CAPITAL MARKETS DAY 2022
Pernod Ricard

STRETCHING GROWTH

ALEXANDRE RICARD
Chairman & Chief Executive Officer

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Welcome to "The Island"!
Embodiment of our transformation

Where better
than an Island to dream?

PAUL RICARD

Through its design and layout,
***The Island* is a living testimony of our transformation**

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PLENARY SESSION

01 **Stretching growth**

02 **The Conviviality Platform, a powerful growth model**

03 **Leveraging our unique culture of *Convivialité***

04 **Sustainable value creation**

05 **Sustainability and Conviviality strengthening performance**

THE CONVIVIALITY PLATFORM, STRETCHING GROWTH . . .

01 **. . . In EMEA LATAM, focusing on Germany and Sub-Saharan Africa**

02 **. . . In Asia, focusing on China and India**

03 **. . . In the United States**

Agenda

An historic year

Record-breaking performance

Balance & Diversification

Responsible & Sustainable

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An exciting journey

- Pernod Ricard **well positioned to capture future growth** opportunities, with very diversified and balanced growth profile

- Transformation journey started in 2015 with **strategic plans executed and delivering results**

- **Now taking the transformation one step further** with The Conviviality Platform to adapt to evolving environment and to **stretch our growth**

A winning formula

FAVOURABLE UNDERLYING DRIVERS x **UNIQUE** COMPETITIVE ADVANTAGES

Demographics

Consumption

Portfolio of brands

Routes to markets

Culture and Values

Building on highly favorable demographics

Growing global population & increase of the **drinking age** population

LDA+ population +1.3% 2020 -2025 CAGR growth[1]

Expansion of the **middle-class** in emerging countries

China +7M affluents and +20M middle class / year[2]

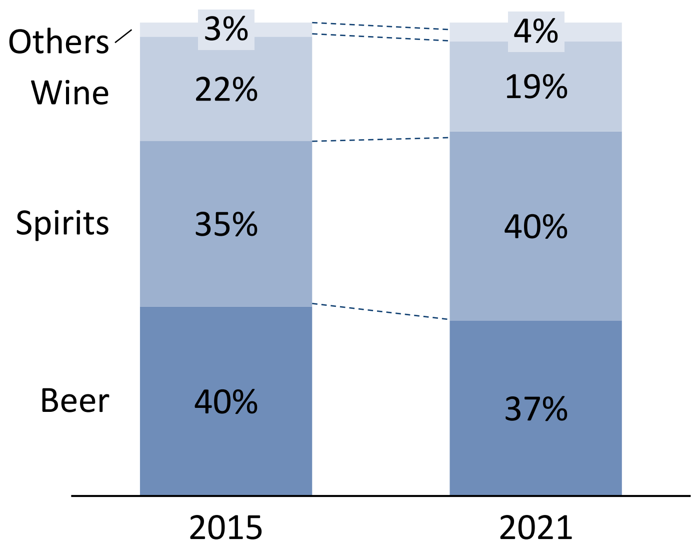
India +20M LDA+ / year[2]

1. United Nation, latest forecast available 2019 2. internal estimates, LDA+: legal drinking age

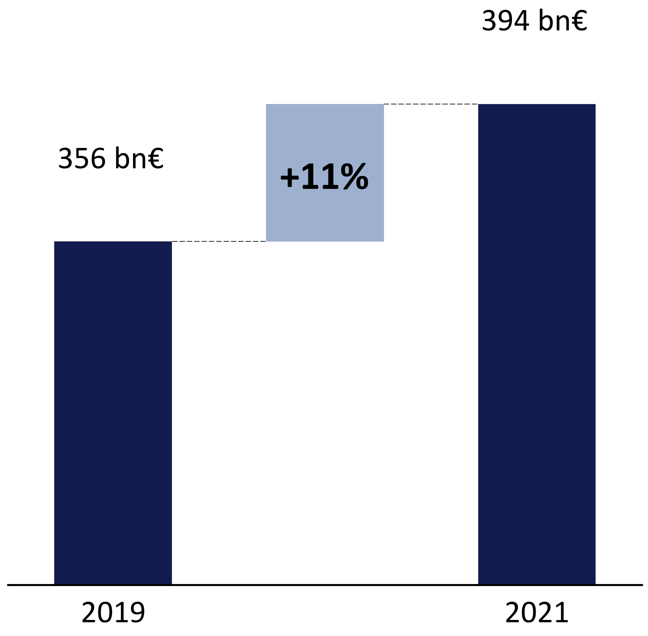
Increased penetration of spirits consumption, resilience through cycles…

