

Grant of Performance-related stock options and Performance-related Shares to Deputy Chief Executive Officer and Chief Operating Officer, Mr. Alexandre Ricard

At the meeting held on November 6th 2013, the Board of Directors approved an annual general stock option and performance-related share plan for the benefit of 1,089 employees.

In keeping with the recommendations of the Compensation Committee the Board decided to grant to the Deputy Chief Executive Officer and Chief Operating Officer, Mr. Alexandre Ricard, performance-related stock options and performance-related shares in compliance with the AFEP/MEDEF Corporate Governance code on the following terms:

Grant of Performance-related stock options

- Volume: 16 500 performance-related stock options
- Exercise price: 88.11€, i.e. the average of the last 20 share prices prior to the date of the grant, with no discount
- Performance condition: the options may be exercised at the end of a four-year period subject to the application of the following external condition:
 - ↳ The average Total Shareholder Return (TSR) for Pernod Ricard shall be compared to the performance of the Food & Beverage Eurostoxx 600 (SX3R) index over the period from 6th November 2013 to 6th November 2016 (3 years). The number of stock options that can be exercised shall be determined at the end of the period according to the comparison of the two indices as per a linear progression.

Grant of Performance-related shares

- Volume: 6 100 performance-related shares
- Performance condition: The number of Performance-related Shares shall be determined by the application of the cumulative conditions as follows:
 - ↳ An internal performance condition related to the achievement of the Group's Profit from Recurring Operations target examined, for 50% of the number of performance-related shares, at the end of FY 2013/2014 and for the remaining 50% at the end of FY 2014/2015.

↳ An external performance condition (identical to the one applied to stock options) related to the comparison of the average Total Shareholder Return (TSR) for Pernod Ricard to the performance of the Eurostoxx F&B index over the period from 6th November 2013 to 6th November 2016 (3 years).

Moreover, exercising options and delivering performance-related shares are subject to attendance.

At the meeting held on November 6, 2013, the Board ascertained that the caps on grants made to the Corporate Officers as per Resolutions 17 and 18 of the AGM held on November 9, 2012 were met, i.e. 0.07% of the share capital in the case of stock options and 0.02% for performance-related shares.

In compliance with the proposal of the Compensation Committee, the Board of Directors, on 6 November 2013 decided that:

- Each Executive Director must undertake to hold until the termination of his/her term of office a number of shares corresponding to (i) regarding stock options, 30% of the capital gain upon purchase, net of tax and welfare contributions, resulting from the exercise of his/her stock options and (ii) regarding Performance-related shares, 20% of the Performance-related shares effectively granted to him.
- When the performance-related shares are effectively delivered to him, each Executive Director must undertake to purchase a number of shares equivalent to 10% of the Performance-related shares delivered.
- If an Executive Director holds shares worth more than three times his/her gross annual compensation, the above-mentioned obligation shall be lowered to 10% in the case of both stock options and performance-related shares and the Executive Director concerned shall not be requested to purchase additional shares. If the ratio of three times the annual gross compensation is not met in the future, the obligations to hold and purchase would apply anew.