished product of the fermentation which goes on to be distilled) is more concentrated, less needs to be distilled. This also results in energy savings. With less water being used, less waste is generated. This natural waste can be used as a fertilizer. however there are costs associated with that which can be avoided in the future. It is also important to note that the improved efficiency of the process results in a reduction in the amount of chemical agents used.

## Air pollution levels

The exhaust air from the manufacturing site at Wingen-sur-Moder contains some pollutants which have to be cleaned up. With the aim of reducing pollutant levels and purging noxious substances and airborne particles from the air, the Group has installed washing towers. Such washing towers are the most effective way of achieving a substantial improvement in the quality of exhaust air and reliably complying with legal requirements.

There are 20 washing towers currently operating in Wingen-sur-Moder. The facilities are subject to regular inspections by public authorities.

**Recycling and waste management** 

Every production site has different requirements for waste disposal. Waste is sorted according to type and disposed of through separate channels.

Auxiliary and operating materials are systematically used in a sustainable way. Crystal glass is recycled locally at the manufacturing site. Glass is sorted according to colour, melted down in different kilns and recycled. Other waste materials produced during daily operations, such as cardboard, wooden pallets, metal and plastic waste are disposed of sustainably in accordance with legal requirements. The same applies to industrial waste.

In 2021, The Glenturret removed plastic from its e-commerce packaging and from its export packaging for the 2022 release. Furthermore, all future dry goods purchasing must not only be plastic-free but also sourced from the closest location to reduce the carbon footprint caused by transportation. The Glenturret pursues a policy of minimizing the amount of site waste going to landfill and recycles glass, food, cardboard, paper and casks. The waste from the mashing process, the draff, is fed to local cattle with no further processing required. Further options are being investigated with a view to selling it for use in boilers.

For its fragrance portfolio, the Group works exclusively with prestigious glassmakers committed to sustainable manufacturing techniques. The flacons are recyclable, and the production process ensures that no glass is wasted and the water used is completely cleaned afterwards. The raw materials used to decorate the bottles are waterbased and therefore environmentally friendly. The boxes for recently launched products are recyclable and have obtained FSC (Forest Stewardship Council) certification.

The sun protection brand Ultrasun prints product information directly on the inside of the packaging, which is made of FSC paper, thereby eliminating the need to use additional paper for package inserts.

#### **Electric cars**

In recent years, there has been a transition from conventional, fossilfuel powered cars to electric vehicles, as technological advancements together with government policies and targets lead the way to a greener future. 30% of The Glenturret's company vehicles are now electric with a target of 75% by 2024. The Group is seeking a viable alternative to the agricultural vehicle used on site. 2022 will see the installation of the first two electric-vehicle charging points at The Glenturret with plans to add to these as EV use increases.

#### Food waste and regional cuisine

The kitchen teams at the Group's own restaurants make every effort to avoid wasting food. Whenever possible, they use regional and seasonal produce. Food waste is reduced to an absolute minimum. The restaurants have their own kitchen gardens growing vegetables and herbs and engage in regional foraging. Lalique hotels and restaurants and the Lalique Beauty Services production plant work with regional beekeepers who manage hives on the properties. The honey produced is enjoyed by hotel and restaurant guests and used for employee gifts.

The restaurant operations do their utmost to keep food waste to a minimum. By-products and leftovers are not thrown away, but, if possible, further processed. In addition, defective and surplus production of dishes is avoided as far as possible by monitoring appropriate performance indicators and through employee training.

Chef Jérôme Schilling (Hotel Restaurant Lalique at the Château Lafaurie-Peyraguey domain in the Bordeaux region) is an ambassador for the Less Saves The Planet movement, which was founded in 2020 in France and has already attracted much attention. This label helps caterers and hoteliers operate their kitchens in accordance with sustainable principles.

# ASSESSMENT AND OUTLOOK

Current efforts will be continued and intensified. The Group monitors the status of measures implemented and the achievement of targets in the areas of energy, greenhouse gas emissions, water and waste disposal on an annual basis. The aim is to optimize energy and waste management across the Group and further reduce the consumption of process water. The company considers itself to be heading in the right direction with the measures already adopted. The restaurants have their own kitchen gardens growing vegetables and herbs and engage in regional foraging.