Spirits now #1 total beverage alcohol category in value

Spirits value TBA[1] share
2015 - 2021



Spirits market in value
2021 vs. 2019

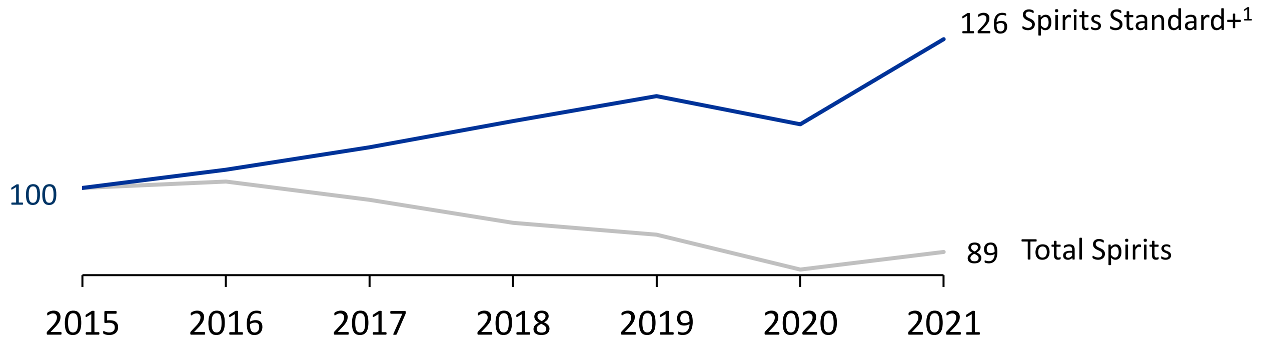


FAVORABLE UNDERLYING DRIVERS

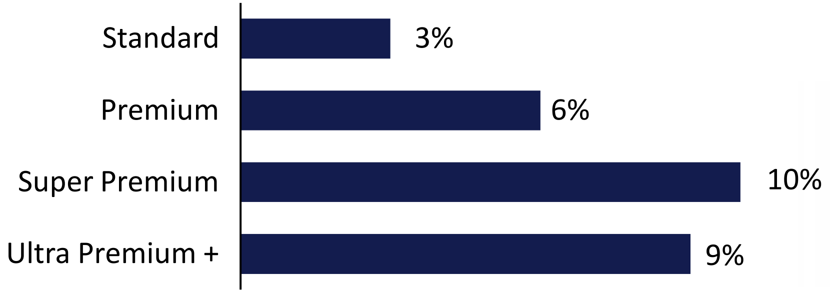
Source: IWSR 2022, based on calendar year 2021
1. Total beverage alcohol

and acceleration of premiumization

Total Spirits and Spirits Standard+[1]
Volume evolution 2015-2021 (rebased)



Spirits Standard+ Market CAGR by IWSR Price Tiers 2015-2021 in **Volume**



Pernod Ricard is **Value leader** in Ultra Premium+

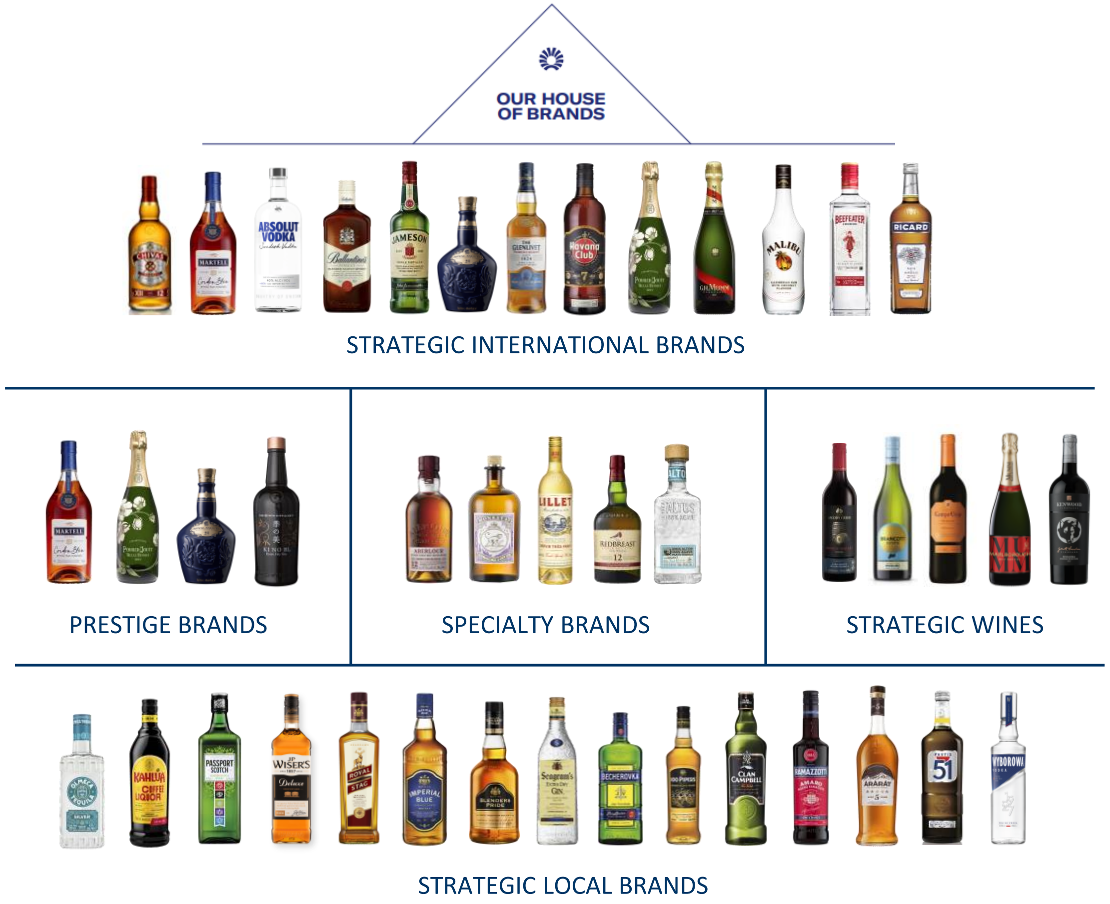
Source: IWSR 2022, based on calendar year 2021.
Total Spirits = All Spirits. Spirits Standard+ = Spirits with Standard and above price bands, excluding all Baijiu, Soju, and Sochu
Price Bands (in USA): Standard: 10$ -23$, Premium 23$ -30$, Super Premium 30$-45$, Ultra Premium+ above 45$

Capitalising on our unique premium brands portfolio…

Broadest and most **comprehensive spirits portfolio** across occasion, price points and categories

Strong **brand equity and brand building capabilities**

Ability to **build local strongholds**



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and our unique routes to markets

Balanced, global scale with direct **presence in 73 markets** and **overall presence in more than 160 countries**

