

**Information on the compensation of Pernod Ricard Chief Executive Officer and Vice Chairman of the Board Pierre Pringuet**

**2013/2014 variable compensation**

At the meeting held on August 27<sup>th</sup> 2014, the Board of Directors followed the recommendation of the Compensation Committee and appraised the variable portion of Mr. Pierre Pringuet's compensation for FY 2013/2014, the financial elements of which had been validated by the Audit Committee.

As per the quantitative and qualitative criteria set by the Board at its meeting on August 28, 2013 and the accomplishments recognized as at June 30, 2014, the appraisal was as follows:

- As per the quantitative criteria (profit from recurring operations, net attributable profit and net debt/EBITDA), the variable portion of Mr. Pierre Pringuet's compensation amounted to 25.40% of his fixed compensation. This percentage is down from the previous fiscal year (48.20%) due to the deterioration of the economic environment in FY 2013/2014, particularly as far as the Chinese market was concerned.
- As per the qualitative criteria, the maximum percentage (30%) has been granted for the qualitative aspect of the variable portion of his compensation. In view of the overarching performance of the Group's Senior Management against a very challenging economic backdrop, the preservation of the motivation of all the teams, which is evidence of the potency of the Group's culture and values, and the ability that was given to the Group to face the very complex economic difficulties ahead and the upholding of the Group's commitments towards society, the Board appreciated the qualitative performance of Mr. Pierre Pringuet in FY 2013/2014, a very sensitive period, as entirely satisfactory.

As a result, the variable portion of Mr. Pierre Pringuet's compensation as Chief Executive Officer and Vice Chairman of the Board for FY 2013/2014 was set at **624,635 euros**, i.e. 55.40% of his 2013/2014 fixed compensation, versus 860,200 euros for FY 2012/2013 and 1,607,366 euros for FY 2011/2012.

## Determination of compensation elements for FY 2014/2015

At the same meeting, the Board followed the recommendation of the Compensation Committee and approved the following compensation elements:

- ❖ Gross annual fixed compensation 2014/2015: **1 127 500 euros**, unchanged from 2013/2014.
- ❖ Variable compensation: target: **110%** of the annual fixed compensation capped at 180% and prorated.
- ❖ No board attendance fees
- ❖ Entitlement to performance stock options and performance shares
- ❖ Entitlement to a company car with a driver
- ❖ Entitlement to the collective healthcare and insurance schemes

Furthermore, the following elements apply:

- Non-compete clause

Mr. Pierre Pringuet has expressly and irrevocably forgone the financial compensation that stems from his non-compete clause but he has maintained his non-compete obligation for a period of 24 months after leaving Pernod Ricard.

- Supplementary pension (entitlement approved by the Board at its meeting on August 29, 2012 and by the shareholders at the AGM on November 9, 2012 (5<sup>th</sup> resolution))

In compliance with the rules governing the supplementary collective pension scheme applicable across the Group, the annual gross pension (calculated over the last three years of compensation (fixed and variable) prior to retirement) to be paid to Mr. Pierre Pringuet upon the settlement of his entitlements has been estimated at approximately 411,500 euros. This would represent 19.30% of the total average compensation over the last three years of work, which is down from previous estimates due to drop in the variable portion of Mr. Pierre Pringuet's compensation in the last two fiscal years.