SECTION —— 02

CORPORATE GOVERNANCE

The purpose of this section is to present the report of the Board of Directors on corporate governance as required by article L. 225-37 of the French Commercial Code.

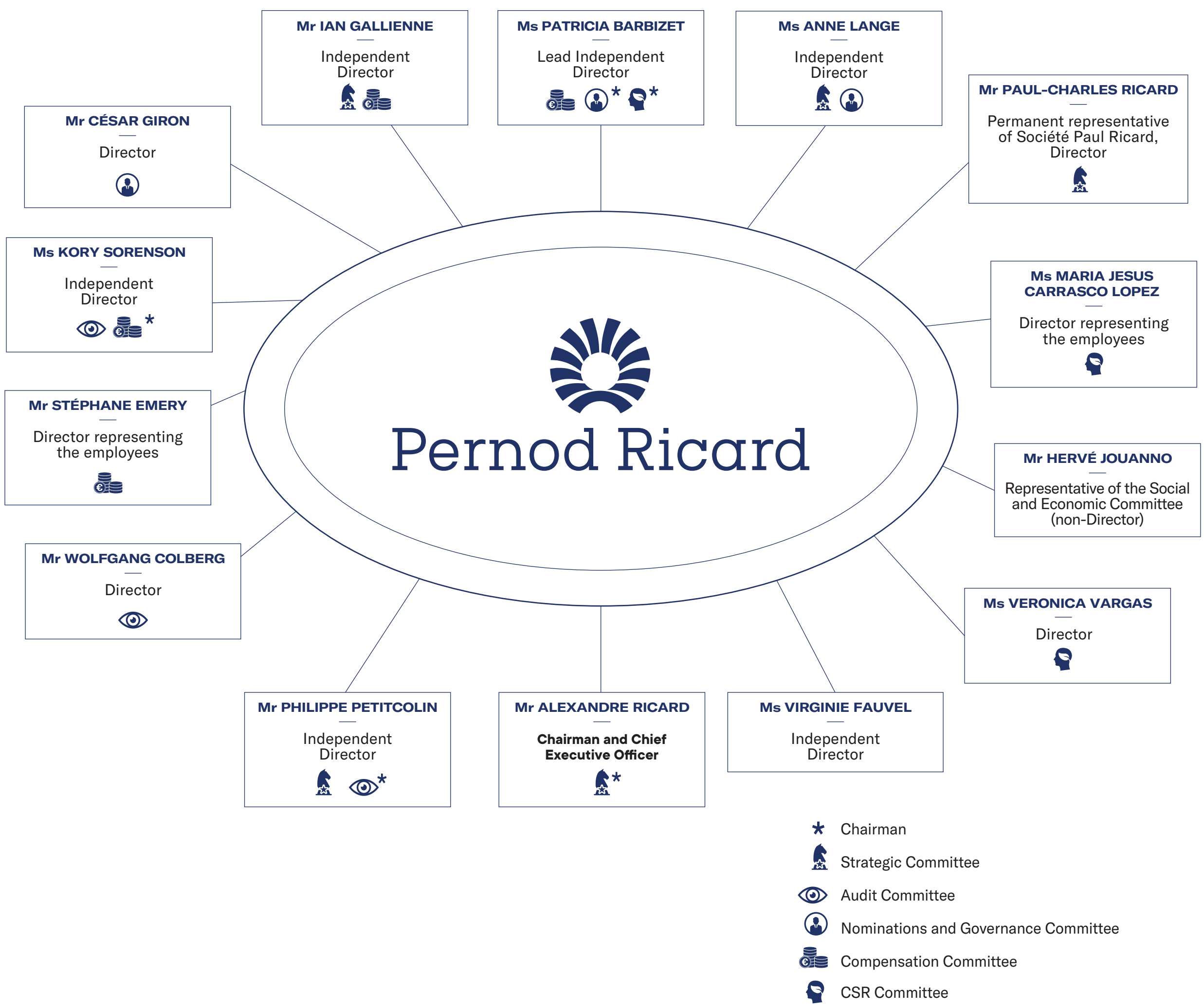
It describes, in the context of the preparation of the financial statements for FY21, the conditions governing the preparation and organisation of the work performed by the Board of Directors and its Committees, the powers entrusted to the Chairman and CEO, the principles and rules used to determine compensation and other benefits granted to the corporate officers, the compensation policies applicable to the Chairman and CEO and to the corporate officers, in accordance with articles L. 22-10-8 and L. 22-10-9 of the French Commercial Code, as well as other information pursuant to articles L. 22-10-10, L. 22-10-11 and L. 225-37 *et seq.* of the French Commercial Code.

This report was prepared on the basis of the work carried out by several different departments of the Company, in particular the Legal Department, the Internal Audit Department and the Human Resources Department.

This report was approved by the Board of Directors on 31 August 2021, following the examination by the Board's Committees of each section relating to their area of competence and was shared with the Statutory Auditors.

Report of the Board of Directors on corporate governance

2.1 Composition of the Board of Directors on 30 June 2021



2.2 Overview of the composition of the Board of Directors and its Committees

Name	Age	Gender	Date of first appointment	Date of expiry of term of office	Number of years on the Board	Audit Committee	Compensation Committee	Nominations and Governance Committee	Strategic Committee	CSR Committee
Executive Director										
Alexandre Ricard Chairman and CEO *French*	49	M	29.08.2012	2024 AGM	9				(Chairman) ✓	
Directors considered as independent by the Board										
Patricia Barbizet Lead Independent Director *French*	66	F	21.11.2018	2022 AGM	3		✓	(Chairwoman) ✓		(Chairwoman) ✓
Virginie Fauvel *French*	47	F	27.11.2020	2024 AGM	1					
Ian Gallienne *French*	50	M	09.11.2012	2022 AGM	9		✓		✓	
Anne Lange *French*	53	F	20.07.2016	2021 AGM	5			✓	✓	
Philippe Petitcolin *French*	69	M	08.11.2019	2023 AGM	2	(Chairman) ✓			✓	
Kory Sorenson *British*	52	F	06.11.2015	2023 AGM	6	✓	(Chairwoman) ✓			
Directors										
Wolfgang Colberg *German*	61	M	05.11.2008	2024 AGM	13	✓				
César Giron *French*	59	M	05.11.2008	2024 AGM	13			✓		
Société Paul Ricard (Represented by Paul-Charles Ricard) *French*	39	M	09.06.1983	2021 AGM	38				✓	
Veronica Vargas *Spanish*	40	F	11.02.2015	2021 AGM	6					✓
Directors representing the employees										
Maria Jesus Carrasco Lopez *Spanish*	50	F	05.12.2018	05.12.2022	3					✓
Stéphane Emery *French*	50	M	13.12.2017	13.12.2021	4		✓			
NUMBER OF MEETINGS FY21					**9**	**4**	**6**	**4**	**2**	**1**
AVERAGE ATTENDANCE RATE					**100%**	**100%**	**96,43%**	**100%**	**100%**	**100%**

2.3 Duties performed by the Directors

Age : **49 years old**

French

Business address:
Pernod Ricard
5, cours Paul Ricard
75008 Paris (France)

Number of shares held on 30 June 2021:
158,566

MR ALEXANDRE RICARD

CHAIRMAN AND CEO

Strategic Committee (Chairman)

Mr Alexandre Ricard is a graduate of ESCP Europe, the Wharton School of Business (MBA majoring in finance and entrepreneurship) and the University of Pennsylvania (MA in International Studies). After working for seven years outside the Group, for Accenture (Strategy and Consulting) and Morgan Stanley (Mergers and Acquisitions Consulting), he joined the Pernod Ricard Group in 2003 in the Audit and Development Department at the Headquarters. At the end of 2004 he became the Chief Financial and Administration Officer of Irish Distillers Group, and then Chief Executive Officer of Pernod Ricard Asia Duty Free in September 2006. In July 2008, he was appointed as Chairman and CEO of Irish Distillers Group and became a member of Pernod Ricard's Executive Committee. In September 2011, he joined the Group General Management as Managing Director, Distribution Network and became a member of the Executive Board. Mr Alexandre Ricard was the permanent representative of Société Paul Ricard (Director of Pernod Ricard) from 2 November 2009 until 29 August 2012, date on which he was co-opted as Director of Pernod Ricard and appointed Deputy Chief Executive Officer & Chief Operating Officer. On 11 February 2015, he was then appointed Chairman and CEO of the Group by the Board of Directors.