Strong footprint in emerging markets **with dual leadership in India and China**

Extended network of distributors and partners

Omnichannel distribution capabilities

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Staying true to our culture and shared values…

Experienced, committed, diversified
& renewed management team

c. 40% non French and **c. 30%** women, **100%** international experience

Empowered teams - freedom within a frame

Engaging, performance-driven **Conviviality culture**

2030 **Sustainability & Responsibility** strategy

with Sustainability & Responsibility at the core

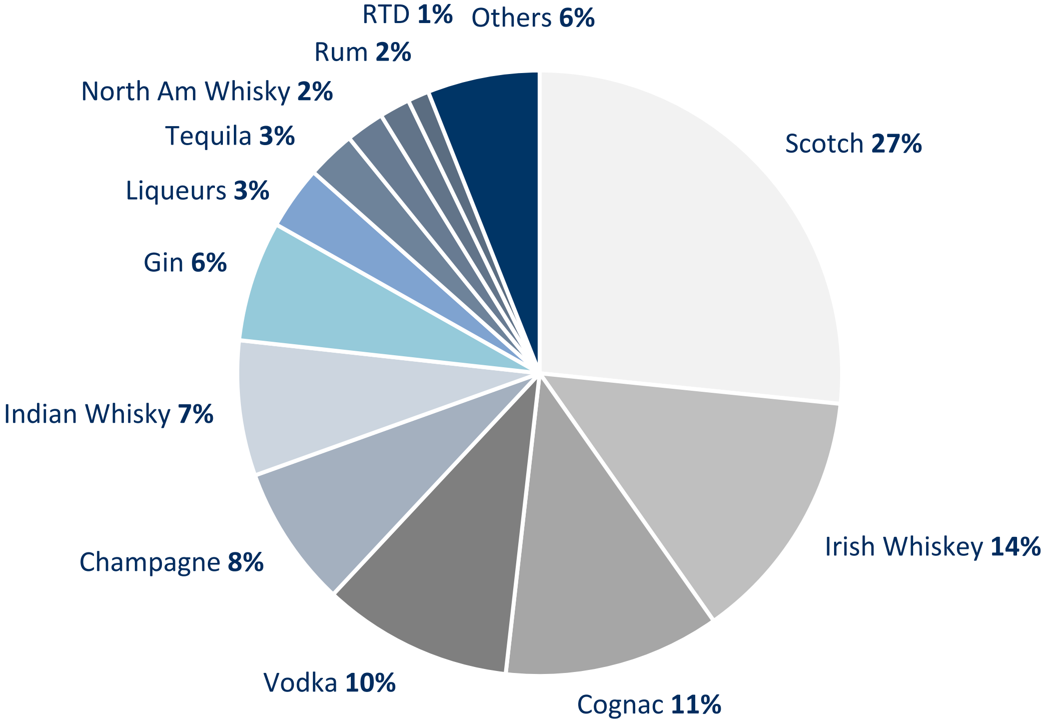
From Grain to Glass strategy

UNIQUE COMPETITIVE ADVANTAGES

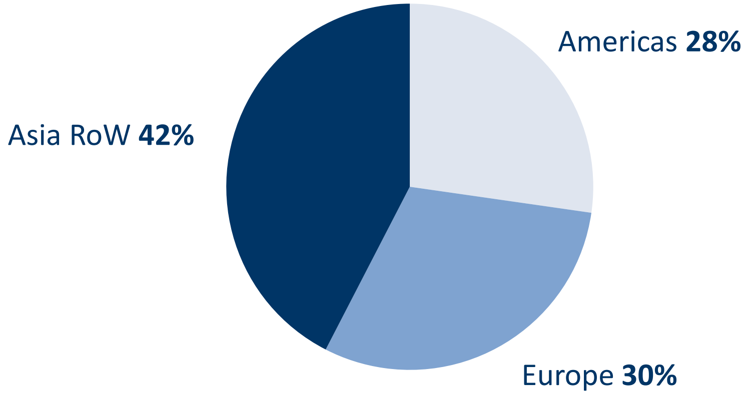
Leveraging our diversified sources of growth across categories and balanced global footprint

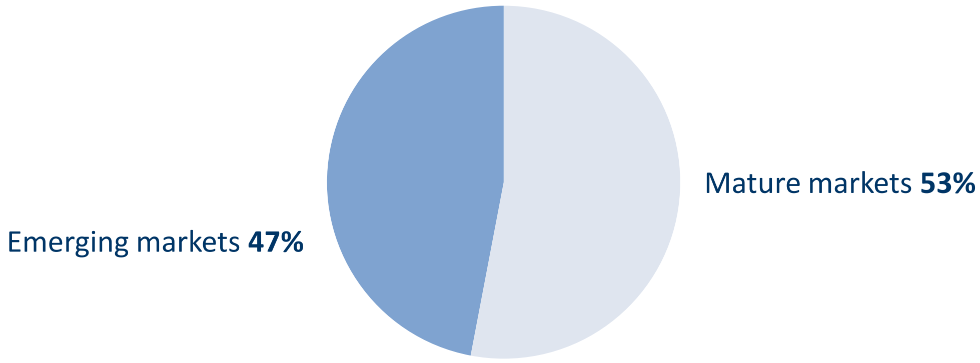
Spirits brand contribution to Organic Growth

c.2/3 of growth driven by 5 categories:



