



### Product Description

Spirits and liquors are produced for human consumption, and include distilled spirits and liquors made from fermented fruits, sugarcane, potatoes, and grains. This category excludes fortified wines, beer, gin, tequila, or non-alcoholic products.

### Mission

The mission of The Sustainability Consortium (TSC) is to improve the sustainability of products when they are made, purchased, and used, with a focus on manufacturers and the retail buyers who decide what products to carry in stores. The information in this document is drawn from our detailed research on known and potential social and environmental impacts across product life cycles. TSC acknowledges that other issues exist, but we have included here those that are most relevant to the decision making of retail buying teams and manufacturers. The topics are listed alphabetically for ease of reading; the order does not represent prioritization or other criteria.

### Sustainability Insights



#### Managing the Supply Chain

##### Land and Soil

Improper soil management can remove nutrients, release greenhouse gases, and cause soil loss, while clearing land for agriculture can lead to deforestation. Growers should use efficient soil management practices, including reduced soil tilling when applicable and prevention of soil erosion. Manufacturers should use sourcing policies that monitor progress on zero deforestation commitments. Sourcing policies should also promote protection of high conservation value forest habitats, which have unique plants and animals. This reduces the risk of biodiversity loss, diminished ecosystem quality, and increased greenhouse gas emissions that can occur when forests are cleared for agriculture.

##### Supply Chain Transparency

Addressing many of the environmental and social challenges within an agriculture supply chain requires cooperation among companies at different stages of the supply chain. Manufacturers should determine the locations of farms that produce their ingredient supply and engage in initiatives that improve transparency, communication, and data sharing. Suppliers can work together to address common issues, such as energy use, water availability and quality, chemical use, worker health and safety, and labor rights.



#### Use of Resources

##### Climate and Energy

Farming and final product manufacturing can consume significant amounts of electricity and energy, leading to greenhouse gas emissions; fertilizers can also emit these gases. Manufacturers and growers can reduce these impacts by measuring and tracking energy use, performing preventative maintenance on equipment,

and replacing inefficient equipment. Additionally, growers can minimize impacts by implementing a nutrient management plan, using precision agriculture, which applies only the amount of fertilizer needed, or low-energy irrigation, and optimizing the size and efficiency of farm vehicles.

### **Packaging**

Packaging design should be optimized to ensure that packaging performs its essential functions of containment and protection while minimizing use of materials, energy resources, and environmental impacts across the life cycle of the packaged product. Under-packaging and over-packaging can both lead to increased impacts. These impacts may be mitigated by using more energy-efficient manufacturing, creating packaging materials from renewable resources, designing packaging to be recyclable, and encouraging consumer recycling.

### **Pollution**

Both land and water can be impacted by spirits and liquor production. Final manufacturing facilities sometimes discard leftover organic material to landfills. These leftover materials should be used for other purposes, such as composting or animal feed. Facilities should also be closely monitored for their wastewater discharge in places where governments do not monitor water pollution.

### **Water**

Ingredient production can use a significant amount of water and contribute to freshwater depletion, which is problematic in water-stressed regions. Growers can measure and track water use, and use methods such as precision agriculture, which applies only the amount of water needed, or irrigation water management to improve water efficiency.



## **Workers and Communities**

### **Workers**

Workers, especially women and migrants, may face unfair pay, discrimination, and limited freedoms. They may also be exposed to dust, chemicals, or other industrial hazards. Manufacturers should procure materials from suppliers that transparently address worker health and safety and labor rights and perform audits when needed.