Mr Alexandre Ricard is a grandson of Mr Paul Ricard, the founder of Société Ricard.

OFFICES AND MAIN FUNCTIONS HELD ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

Within the Group

FRENCH COMPANIES

- Permanent representative of Pernod Ricard, Member of the Supervisory Committee of Pernod Ricard Europe, Middle East and Africa
- Director of Martell & Co SA

NON-FRENCH COMPANIES

- Chairman of Suntory Allied Limited (Japan)
- Director of Geo G. Sandeman Sons & Co. Ltd (United Kingdom)
- Member of the Board of Directors "Junta de Directores" of Havana Club International SA (Cuba)

Outside the Group

- Director of L'Oréal [1]
- Member of the Management Board of Société Paul Ricard
- Director of Le Delos Invest I
- Director of Le Delos Invest II
- Director of Bendor SA (Luxembourg)

OFFICES THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

Within the Group

- Manager of Havana Club Know-How SARL (Luxembourg)
- Director of Havana Club Holding SA (Luxembourg)
- Director of Perrier-Jouët

(1) *Listed company.*

Age : **66 years old**

French

Business address:
Témaris & Associés
40, rue François Ier
75008 Paris (France)

Number of shares held on 30 June 2021:
3,160

MS PATRICIA BARBIZET

LEAD INDEPENDENT DIRECTOR

Nominations and Governance Committee (Chairwoman) | **CSR Committee (Chairwoman)** | **Compensation Committee**

Ms Patricia Barbizet is a graduate of ESCP Europe and began her career in 1976 with the Renault Véhicules Group in Treasury before becoming Financial Director of Renault Crédit International.

In 1989, she joined the Pinault Group as Chief Financial Officer and became, from 1992 to 2018, Chief Executive Officer of Artémis, the Pinault family's investment company. From 2014 to 2016, she was also CEO & Chairwoman of Christie's International and chaired the Strategic Investment Fund (SIF) Investment Committee from 2008 to 2013. She is currently Chairwoman of the Cité de la Musique – Philharmonie de Paris, Chairwoman of Zoé SAS, and Director of Colombus.

Ms Patricia Barbizet was appointed Chairwoman of the Investissements d'Avenir Supervisory Committee in April 2018 and has been Chairwoman of the Haut Comité de Gouvernement d'Entreprise since 1 November 2018.

Ms Patricia Barbizet has been a Director of Pernod Ricard since 2018 and was appointed Lead Independent Director on 23 January 2019.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of AXA (1)
- Director of Total (1)
- Director of Colombus
- Chairwoman of Témaris et Associés
- Chairwoman of Zoé SAS
- Chairwoman of HCGE
- Chairwoman of Cité de la Musique – Philharmonie de Paris

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director of Fnac-Darty (1)
- Vice Chairwoman of the Board of Directors of Kering (1)
- Director of Peugeot SA (1)
- CEO of Artémis
- CEO of Christie's International Plc (United Kingdom)
- Director of Yves Saint Laurent

(1) Listed company.

Age : **61 years old**

German

Business address:
Deutsche Invest Capital Partners
Prinzregentenstrasse 56 D-80538 Munich (Germany)

Number of shares held on 30 June 2021:
1,076

MR WOLFGANG COLBERG

DIRECTOR

Audit Committee

Mr Wolfgang Colberg holds a PhD in Political Science (in addition to qualifications in Business Administration and Business Informatics). He has spent his entire career with the Robert Bosch Group and the BSH Group. After joining the Robert Bosch group in 1988, he became Business Analyst (Headquarters), and then went on to become Head of Business Administration at the Göttingen production site (1990/93), then Head of the Business Analyst Team and Economic Planning (Headquarters) (1993/94), before being appointed as General Manager for the Group's Turkey and Central Asia affiliate. In 1996, he was appointed Senior Vice-President – Central Purchasing and Logistics (Headquarters).

Between 2001 and 2009, Mr Wolfgang Colberg was Chief Financial Officer at BSH Bosch und Siemens Hausgeräte GmbH and a member of the Executive Committee. He was then Chief Financial Officer of Evonik Industries AG as well as a member of the Executive Committee between 2009 and 2013. From 2013 to 2019 he was Industrial Partner of CVC Capital Partners, and since 2020 he has been Industrial Partner of Deutsche Invest Capital Partners.

Mr Wolfgang Colberg has been a Director of Pernod Ricard since 2008.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of Thyssenkrupp AG (1) (Germany)
- Director of Burelle SA (1)
- Director of Solvay SA (1) (Belgium)
- Director of Dussur SA
- Industrial Partner, Deutsche Invest Capital Partners (Germany)
- Chairman of the Supervisory Board of ChemicalInvest Holding BV, Sittard (Netherlands)
- Chairman of the Board of AMSilk GmbH, Munich (Germany)
- Chairman of the Board of Efficient Energy GmbH, Munich (Germany)
- Member of the Regional Board of Deutsche Bank AG (Germany)

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Industrial Partner, CVC Capital Partners (Germany)

(1) Listed company.

Age : **47 years old**

French

Business Adress:
Harvest
5, rue de la Baume
75008 Paris (France)

Number of shares held on 30 June 2021:
50

MS VIRGINIE FAUVEL

INDEPENDENT DIRECTOR

Virginie Fauvel is an engineer from the École des Mines de Nancy. She started her career in 1997 working for Cetelem as Group CRM and Risks analytics Director prior to becoming Group Digital Officer in 2004 and to be in charge of the e-Business French BU. She then joined BNP Paribas's French retail bank in 2009 to manage and develop online banking before joining BNP Paribas' Online Banking Europe BU in 2012 where she launched "HelloBank!", the first 100% mobile European bank in Italy, France, Belgium and Germany in 2013. In July 2013, she joined Allianz France as member of the French Executive Committee in charge of Digital Transformation, Big Data, Communication and Market Management. She largely contributed to the company's transformation by placing digital innovation at the heart of its strategy. She subsequently became a member of the Management Board of Euler Hermes in January 2018, in charge of the Americas region and of the Group's transformation.

In September 2020, she became Chief Executive Officer of Harvest SA, a software publisher specializing in financial and wealth management consulting.

Ms Virginie Fauvel has been a Director of Pernod Ricard since 2020.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of Quadient (1) (2)
- CEO of Harvest SAS
- CEO of Holding Winnipeg
- Consultant at Creadev

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director of Europcar Mobility Group (1)

(1) Listed company.
(2) Virginie Fauvel resigned from her position as a Director of Quadient on 2 September 2021.

Age : **50 years old**

French

Business address:
Groupe Bruxelles Lambert
24, avenue Marnix
BE1000 Bruxelles (Belgium)

Number of shares held on 30 June 2021:
1,000

MR IAN GALLIENNE

INDEPENDENT DIRECTOR

Compensation Committee **Strategic Committee**

Mr Ian Gallienne has been CEO of Groupe Bruxelles Lambert since January 2012.

He holds a MBA from INSEAD in Fontainebleau. From 1998 to 2005, he was Manager of the Rhône Capital LLC private equity fund in New York and London. In 2005, he founded the private equity fund Ergon Capital Partners, of which he was Managing Director until 2012.

Mr Ian Gallienne has been a Director of Groupe Bruxelles Lambert since 2009, of Imerys since 2010, of SGS since 2013, of Adidas since 2016 and of Webhelp since 2019.