Net Sales Breakdown

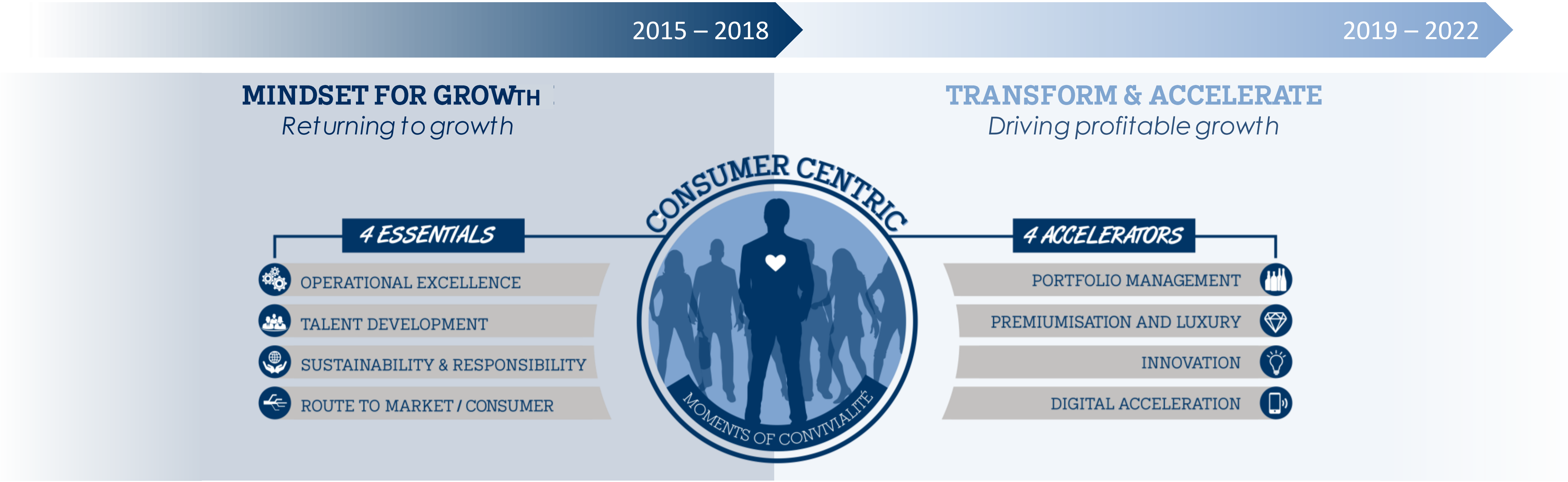




UNIQUE COMPETITIVE ADVANTAGES

Note: *as at H1 FY22*

Growth amplified by winning strategies…



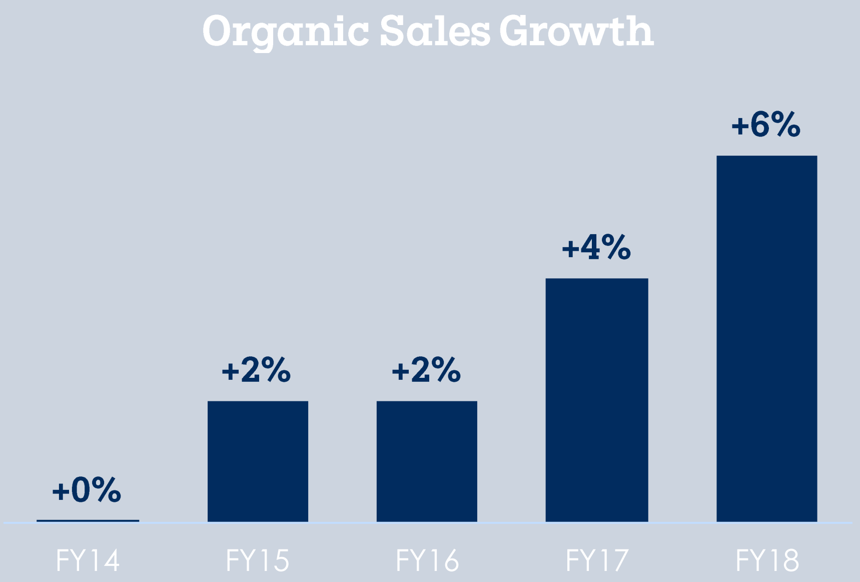
- **Winning in key Geographies:** Must-Win markets
- **Building Passion Brands**
- **Funding the journey**
- **Valuing our people**