Mr Ian Gallienne has been a Director of Pernod Ricard since 2012.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- CEO of Groupe Bruxelles Lambert (1) (Belgium)
- Director of Imerys (1)
- Director of SGS SA (1) (Switzerland)
- Director of Adidas AG (1) (Germany)
- Chairman of the Board of Directors of Sienna Capital (Luxembourg)
- Manager of Serena 2017 SC
- Director of Société Civile Château Cheval Blanc
- Director of Compagnie Nationale de Portefeuille SA (Belgium)
- Director of Marnix French ParentCo (Webhelp Group)
- Director of Financière de la Sambre (Belgium)
- Director of de Carpar (Belgium)

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director of Umicore (1) (Belgium)
- Director of Erbe SA (Belgium)
- Director of Frère-Bourgeois SA (Belgium)

(1) Listed company.

Age : **59 years old**

French

Business Adress:
Martell Mumm Perrier-Jouët
5, cours Paul Ricard
75008 Paris (France)

Number of shares held on 30 June 2021:
4,765

MR CÉSAR GIRON

DIRECTOR

Nominations and Governance Committee

After graduating from the École Supérieure de Commerce de Lyon, Mr César Giron joined the Pernod Ricard Group in 1987, where he has spent his entire career. In 2000, he was appointed Chief Executive Officer of Pernod Ricard Swiss SA before becoming Chairman and CEO of Wyborowa SA in Poland in December 2003.

From July 2009, Mr César Giron acted as Chairman and CEO of Pernod until his appointment, on 1 July 2015, as Chairman and CEO of Martell Mumm Perrier-Jouët.

Mr César Giron is Chairman of the Management Board of Société Paul Ricard.

Mr César Giron is a grandson of Mr Paul Ricard, the founder of Société Ricard.

Mr César Giron has been a Director of Pernod Ricard since 2008.

OFFICES AND MAIN FUNCTIONS HELD ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

Within the Group

- Chairman and CEO of Martell Mumm Perrier-Jouët
- Chairman and CEO of Martell & Co SA
- Chairman and CEO of Champagne Perrier-Jouët
- Chairman and CEO of GH Mumm & Cie SVCS
- Chairman of Domaines Jean Martell
- Chairman of Augier Robin Briand & Cie
- Chairman of Le Maine au Bois
- Chairman of Financière Moulins de Champagne
- Chairman of Spirits Partners SAS
- Director of Société des Produits d'Armagnac SA
- Director of Mumm Perrier-Jouët Vignobles et Recherches

Outside the Group

- Chairman of the Management Board of Société Paul Ricard
- Director of Le Delos Invest I
- Director of Le Delos Invest II
- Director of Bendor SA (Luxembourg)
- Chairman of FEVS

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- None

Age : **53 years old**

French

Business address:
Pernod Ricard
5, cours Paul Ricard
75008 Paris (France)

Number of shares held on 30 June 2021:
1,000

MS ANNE LANGE
INDEPENDENT DIRECTOR

Nominations and Governance Committee **Strategic Committee**

A French citizen and graduate of the Institut d'Études Politiques of Paris and of the École Nationale d'Administration (ENA), Ms Anne Lange began her career within the office of the Prime Minister as Director of the State-Controlled Broadcasting Office. In 1998, she joined Thomson as Manager of Strategic Planning before being appointed Head of the eBusiness Europe Department in 2000. In 2003, Ms Anne Lange took up the function of General Secretary of the Rights on the Internet Forum, a public body reporting to the office of the Prime Minister. From 2004 to 2014, she joined the Cisco Group and successively hold the positions of Director of Public Sector Europe, Executive Director Global Media and Public Sector Operations (in the USA) and finally Innovation Executive Director within the Internet Business Solution Group division.

She later founded Mentis, from which she sold her shares at the end of 2017. As a start-up specialised in the technology of application platforms and connected objects, Mentis collaborates with major groups on mobility solutions and management of urban space, placing it at the centre of the connected territories' revolution.

Meanwhile, Anne Lange created ADARA, a consulting and investment company, and Chrysallis, a company that is developing a network of shared houses. She is a Senior Advisor working for major high-tech groups, strategy consulting firms and more traditional businesses seeking to find their own path to transformation. She is a member of the Boards of Directors of several listed companies (Pernod Ricard, Orange, Inditex, Peugeot Invest).

Ms Anne Lange has expertise in innovation and digital technology, which she developed for 20 years in both private and public sectors, from a global perspective.

Ms Anne Lange has been a Director of Pernod Ricard since 2016.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of Orange (1)
- Director of Inditex (1) (Spain)
- Director of Peugeot Invest (1)

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director of Econocom Group (1) (Belgium)
- Director of IN Group
- Founder and Manager of Mentis

(1) *Listed company.*

Âge : **69 years old**

French

Business address:
Nexter
13, route de
la Minière
78034 Versailles
(France)

Number of shares held on 30 June 2021:
310

MR PHILIPPE PETITCOLIN

INDEPENDENT DIRECTOR

Audit Committee (Chairman)

Strategic Committee

Having held various positions within Europrim, Filotex (a subsidiary of Alcatel-Alstom) and Labinal (now Safran Electrical & Power), Mr Philippe Petitcolin joined Snecma (now Safran Aircraft Engines) in 2006 as Chairman and CEO. From 2011 to 2013, he served as CEO for Safran's defence and security operations as well as Chairman and CEO of Safran Electronics & Defense. Between July 2013 and December 2014, Mr Philippe Petitcolin was Chairman and CEO of Safran Identity & Security and Chairman of the Board of Directors of Safran Electronics & Defense. From December 2014 to July 2015, he was Chairman of Safran Identity & Security.

On 23 April 2015, Mr Philippe Petitcolin was appointed Director of Safran by the Annual General Meeting and CEO by the Board of Directors. On the same date, he became a member of the Board of The Aerospace and Defence Industries Association of Europe (ASD). In July 2015, he became Vice Chairman of Gifas (Group of French Aeronautical and Spatial Industries). In 2015, he was also appointed to the Board of Belcan Corporation, an engineering services provider. He has been a Director of EDF since May 2019.

Mr Philippe Petitcolin has served as Chief Executive Officer of Safran until 31 December 2020.

In March 2021 he was appointed Chairman of the Franco-German defence company KNDS.

He was also appointed Director of Suez in February 2021.

Mr Philippe Petitcolin has been a Director of Pernod Ricard since 2019.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of EDF [(1)]
- Director of Suez [(1)]
- Chairman of KNDS

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Chief Executive Officer and Director of Safran [(1)]
- Chairman of Safran Identity & Security
- Chairman and CEO of Safran Identity & Security
- Chairman of the Board of Directors of Safran Identity & Security North America (formerly Morpho Track, LLC) (USA)
- Chairman of the Board of Directors of Morpho Detection International, LLC (USA)
- Chairman of the Board of Directors of Safran Electronics & Defense, Chairman and President of Morpho USA, Inc.
- Director of Safran Identity & Security USA (formerly Morpho Detection, LLC) (USA)
- Member of the Supervisory Board of Safran Identity & Security GmbH (formerly Morpho Cards GmbH) (Germany)
- Member of the Supervisory Board of Institut Aspen France

(1) Listed company.

Age : **39 years old**

French

Business address:
**Martell Mumm Perrier-Jouët
5, cours Paul Ricard
75008 Paris (France)**

Number of shares held by Mr Paul-Charles Ricard on 30 June 2021:
182,226

Number of shares held by Société Paul Ricard on 30 June 2021:
28,196,482

MR PAUL-CHARLES RICARD

PERMANENT REPRESENTATIVE OF SOCIÉTÉ PAUL RICARD [(1)], DIRECTOR

Strategic Committee

Mr Paul-Charles Ricard graduated from Euromed Marseille Business School with a Master's in Management Science, and from Panthéon-Assas Paris 2 University with a Master 2 in Communications (media law) and a Master's in business law. He joined Pernod Ricard in 2008 as an internal auditor in the Audit and Business Development Department at the Headquarters. In 2010, Mr Paul-Charles Ricard was appointed GH Mumm International Brand Manager at Martell Mumm Perrier-Jouët before being appointed MMPJ Head of Prestige & Craft Developments.

Mr Paul-Charles Ricard is a grandson of Mr Paul Ricard, the founder of Société Ricard.