delivering against ambitious objectives

2015 – 2018

MINDSET FOR GROWTH

Returning to growth



2019 – 2022

TRANSFORM & ACCELERATE

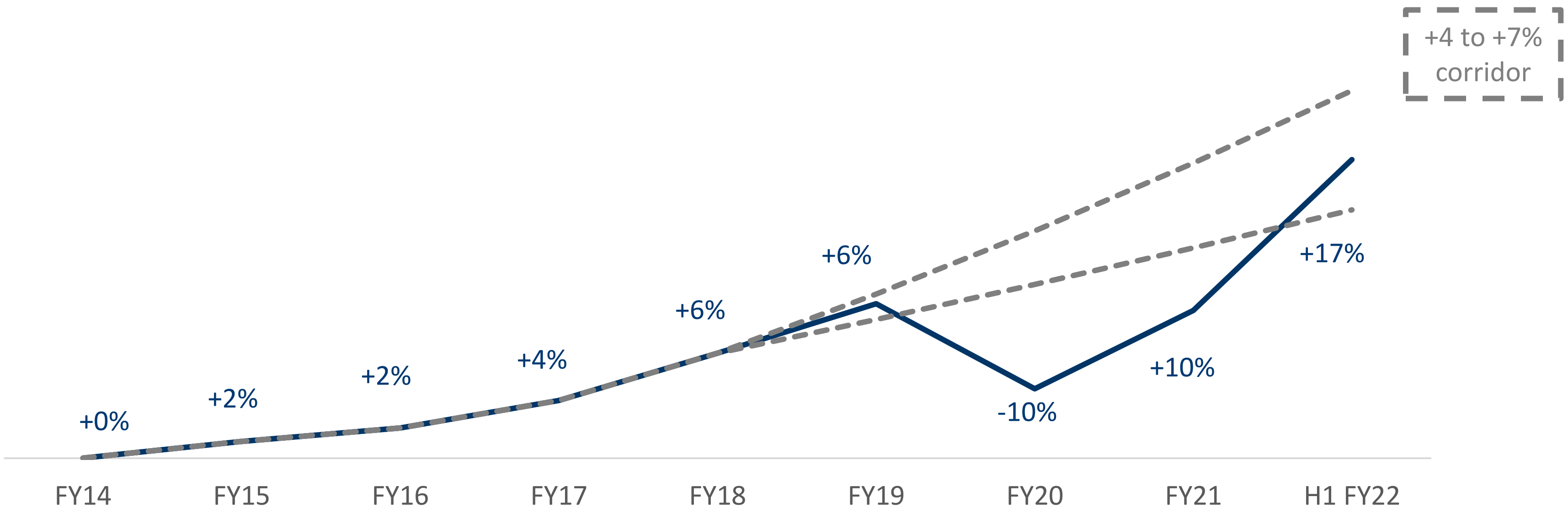
Driving profitable growth

+4% to +7% OSG / +50-60 bps organic margin

- **US Sales >$2bn and China >€1bn in FY21**
- **GTR, China and India** leadership maintained and very dynamic performance in **EMEA LATAM**
- **Market share gains in most markets**
- **Strong E-commerce acceleration**
- **c. €1bn M&A** driving competitive edge, notably USA
- **2030 strategy: carbon net zero** scopes 1+2 by 2030/ 1+2+3 by 2050 and **water use: -20%** by 2030
  - Single use plastic POS removed
  - UN Global Compact LEAD

Strong growth and financial trajectory despite Covid…

Organic Net Sales growth, %



Mindset for growth → Transform & Accelerate

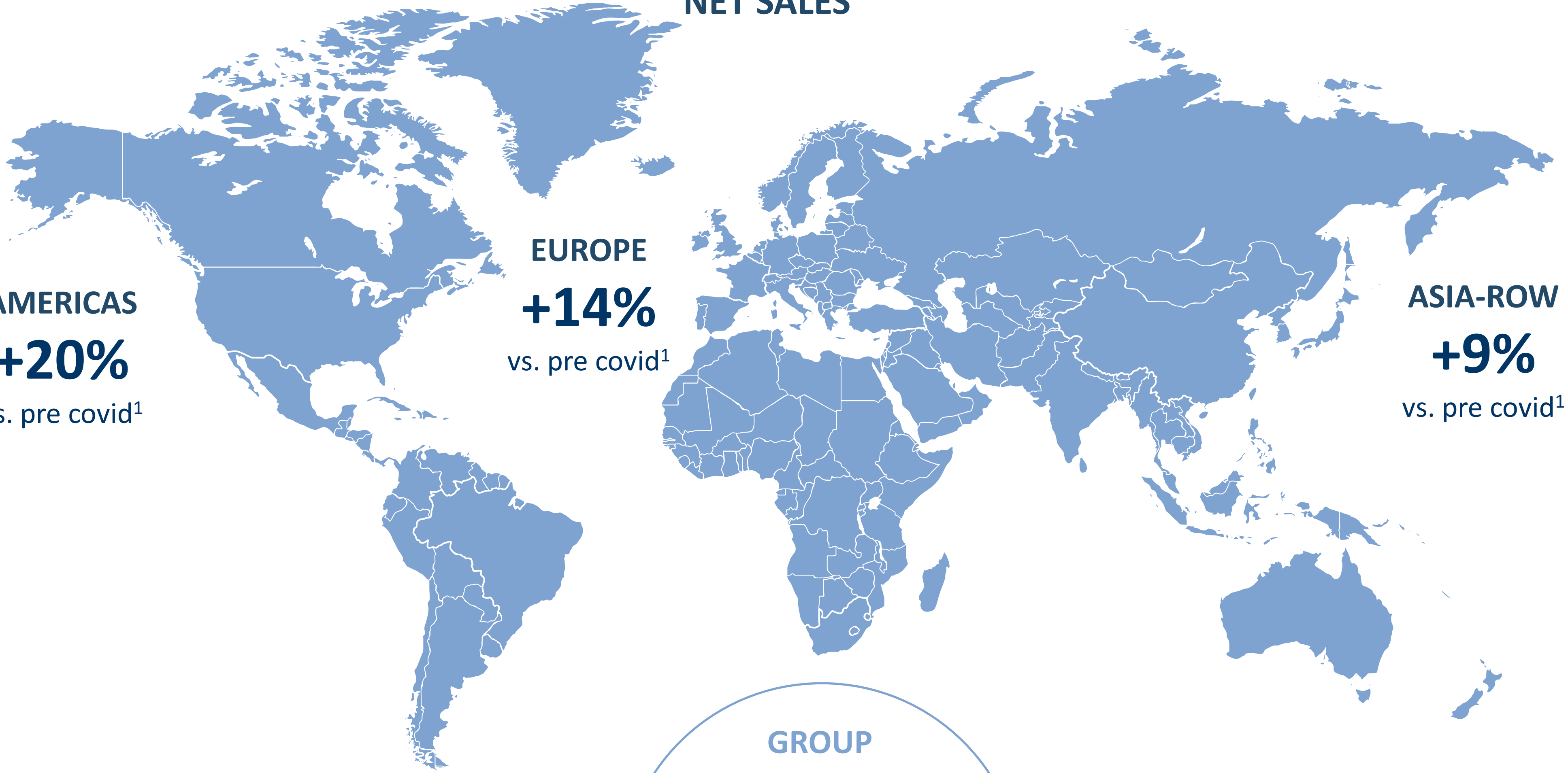
Record breaking sales and PRO in H1 FY22