He has been the permanent representative of Société Paul Ricard (Director of Pernod Ricard) since 29 August 2012.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Chairman of Le Delos Invest III (Société Paul Ricard)
- Vice Chairman of the Supervisory Board of Société Paul Ricard (Mr Paul-Charles Ricard)

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- None

(1) Unlisted company, shareholder of Pernod Ricard.

Age : **52 years old**

British

Business address:
**Pernod Ricard
5, cours Paul Ricard
75008 Paris (France)**

Number of shares held on 30 June 2021:
1,000

MS KORY SORENSON

INDEPENDENT DIRECTOR

Compensation Committee (Chairwoman)

Audit Committee

Ms Kory Sorenson is a British citizen born in the United States. She made her career in finance, with a focus on capital and risk management. She holds a Master's degree from the Institut d'Études Politiques de Paris, a Master's degree in Applied Economics from the University of Paris Dauphine and a Bachelor of Arts degree with honours in Political Science and Econometrics from the American University of Washington, DC. In 2013, she completed the Harvard Business School's executive education programme, "Making Corporate Boards More Effective", in 2016 she completed an executive programme at INSEAD, "Leading from the Chair", and in 2020 she completed The Stanford University's executive programme, "Business Leadership Series". Ms Kory Sorenson held the position of Managing Director, Head of Insurance Capital Markets at Barclays Capital in London, where her team conducted innovative transactions in capital management, mergers and acquisitions, as well as equity transactions, hybrid capital and risk management for major insurance companies. She previously led the team in charge of the financial markets, specialising in insurance, at Credit Suisse, and the team in charge of debt markets for financial institutions in Germany, Austria and the Netherlands at Lehman Brothers. She began her career in investment banking at Morgan Stanley and in finance at Total.

Ms Kory Sorenson is currently Director and Chairwoman of the Audit Committee of SCOR SE (listed on the Paris stock exchange), Director and Chairwoman of the Compensation Committee of Phoenix Group Holdings (listed in the United Kingdom), Director and Chairwoman of the Audit Committee of SGS SA (listed in Switzerland), member of the Supervisory Board of Bank Gutmann, a private bank in Austria, and member of the Comgest Partners' council in France.

Ms Kory Sorenson has been a Director of Pernod Ricard since 2015.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Director of SGS SA [(1)] (Switzerland)
- Director of Phoenix Group Holdings [(1)] (United Kingdom)
- Director of SCOR SE [(1)]
- Member of the Supervisory Board of Bank Gutmann (Austria)
- Member of the Board of Partners of Comgest

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director of Prometic [(1)] (Canada)
- Member of the Supervisory Board of UNIQA Insurance Group AG [(1)] (Austria)
- Director of Institut Pasteur (non-profit fondation)
- Director of Aviva Insurance Limited (United Kingdom)
- Director of SCOR Global Life Americas Reinsurance Company (USA)
- Director of SCOR Global Life USA Reinsurance Company (USA)
- Director of SCOR Reinsurance Company (USA)
- Member of the Supervisory Board of Château Troplong Mondot

(1) Listed company.

Age : **40 years old**

Spanish

Business address:
Pernod Ricard
5, cours Paul Ricard
75008 Paris (France)

Number of shares held on 30 June 2021:
9,820

MS VERONICA VARGAS

DIRECTOR

CSR Committee

Ms Veronica Vargas received an Engineering degree from the University of Seville (*Escuela Técnica Superior de Ingenieros*) (Spain) and continued her training in industrial engineering in management at the École Centrale Paris (ECP).

Ms Veronica Vargas started her professional career in 2006 the Supply Chain team of Lafarge in Paris. Early 2007, she joined Société Générale Corporate & Investment Banking in Paris as part of the "Strategic and Acquisition Finance" team. She was then part of the London team from 2009 to 2019, where she was involved in advising key clients on all aspects related to the optimisation of their capital structure, as well as the completion of their strategic financing, including acquisitions, spin-offs, share buybacks, and other strategic transactions.

Ms Veronica Vargas is a Permanent representative of Rigivar SL, a member of the Supervisory Board of Paul Ricard since 2009. She is also a Director of the Business Policy International Advisory Board of San Telmo Business School since 2020, and a member of the Investment Committee of the Africa Conservation & Communities Tourism Fund since 2021.

Ms Veronica Vargas is a great-granddaughter of Mr Paul Ricard, the founder of Société Ricard.

Ms Veronica Vargas has been a Director of Pernod Ricard since 2015.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- Permanent Representative of Rigivar SL, member of the Supervisory Board of Société Paul Ricard
- Member of the Investment Committee of the Africa Conservation & Communities Tourism Fund
- Director of the Business Policy International Advisory Board de la San Telmo Business School

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- None

Age : **50 years old**

Spanish

Business address:
Pernod Ricard España
C/* Arequipa, 1
28043 Madrid (Spain)

MS MARIA JESUS CARRASCO LOPEZ

DIRECTOR REPRESENTING THE EMPLOYEES

CSR committee

Ms Maria Jesús Carrasco Lopez graduated from both ESIC Business and Marketing School (*Master in Dirección de comercio international*) and CENP (*Diplomatura en comercio exterior*) located in Spain.

She joined Pernod Ricard España in 1999, where she successively held the positions of Marketing Executive Assistant (from 1999 to 2010) and Trade Marketing Executive On Trade (from 2010 to 2019). She is currently holding the position of Regional Trade Marketing Manager and supervises all regional action plans in accordance with the Group's strategy.

In addition to her position, she was appointed Director representing the employees on the Board of Directors of Pernod Ricard SA in December 2018.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- None

OFFICES HELD OUTSIDE THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- None

MR STÉPHANE EMERY
DIRECTOR REPRESENTING THE EMPLOYEES

Compensation Committee

Age : **50 years old**

French

Business address:
Pernod Ricard France
5, cours Paul Ricard
75008 Paris (France)

Mr Stéphane Emery graduated from the ESCO Paris/Wesford (Business and Management School).

He started his career in July 1994 within the Pernod Ricard Group and joined the Ricard teams in Paris as On Trade Area Manager, followed by On Trade Sales Manager in Bourgogne (from 2000 to 2005) and Off Trade Sales Manager in Paris (from 2005 to 2017). He currently holds the position of Public Relations Manager at Pernod Ricard France in Paris.

In December 2017, following his election by the Group Committee (France), he was appointed Director representing the employees within the Board of Directors of Pernod Ricard SA.

Highly involved in the Group, Stéphane Emery has also been an employee representative at Ricard (SIPGR trade union representative, then member of the employee Committee/works' council and works' council secretary prior to becoming a delegated representative for France on the European Committee).

Mr Stéphane Emery was also a Director representing the employees of the Ricard Corporate Foundation from 2010 to 2020.

OFFICES AND MAIN FUNCTIONS HELD OUTSIDE THE GROUP ON 30.06.2021 OR AT THE DATE OF RESIGNATION WHERE APPLICABLE

- None

OFFICES HELD WITHIN THE GROUP THAT HAVE EXPIRED OVER THE LAST FIVE YEARS

- Director representing the employees of the Ricard Corporate Foundation

The Directors hold no other employee positions in the Group, with the exceptions of: Mr César Giron, Chairman and CEO of Martell Mumm Perrier-Jouët; Mr Paul-Charles Ricard (Permanent Representative of Société Paul Ricard, Director), MMPJ Head of Prestige & Craft Developments at Martell Mumm Perrier-Jouët; Ms Maria Jesus Carrasco Lopez, Director representing the employees who is Regional Trade Marketing Manager at Pernod Ricard España, and Mr Stéphane Emery, Director representing the employees, who is Public Relations Manager at Pernod Ricard France in Paris.

2.4 Governance Structure

2.4.1 Reunification of the functions of Chairman of the Board of Directors and CEO

Since Mr Pierre Pringuet's term of office as Chief Executive Officer expired on 11 February 2015, and since the Chairwoman of the Board of Directors at the time (Ms Danièle Ricard) wished to step down from the Board, during its meeting of 11 February 2015 the Board resolved, in accordance with the French Commercial Code and the AFEP-MEDEF Code adopted by the Company, to combine the positions of Chairman and CEO and appointed Mr Alexandre Ricard as Chairman and CEO.