Strong **margin expansion** since FY19 of **c. 50bps** p.a. on average

Strong cash delivery with **historically high Free Cash Flow** in H1 FY22

with all regions exceeding their pre-pandemic levels…

NET SALES



AMERICAS
+20%
vs. pre covid[1]

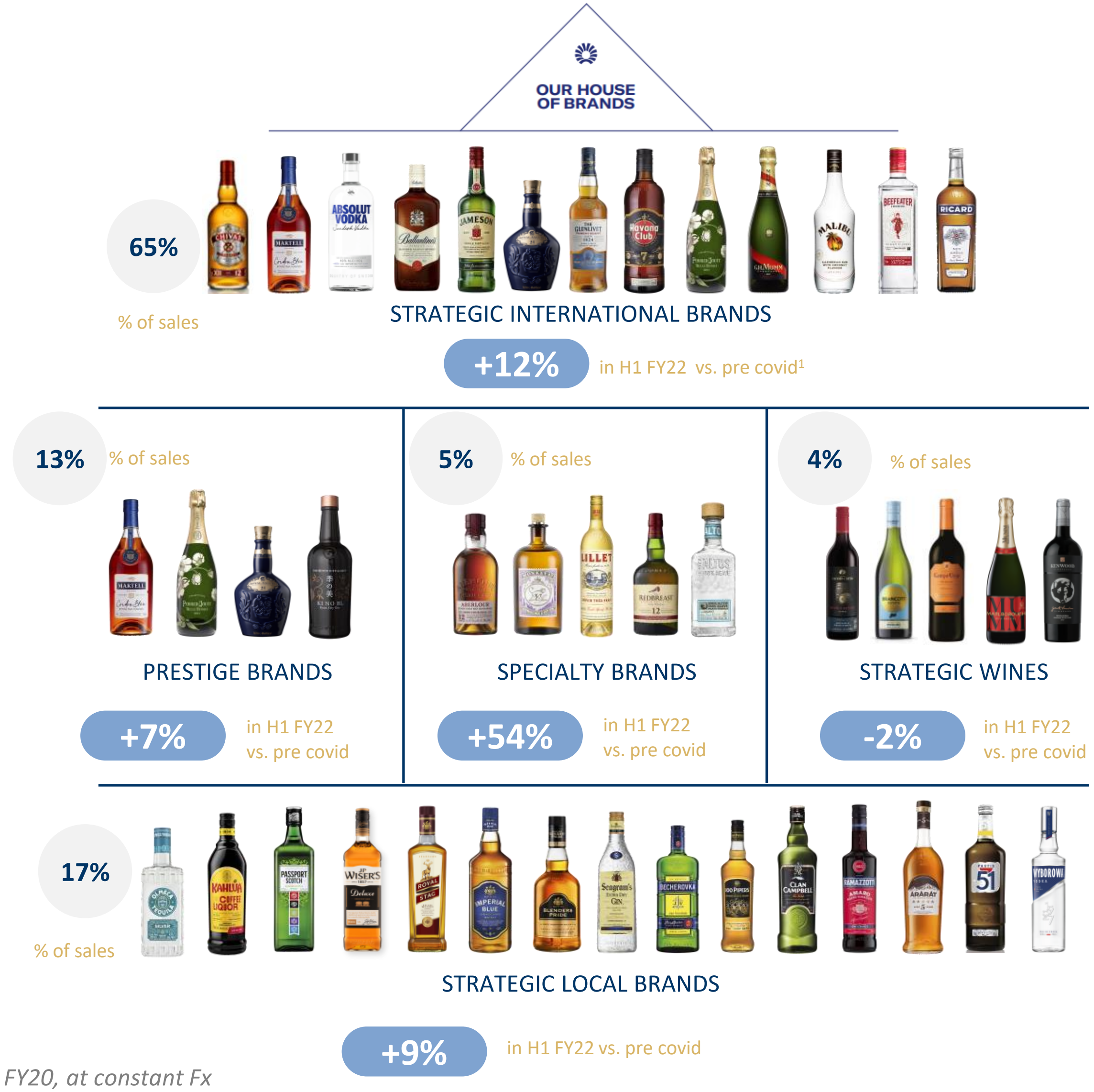
EUROPE
+14%
vs. pre covid[1]

ASIA-ROW
+9%
vs. pre covid[1]

GROUP
+13%
vs. pre covid[1]

1. at constant Fx, H1 FY22 Net Sales vs. H1 FY20, including GTR

and excellent rebound of all our spirit brands

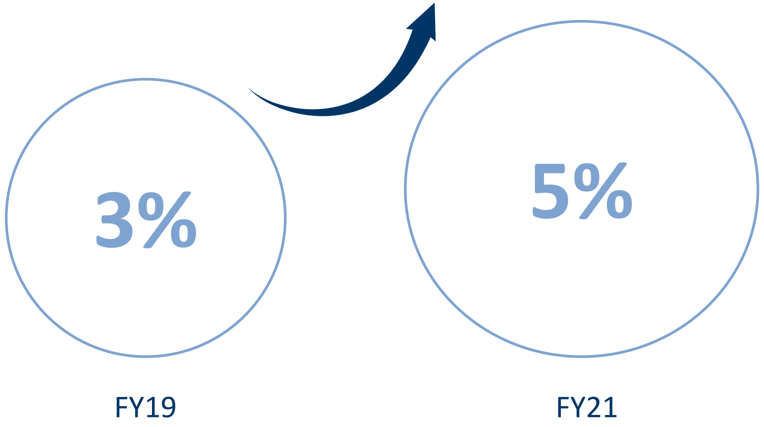


- c. 3/4 of spirits brands delivering **a record year**[2]
- Jameson, Ballantine's, Beefeater, The Glenlivet, Absolut, Malibu **reaching volume milestones**
- Specialty brand Lillet **reaching 1M cases milestone**

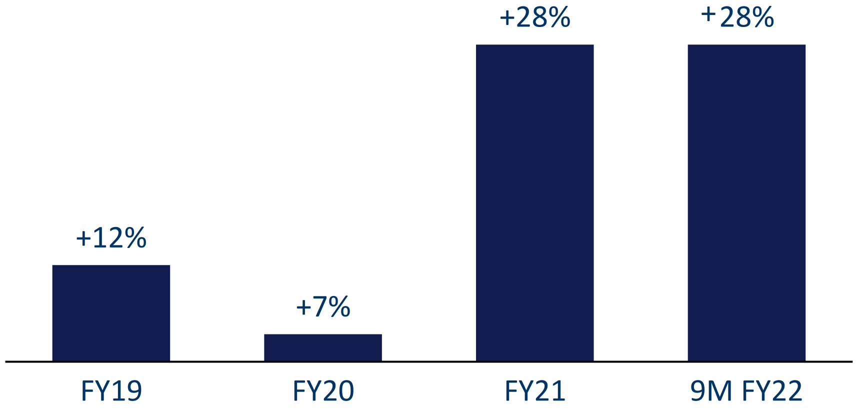
1. vs. H1 FY20, at constant Fx
2. In Net Sales, brands in the house of brands

Recent acquisitions fueling accretive growth of Specialty Brands portfolio

Share of Specialty Brands in Net Sales



Specialty Brands Organic Net Sales



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Gaining, maintaining our dynamic momentum on share in most markets[1]

OVERALL PERNOD RICARD GAINING +0.5 PP VALUE MARKET SHARE IN 2021 IN STANDARD+[2]

Stable share on Pernod Ricard portfolio

Closing the gap

Stable in Mexico

Gaining in Brazil

Gaining in Ireland

Gaining in UK

Gaining in Germany

Stable in France

Gaining in Poland

Stable in Spain

Gaining in Turkey

Gaining in South Africa

Maintaining leadership positions in India and China

Gaining share in Japan, Korea, Taiwan

Gaining in Australia spirits/losing in Wines

Gaining in New Zealand

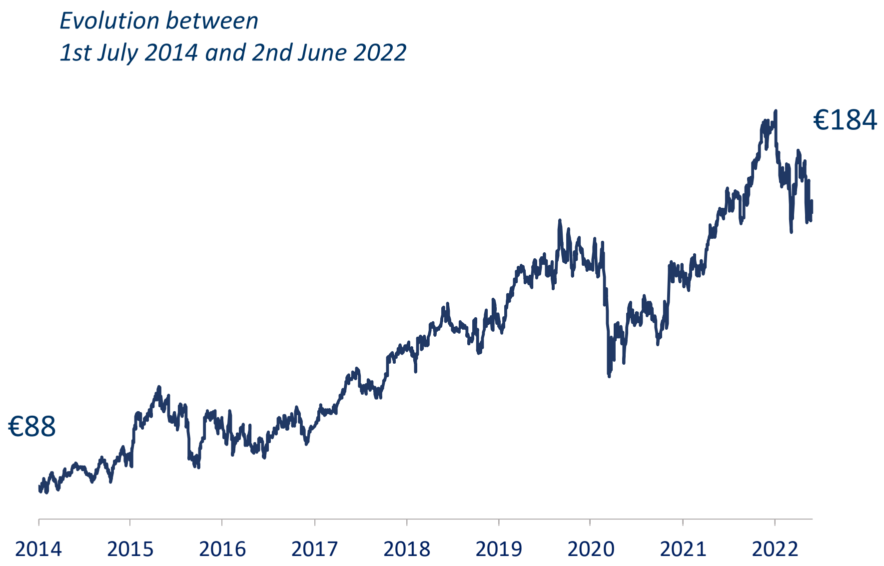
Global Travel Retail:
Maintaining leadership positions

1. Source: latest data available
Europe LATAM, Canada and Australia as at 9M FY22 ;
China, India & GTR as at FY21 ; Japan, Korea, Taiwan as at H1 FY22

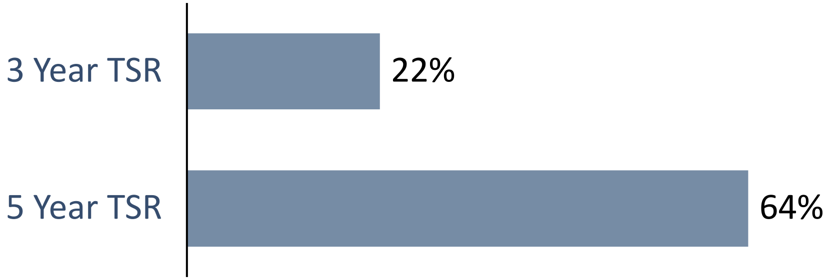
2. IWSR 2022, Calendar 2021 vs. 2020

Broad-based performance translating into strong shareholder value creation

Share price, €



Total shareholder return[1]



1. TSR calculation method used is a last month method (date to date) with reintegration of dividends with a closing date 2nd June 2022

Updating our strategic plan to further enhance and stretch our performance in a changing environment

Changing consumer values & expectations from brands and corporations

New World Order with challenging geopolitical context

The real **emergence of Middle and Affluent Classes,** representing over half of the global population

Technology and data revolution radically changing consumer behaviour

Unprecedented changes in the workplace and intensifying war for talent

Changing consumer values & expectations
from brands and corporations

MORE RESPONSIBLE

61%

of global consumers have changed their shopping habits, making more environmentally friendly, sustainable or ethical purchases[1]