The Company has appointed a Lead Independent Director since 23 January 2019. In addition, in order to provide the checks and balances necessary in the exercise of such powers, as well as good governance, the Company sought to establish certain guarantees, notably:

- as part of the Group's General Management, the Chairman and CEO relies on two management bodies: the Executive Board, which endorses all major decisions relating to the Group's strategy, and the Executive Committee, which ensures coordination between the Headquarters and its affiliates, in accordance with the Group's decentralised model;
- limitations on the powers of the Chairman and CEO by the Board of Directors: prior authorisation by the Board of Directors is necessary in particular for external growth transactions or disinvestments for amounts greater than €100 million and for loans exceeding €200 million (see the subsection "Limitation on the powers of the Chairman and CEO" hereinafter); and
- five specialised Committees, responsible for preparing the work of the Board of Directors relating to the following topics: compensation; audit; nominations and governance; strategy and CSR. The majority of the members of these Committees are Independent Directors [1], and the Company meets or exceeds the recommendations of the AFEP-MEDEF Code with respect to the percentage of Independent Directors (Audit Committee: 67% *vs.* the recommended 67%; Compensation Committee: 100% *vs.* the recommended 50%; Nominations and Governance Committee: 67% *vs.* the recommended 50%; Strategic Committee: 60% *vs.* no recommendation and CSR Committee: 50% *vs.* no recommendation).

(1) *In accordance with the AFEP-MEDEF Code, Directors representing the employees are not taken into account when determining the percentage of Independent Directors or the percentage of feminisation on the Board of Directors and its Committees.*

2.4.2 Powers of the Chairman and CEO

As Chairman of the Board of Directors, the Chairman and CEO organises and leads the Board's work, on which he reports to the Shareholders' Meeting. He oversees the proper operation of the Company's managing bodies and ensures, in particular, that the Directors are in a position to fulfil their duties. He can also request any document or information which can be used to help the Board prepare its meetings.

As Chief Executive Officer, the Chairman and CEO is granted full powers to act in the name of the Company under any circumstances. He exercises these powers within the limits of the corporate purpose and subject to the powers expressly granted by law to the Shareholders' Meetings and to the Board, and within the internal limits as defined by the Board of Directors and its Internal Regulations [1].

2.4.3 Limitation on the powers of the Chairman and CEO

For internal purposes, following the decision made by the Board of Directors on 11 February 2015 and in accordance with article 2 of the Board's Internal Regulations, prior to making a commitment on behalf of the Company, the Chairman and CEO must obtain prior authorisation from the Board of Directors for any significant transactions that fall outside the strategy announced by the Company, as well as the following transactions:

- carrying out acquisitions, transfers of ownership or disposals of assets and property rights and making investments for an amount exceeding €100 million per transaction;
- signing any agreements to make investments in, or participate in joint ventures with, any other French or non-French companies, except with an affiliate of Pernod Ricard (as defined in article L. 233-1 of the French Commercial Code);
- making any investments or taking any shareholding in any company, partnership or investment vehicle, whether established or yet to be established, through subscription or contribution in cash or in kind, through the purchase of shares, ownership rights or other securities, and more generally in any form whatsoever, for an amount above €100 million per transaction;
- granting loans, credits and advances exceeding €100 million per borrower, except when the borrower is an affiliate of Pernod Ricard (as defined in article L. 233-1 of the French Commercial Code) and with the exception of loans granted for less than one year;
- borrowing, with or without granting a guarantee on corporate assets, exceeding €200 million in the same financial year, except from affiliates of Pernod Ricard (as defined in article L. 233-1 of the French Commercial Code), for which there is no limit;
- granting pledges, sureties or guarantees, except with express delegation of authority from the Board of Directors, within the limits provided for by articles L. 225-35 and R. 225-28 of the French Commercial Code; and
- selling shareholdings with an enterprise value exceeding €100 million.

On 27 November 2020, the Board of Directors authorised the Chairman and CEO, for a period of one year, to grant pledges, sureties or guarantees in the name of the Company up to an overall limit of €100 million, and for an unlimited amount to tax and customs authorities.

2.4.4 Role, missions and reporting activity of the Lead Independent Director

The Board of Directors' meeting of 23 January 2019, on the proposition of the Nominations and Governance Committee, created a position of Lead Independent Director and entrusted it to Ms Patricia Barbizet.

In accordance with the Internal Regulations of the Board of Directors, the Lead Independent Director performs the following tasks:

- convenes the Board of Directors at her own initiative or in the absence of the Chairman and CEO;
- is consulted on the agenda of any Board meetings and may propose any additional items on said agenda;
- chairs meetings of the Board of Directors in the absence of the Chairman and CEO;
- leads the process of assessing the functioning of the Board of Directors and reports on this evaluation to the Board;
- prevents any occurrence of conflict of interest situations;
- ensures compliance with the rules of the AFEP-MEDEF Code and the Board's Internal Regulations;
- convenes and chairs Executive Sessions;
- ensures that the Directors have the necessary resources to carry out their duties under the best possible conditions, and that they are provided, in a reasonable manner, with the level of information appropriate to the performance of their duties;
- reviews Shareholders' requests relating to corporate governance and ensures that they are answered; and
- meets with the Company's investors and shareholders.

Since taking up her duties, the Lead Independent Director has participated, with the Executive Management, the Investor Relations and Legal Departments, in several meetings dedicated to the governance of the Company (roadshows). She has also met a large part of the teams of Pernod Ricard and some of its affiliates. Furthermore, she conducted the tri-annual assessment of the functioning of the Board of Directors, with the assistance of a specialist external firm, based in particular on individual interviews with each Director as described in paragraph 2.6.4 below.

The Lead Independent Director reports to the Board of Directors once a year on the performance of her duties. At Shareholders' Meetings, she may be invited by the Chairman and CEO to report on her activities. It is specified that the loss of independent status would immediately terminate the functions of the Lead Independent Director.

(1) The Internal Regulations can be consulted on the Company's website (www.pernod-ricard.com). They may be reviewed at any time by the Board of Directors.

2.4.5 Reference Corporate Governance Code: AFEP-MEDEF Code

On 12 February 2009, the Board of Directors of Pernod Ricard confirmed that the AFEP-MEDEF Corporate Governance Code of listed corporations published in December 2008 and last revised in January 2020 (the "AFEP-MEDEF Code"), available on the AFEP and MEDEF websites, was the Code to which Pernod Ricard refers in order notably to prepare the report required by article L. 225-37 of the French Commercial Code.

In accordance with the "Comply or Explain" rule set forth in article L. 22-10-10 of the French Commercial Code and referred to in article 27.1 of the AFEP-MEDEF Code, the Company considers that its practices comply with the recommendations of the AFEP-MEDEF Code.

2.5 Composition of the Board of Directors

2.5.1 General rules concerning the composition of the Board of Directors and the appointment of Directors

The members of the Board of Directors are listed above.

The legal and statutory rules set out in articles 16 *et seq.* of the Company's bylaws govern the appointment and dismissal of members of the Board of Directors and are described below. The Board of Directors of the Company comprises no fewer than three and no more than 18 members, unless otherwise authorised by law. In accordance with the Company's bylaws, each Director must own at least 50 Company shares in registered form. However, the Board's Internal Regulations recommend that, during their term of office and no later than two years following their appointment, Directors acquire a minimum number of Company shares equivalent to one year's worth of compensation (fixed and variable portions) payable to a Director who has attended all meetings of the Board of Directors (excluding compensation related to participation in Committees) [1].

The members of the Board of Directors are appointed by the Ordinary Shareholders' Meeting and are proposed by the Board of Directors following the recommendations of the Nominations and Governance Committee. They can be dismissed at any time by decision of the Shareholders' Meeting.

In accordance with the law of 22 May 2019 on business growth and transformation (PACTE law) and the Company's bylaws, the number of Directors representing the employees who are members of the Board depends on the number of Directors of the Board. Following the General Meeting of 9 November 2017, one Director representing employees was appointed by the Group Committee (France) on 13 December 2017 to sit on the Board of Directors for four years. As the Company's Board of Directors comprises 11 members, a second Director representing the employees was appointed by the European Group Committee on 5 December 2018.