MORE ENGAGED

58%

of consumers will buy or advocate for brands that align with their beliefs or values[2]

MORE CONNECTED

+216%

estimated increase in consumer spending on social networks by 2025[3]

AT HOME CONSUMPTION

+9%

worldwide increase of at-home revenue share of alcoholic drinks 2021 vs. 2019[3]

1. *Accenture 2020*
2. *Edelman 2022*
3. *Statista*

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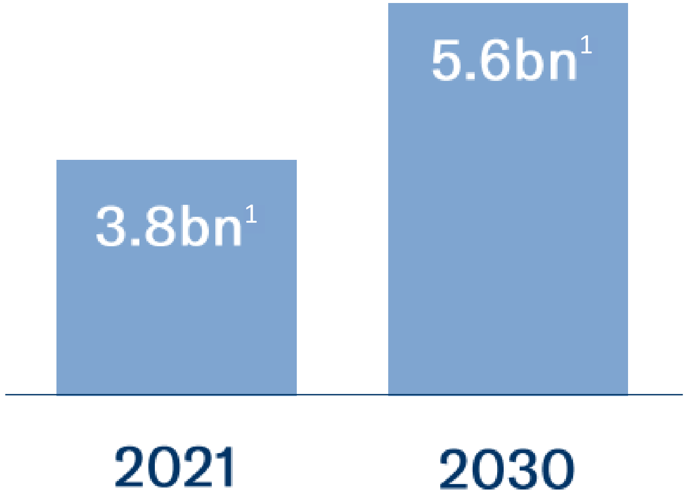
New global challenges

Rising political tensions, currency volatility, climate change, supply chain disruption, inflation and uneven post Covid-recovery

The real emergence of Middle and Affluent Classes

The emergence of the middle and affluent classes:
more than half the world's population



People considered part of the middle or affluent classes

+7m/yr affluents

+20m middle class/yr

LDA+ population +20M/year

[2] Population anticipated to be the third largest in the world by 2030

1. Brookings
2. Nigeria

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Technology and data revolution
radically changing consumer behaviours

Data Living

76%

of global consumers say their everyday lives and activities depend on technology

Virtual Worlds

84%

of Chinese consumers said that technology has deepened relationships with their friends and family

Metaverse

25%

of People will spend at least 1 hour per day in the metaverse by 2026

Wunderman Thompson, 2021
Gartner 2022

Unprecedented changes in workplace
with war for talent intensifying

Expansion
of remote working

A change in the way offices are
used, becoming hubs for
meetings
and exchanges

Intensifying
war for talent

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Leveraging our core values and our transformation capabilities

Blending performance & conviviality

TAKING CARE OF EACH OTHER

Health, Safety & Wellbeing

Sustainability & Responsability

THINK CONSUMER FIRST

Consumer Centricity

Continuous Improvement & Innovation

Diversity & Inclusion

Digital & Data

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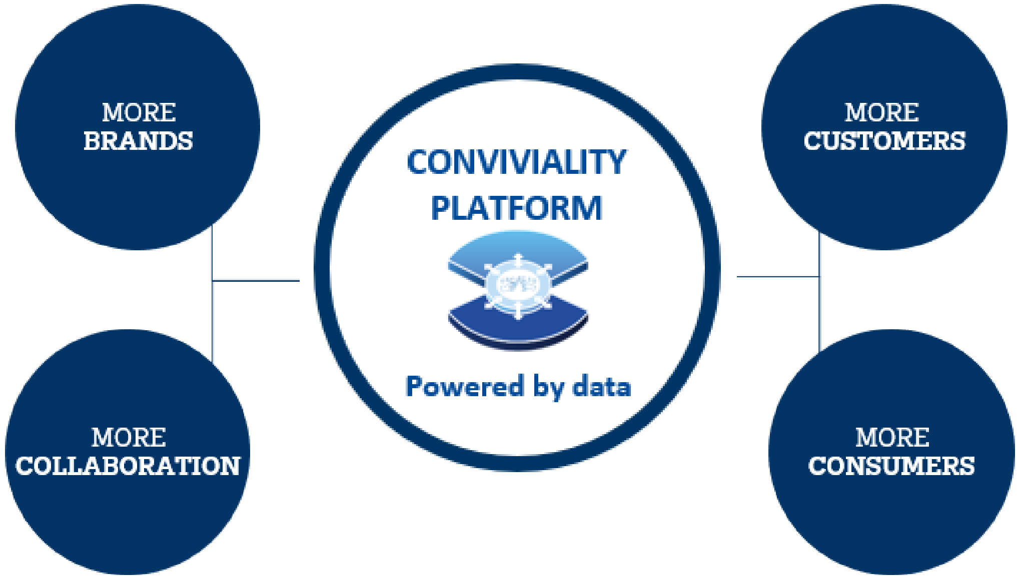
Introducing the Conviviality Platform

Our growth model built on our strengths, complementing our vision, mission and ambition

Permanent	Vision	***Créateurs de convivialité***		
For the next **decade**	Mission	**Unlock the magic of human connection by bringing good times from a good place**		
	Ambition	**Lead and shape the industry growth**		
	Growth model The Conviviality Platform	**MORE FROM THE CORE** to maximize value share	**CONVIVIALITY PLATFORM** **Powered by data**	**EXPAND BEYOND** to pioneer new terrains of value creation
For the next **3 years**	Strategic priorities	**TRANSFORM AND ACCELERATE** Powered by **the Conviviality Platform**		

Precision at scale to further stretch our growth

Leveraging the **power of data**, our **portfolio of brands** and our **distribution network**



to offer the ***right* product** at the ***right* price**, at the ***right* time**, to the ***right* consumer**, with the ***right* experience**, for ***every* occasion** in ***every* market**