A representative of the Company's Economic and Social Committee attends the meetings of the Board of Directors in an advisory role.

The Board of Directors may, upon a proposal from its Chairman, appoint one or more censors, who may be either individuals or legal entities and who may or may not be shareholders.

The term of office of each Director is four years. However, on an exceptional basis, the Shareholders' Meeting may, following the Board of Directors' proposal, appoint Directors or renew their term of office for a period of two years so as to enable a staggered renewal of the Board of Directors.

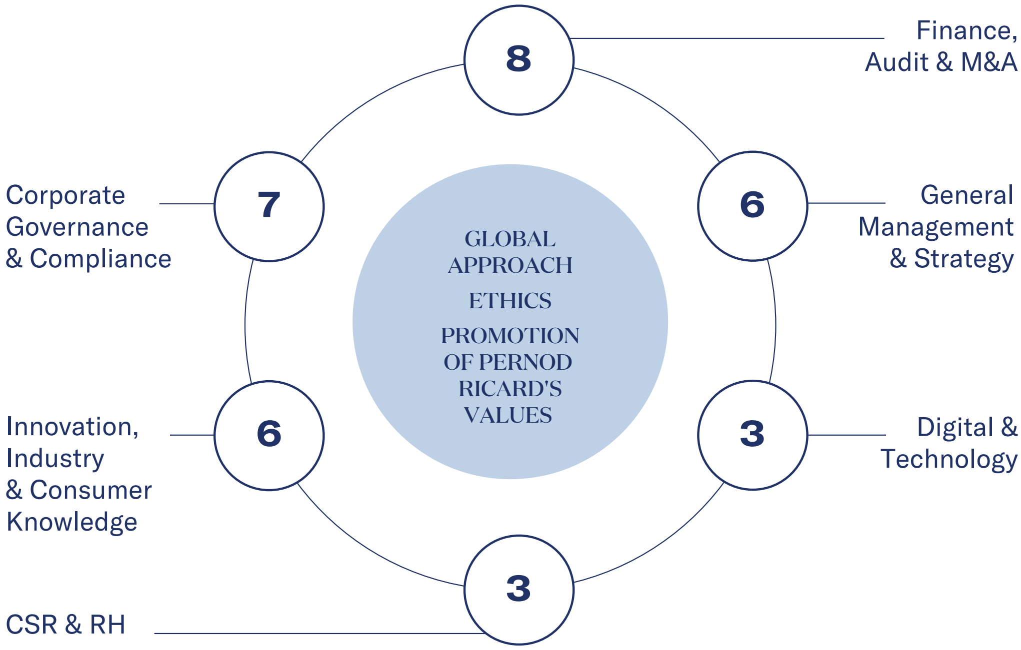
The Board of Directors and the Nominations and Governance Committee regularly evaluate the composition of the Board and its Committees as well as the different skills and experience brought by each Director. They also identify the guidelines to be issued in order to ensure the best balance possible by seeking complementary characteristics from both an international and diversity perspective, in terms of nationality, gender, and experience. In accordance with article L. 22-10-10 of the French Commercial Code, the table below describes the Board of Directors' diversity policy, indicating the criteria taken into consideration, the targets set by the Board, the way it has been implemented and the results achieved over FY21.

(1) This requirement and this recommendation are not applicable to Directors representing the employees.

2.5.2 Board of Directors' diversity policy and Directors' expertise

Criteria	Objectives	Implementation and results achieved in FY21
Composition of the Board of Directors	Balanced representation of women and men within the Board of Directors	**Representation of women:** Gradual evolution: • 25% at the Shareholders' Meeting of 6 November 2015; • 42% at the Shareholders' Meeting of 17 November 2016; • 46.1% at the Shareholders' Meeting of 21 November 2018; • 42% at the Shareholders' Meeting of 8 November 2019; and • 50% at the Shareholders' Meeting of 27 November 2020. At the end of Shareholders' Meeting of 10 November 2021, the Board will comprise 50% female Directors.
	Guidelines to be issued in order to ensure the best balance possible by seeking complementary characteristics from both international and diversity perspectives, in terms of nationality, gender and experience	**Directors with foreign nationality:** Evolution: • 31.2% at the Shareholders' Meeting of 6 November 2014; • 38.5% at the Shareholders' Meeting of 21 November 2018; • 42.8% at the Shareholders' Meeting of 8 November 2019; and • 35.7% at the Shareholders' Meeting of 27 November 2020. At the end of Shareholders' Meeting of 10 November 2021, 35.7% of the Directors will be of foreign nationality.
		Expertise: • While the expertise of the members of the Board corresponds to the Group's strategic challenges (see diagram below), Pernod Ricard is continuing its quest to continuously improve its Board. In this context, in FY21 the Shareholders' Meeting appointed Virginie Fauvel, who provides the Board with the benefit of her particular expertise in digital transformation. At the Shareholders' Meeting of 10 November 2021, shareholders will be asked to appoint Namita Shah, whose expertise on CSR topics will be particularly valuable to the Board.
	Appointment of one or two Directors representing the employees (see article 16 of the bylaws)	Two Directors representing the employees since the Shareholders' Meeting of 2018: • appointment on 13 December 2017 by the Group Committee (France) of the first Director representing the employees (term of office ends on 13 December 2021); and • appointment on 5 December 2018 by the European Group Committee of the second Director representing the employees (term of office ends on 5 December 2022).
Independence of Directors	50% Independent Directors (see article 9.3, AFEP-MEDEF Code) + significant representation of Independent Directors (see article 3, Internal Regulations)	• 54.5% Independent Directors. At the end of the Shareholders' Meeting of 10 November 2021, 58.33% of Directors will be considered independent.
Age of Directors	No more than one-third of Directors older than 70 years (see article 18, paragraph 4 of the bylaws)	Target achieved, given that the average age on the Board is 52,6 years old and the median is 50 years old.

The composition of the Board of Directors is diversified and complementary. It is also fully in line with Pernod Ricard's strategy. The expertise of Board members thus covers the following areas:



2.5.3 Selection process for candidates as Independent Directors

In accordance with the AFEP-MEDEF Code's recommendations, the Nominations and Governance Committee has implemented a selection process for candidates for positions on the Board of Directors in the event of vacancy of any kind or new appointments.

The Nominations and Governance Committee formalises the criteria for selecting new Directors with the aim of reaching a balanced representation and complementarity between the different profiles of the Board of Directors. Regarding the determination of the selection criteria, the Nominations and Governance Committee takes into account the Board of Directors' diversity policy, not only in terms of expertise, but also in terms of independence, gender representation, nationality and seniority, as well as any specific expectations of the Board expressed during the evaluation of its functioning.

Once the needs of the Board of Directors have been identified and the selection criteria formalised, the Nominations and Governance Committee, with the support of a firm specialised in the recruitment of Directors, draws up a list of potential candidates. The Committee then organises interviews with the shortlisted candidates to ascertain their level of skills, their independence, availability, motivation and commitment to the Group's values.

Following these interviews and after having reviewed the different profiles, the Nominations and Governance Committee makes its recommendations to the Board of Directors regarding the appointment of one or more candidates. The Board analyses the various profiles that have been submitted and present the appointment of the final candidates to the Shareholders' Annual Meeting.

2.5.4 Changes in the composition of the Board of Directors

During FY21

The Shareholders' Meeting of 27 November 2020 renewed the appointment of Mr Alexandre Ricard, Mr César Giron and Mr Wolfgang Colberg as Directors for a term of four years expiring at the end of the Shareholders' Meeting to be held in 2024 to approve the financial statements for the previous financial year. In addition, at the same Shareholders' Meeting, Ms Virginie Fauvel was appointed as a Director for a term of four years. Morever, Mr Gilles Samyn had informed the Board of Directors of his decision to resign from his position as Director at the close of the Shareholders' Meeting of 27 November 2020. Finally, Ms Esther Berrozpe Galindo has submitted her resignation as Director of Pernod Ricard on 22 December 2020 to devote herself fully to the exercise of her new executive functions within a listed company.

During FY22

As the terms of office of Ms Anne Lange, the Company Paul Ricard represented by Mr Paul-Charles Ricard and Veronica Vargas will expire at the close of the Shareholders' Meeting held on 10 November 2021, it will be proposed that the Shareholders' Meeting (4th, 5th and 6th resolutions), in accordance with the recommendations of the Nominations and Governance Committee, renew their directorships for a four-year period expiring at the close of the Shareholders' Meeting to be held in 2025 to approve the financial statements for the previous financial year.

Ms Anne Lange provides the Board with the benefit of her experience particularly in the areas of Digital and Technology, Mr Paul-Charles Ricard brings his skills in the field of Innovation and his knowledge of industry, and Ms Veronica Vargas brings her experience in Finance and M&A in large companies.

Furthermore, the Board of Directors has decided, on the recommendation of the Nominations and Governance Committee, to propose the appointment of Ms Namita Shah (7th resolution) as Director. Her term of office would be conferred for a term of four years expiring at the end of the Shareholders' Meeting to be held in 2025 to approve the financial statements for the previous financial year.

The Nominations and Governance Committee and the Board of Directors reviewed the candidate. In particular, they appreciated Ms Namita Shah 's high-level international career in CSR, legal and managerial functions, as well as her recent appointment to the Executive Committee of a CAC 40 company. Following a review, they also confirmed that Ms Namita Shah fulfilled the AFEP-MEDEF independence criteria adopted by the Company.

Thus, at the close of the Shareholders' Meeting of 10 November 2021, the Board of Directors would comprise 14 members (including two Directors representing the employees), of which seven Independent Directors (58.3%) and six women (50%), in accordance with the recommendations of the AFEP-MEDEF Code and the law on balanced representation of women and men within Boards of Directors and professional equality. Additionally, five Directors would be of foreign nationality.

Ms Namita Shah 's background is presented below:

Ms Namita Shah

53 years old, Franco-Indian

A graduate of Delhi University and New York University School of Law, Namita Shah began her career as a lawyer in the New York office of Shearman & Sterling, where, in particular, she worked on arranging project financing.

In 2002, she joined the team in charge of mergers and acquisitions at Total Group and in 2008 was appointed Business Development Manager in Australia and Malaysia in the New Business Department of the oil group. From 2011 to 2014, she held the position of Chief Executive Officer of Total Exploration & Production in Myanmar. In 2014, she took on the role of General Secretary of the Exploration-Production business unit which she held until 2016, when she joined the Group's Executive Committee, becoming "Chief Executive Officer People & Social Responsibility". Lastly, in 2021, Namita Shah took over as head of a newly created business unit at TotalEnergies, OneTech, which brings together all TotalEnergies' technical teams in charge of operations, projects and R&D teams.

2.5.5 Independence of Directors

The Company applies criteria of independence as expressed in the AFEP-MEDEF Code (see table hereunder). A member of the Board of Directors is considered "independent" when they have no relationships of any kind with the Company, its Group or its Management, which could impair the free exercise of his/her judgement (article 3 of the Internal Regulations of the Board of Directors).

Therefore, the Board of Directors and the Nominations and Governance Committee use the following criteria to assess the independence of Directors in their annual review as well as in the event of a co-option, an appointment or a renewal.

The AFEP-MEDEF independence criteria are the following:

Criterion 1	Not to be, or not to have been during the past five years, an employee or Executive Director of the Company, nor an employee, Executive Director or a Director of a company consolidated within the Company or of its Parent Company or a company consolidated within this Parent Company.
Criterion 2	Not to be an Executive Director of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an Executive Director of the Company (currently in office or having held such office during the last five years) is a Director.
Criterion 3	Not to be, or not to be directly or indirectly related to, a customer, supplier, commercial banker, investment banker or consultant that is material to the Company or its Group, or for which the Company or the Group represent a significant part of their business.
Criterion 4	Not to be related by close family ties to a corporate officer.
Criterion 5	Not to have been a Statutory Auditor of the Company within the previous five years.
Criterion 6	Not to have been a Director of the Company for more than 12 years.
Criterion 7	For Non-Executive Directors: not to receive variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.
Criterion 8	Directors representing major shareholders (+10%) of the Company or its Parent Company may be considered as being independent, provided that these shareholders do not take part in the control of the Company.

Name	Criterion 1	2	3	4	5	6	7	8	Qualification selected by the Board
Executive Director									
Alexandre Ricard *Chairman and CEO*			X		X	X	N/A		Non-independent
Directors considered as independent by the Board									
Patricia Barbizet	X	X	X	X	X	X	N/A	X	Independent
Virginie Fauvel	X	X	X	X	X	X	N/A	X	Independent
Ian Gallienne	X	X	X	X	X	X	N/A	X	Independent*
Anne Lange	X	X	X	X	X	X	N/A	X	Independent
Philippe Petitcolin	X	X	X	X	X	X	N/A	X	Independent
Kory Sorenson	X	X	X	X	X	X	N/A	X	Independent
Directors									
Wolfgang Colberg	X	X	X	X	X		N/A	X	Non-Independent
César Giron			X		X	X	N/A		Non-independent
Société Paul Ricard *(Represented by Paul-Charles Ricard)*		X	X		X		N/A		Non-independent
Veronica Vargas	X	X			X	X	N/A		Non-independent
Directors representing the employees**									
Maria Jesus Carrasco Lopez					N/A				Representing the employees
Stéphane Emery					N/A				Representing the employees

X *means the Director fulfils the independence criterion concerned.*

* *Given the passive crossing of the 10% voting rights threshold by GBL in February 2017 by virtue of automatic acquisition of double voting rights, the Nominations and Governance Committee and the Board of Directors have examined this specific independence criterion and, in order to qualify Mr Ian Gallienne as an Independent Director, they have established that GBL does not participate in the control of Pernod Ricard and does not intend to do so, that GBL has no relation with any other shareholder or the Ricard family, the Group's reference shareholder, and that there is no potential conflict of interest situation that could compromise his freedom of judgement.*

** *In accordance with the AFEP-MEDEF Code, the Directors representing the employees are not taken into account when determining the independence percentage of the Board of Directors.*

During the annual Directors' independence review, and as in the previous financial year, the Nominations and Governance Committee and the Board of Directors raised the question of the independence of Mr Ian Gallienne, a Director with ties to GBL, given the passive crossing of the 10% voting rights threshold by GBL in February 2017 by virtue of the automatic acquisition of double voting rights. Please note that Mr Ian Gallienne's experience in finance as well as his in-depth knowledge of the Group are an asset to the Board of Directors of Pernod Ricard.

According to the AFEP-MEDEF Code, Directors representing major shareholders of the Company may be considered as being independent, provided that these shareholders do not take part in the control of the Company (criterion 8). At each crossing of a threshold of 10% of share capital or voting rights, the Board of Directors, on the recommendation of the Nominations and Governance Committee, is required to systematically review a Director's independence in the light of the composition of the Company's share capital and the existence of a potential conflict of interest.

Accordingly, it has been established that GBL does not participate in the control of Pernod Ricard and does not intend to do so as stated in the notification of threshold crossing published by the AMF on 23 February 2017:

- GBL has no relation with any other shareholder or the Ricard family, the Group's reference shareholder;
- Mr Ian Gallienne does not chair any of the Board Committees and is not a member of the Nominations and Governance Committee; and
- GBL does not intend to ask for the appointment of other Directors.

The Nominations and Governance Committee and the Board of Directors also noted the absence of conflicts of interest, since:

- there is no significant business relationship between GBL and Pernod Ricard or its Group that could create a situation of conflict of interest and which could compromise his freedom of judgement;
- GBL's capital entry was made independently of any agreement with Pernod Ricard or the Ricard family;
- GBL has the reputation of being a diligent and demanding investor whose interests are aligned with those of all shareholders;

- there is no agreement between GBL and Pernod Ricard or the Ricard family relating to the presence of Mr Ian Gallienne or one or more GBL representatives on the Board of Directors. The presence of Mr Ian Gallienne is justified by his experience and his judgement, which are beneficial to the Board of Directors;
- Mr Ian Gallienne is not in a position to impose his view on the Board of Directors, which has 13 members (including the Directors representing the employees); and
- the breakdown of Pernod Ricard's capital is such that GBL does not have a dominant position that enables it to impose its views at Shareholders' Meetings, or the power to block extraordinary decisions.

Thus, these elements demonstrate freedom of judgement and an absence of an actual or potential conflict of interest. In addition, it should be noted that there is no new element likely to call into question the qualification of independent retained in the past.

Given these facts, the Nominations and Governance Committee and the Board of Directors considered that Mr Ian Gallienne fully meet the "specific" independence criteria linked to the crossing of the threshold of 10% in share capital or voting rights.

After consideration and review of the AFEP-MEDEF Code criteria mentionned above, the Board of Directors' meeting held on 21 July 2021, in accordance with the recommendation of the Nominations and Governance Committee, confirmed that six out of 11 Board members (excluding the Directors representing the employees) are deemed to be independent: Ms Patricia Barbizet, Ms Virginie Fauvel, Ms Anne Lange and Ms Kory Sorenson and Messrs Ian Gallienne and Philippe Petitcolin, representing more than half of the Board of Directors (54.5%), as required by the AFEP-MEDEF Code.

2.5.6 Succession plan

The Nominations and Governance Committee, at the initiative of its Chairwoman, Lead Independent Director of the Board, periodically reviews the Group's succession plan. This allows her to establish and update a succession plan covering several time horizons:

- short term: unexpected succession (resignation, incapacity, death);
- medium term: accelerated succession (poor performance, lack of management); and
- long term: planned succession (retirement, end of the term of office).

The Nominations and Governance Committee favours close collaboration with General Management in order to ensure overall consistency of the succession plan and to ensure a continuity in the key positions. In order to ensure the optimal development of the succession plan for the governing bodies and to meet the Company's strategic ambitions, a regular assessment of potential candidates, their careers and developments is carried out with the assistance of an independent firm.

In addition, the Nominations and Governance Committee works closely with the Board of Directors on this subject, and is particularly vigilant in maintaining the confidentiality of this information.

2.5.7 Directors' Code of Conduct

Article 5 of the Internal Regulations, adopted by the Board of Directors on 17 December 2002, most recently amended on 21 April 2021, and article 16 of the bylaws stipulate the rules of conduct that apply to Directors and their permanent representatives. Each Director acknowledges that he/she has read and understood these undertakings prior to accepting the office. The Internal Regulations also outline the various rules in force with regard to the conditions for trading in the Company's shares on the stock market and the notification and publication requirements relating thereto.

Moreover, the Board of Directors' meeting of 16 February 2011 adopted a Code of Conduct to prevent insider trading and misconduct in compliance with new legal undertakings, to comply with European regulations on market abuse. This Code was updated on 21 April 2021.

Directors, as well as any person attending meetings of the Board and its Committees, have access to sensitive information concerning the Company. As such, they are bound by a strict obligation of confidentiality. Consequently, they must take all necessary measures to preserve the confidentiality of this information.

As the Directors have sensitive information on a regular basis, they must refrain from using it to buy or sell shares of the Company and from carrying out transactions involving Pernod Ricard's shares or any related financial instruments in the forty-five days prior to the publication of the full-year results, the thirty days prior to the publication of the half-year results and the fifteen days prior to the publication of quarterly net sales. This period is extended to the day after the announcement when it is made after the close of the markets (5.30pm, Paris time) and to the day of the announcement when it is made before the opening of the markets (9.00am, Paris time). In addition, the Code of Conduct states that they must seek the advice of the Ethics Committee before making any transactions involving the Company's shares or any related financial instrument.

2.5.8 Directors' Statement

Conflicts of interest

To the Company's knowledge and at the date hereof, there are no potential conflicts of interest between the duties of any of the members of the Company's Board of Directors or General Management with regard to the Company in their capacity as corporate officers and their private interests or other duties.

To the Company's knowledge and at the date hereof, there are no arrangements or agreements established with the main shareholders, clients, suppliers, bankers or consultants, relating to the appointment of one of the members of the Board of Directors or General Management.

To the Company's knowledge and at the date hereof, except as described in "Shareholders' agreements" below, the members of the Board of Directors and General Management have not agreed to any restrictions concerning the disposal of their stake in the share capital of the Company, other than those included in the Internal Regulations and the Code of Conduct.

In accordance with the Board's Internal Regulations and in order to prevent any risk of conflict of interest, each member of the Board of Directors is required to declare to the Board of Directors, as soon as he/she becomes aware of such fact, any situation in which a conflict of interest arises or could arise between the Company's corporate interest and his/her direct or indirect personal interest, or the interests of a shareholder or group of shareholders which he/she represents.

Procedure to identify regulated agreements

In accordance with article L. 22-10-12 of the French Commercial Code, the Board of Directors' meeting of 28 August 2019 approved an Internal Charter relating to the identification of regulated agreements (the "Charter"). The Charter is available on the Company's website. It is specified that this Charter formalises the process implemented to identify regulated agreements and that such process is followed prior to concluding, amending, renewing or terminating any agreements which would potentially be qualified as regulated, it being specified that the process applies to agreements considered as "free" at the time of conclusion.

Shareholders' agreements

On 8 February 2006, Pernod Ricard was notified that a shareholders' agreement had been signed between Mr Rafaël Gonzalez-Gallarza and Société Paul Ricard. Pursuant to this agreement, Mr Rafaël Gonzalez-Gallarza undertakes to consult Société Paul Ricard prior to any Pernod Ricard Shareholders' Meeting in order for them to vote the same way. Furthermore, Mr Rafaël Gonzalez-Gallarza undertook to notify Société Paul Ricard of any additional purchase of Pernod Ricard shares and/or voting rights, and also undertook not to purchase any Pernod Ricard shares if such a transaction would force Société Paul Ricard and the parties acting in concert to launch a public offer for Pernod Ricard. Finally, Société Paul Ricard has a pre-emption right with regard to any Pernod Ricard shares of which Mr Rafaël Gonzalez-Gallarza may wish to dispose.

Absence of conviction for fraud, association with bankruptcy or any offence and/or official public sanction

To Pernod Ricard's knowledge and at the date hereof:

- no conviction for fraud has been issued against any members of the Company's Board of Directors or General Management over the last five years;
- none of the members of the Board of Directors or General Management has been associated, over the last five years, with any bankruptcy, compulsory administration or liquidation as a member of a Board of Directors, Management Board or Supervisory Board or as a Chief Executive Officer;
- no conviction and/or official public sanction has been issued over the last five years against any members of the Company's Board of Directors or General Management by statutory or regulatory authorities (including designated professional organisations); and
- no Director or member of the General Management has, over the last five years, been prohibited by a court of law from serving as a member of a Board of Directors, a Management Board or Supervisory Board or from being involved in the management or the running of an issuer's business affairs.

Services agreements

No member of the Board of Directors or member of the General Management has any service agreement with Pernod Ricard or any of its affiliates.

Employee representatives

The representant of the Social and Economic Committee on the Board of Directors is Mr Hervé Jouanno (non-Director).

2.6 Structure and operation of the Board of Directors

The operation of the Board of Directors is set forth in the legal and regulatory provisions, the bylaws and the Board's Internal Regulations adopted in 2002 and last amended by the Board of Directors during its meeting on 21 April 2021. The Internal Regulations of the Board of Directors specify the rules and operations of the Board, and supplement the relevant laws, regulations and bylaws. In particular, they remind the Directors of the rules on diligence, confidentiality and disclosure of possible conflicts of interest.

2.6.1 Meetings of the Board of Directors

It is the responsibility of the Chairman to call meetings of the Board of Directors regularly, or at times that he or she considers appropriate. In order to enable the Board to review and discuss in detail the matters falling within their area of responsibility, the Internal Regulations provide that Board meetings must be held at least six times a year. In particular, the Chairman of the Board of Directors ensures that Board meetings are held to close the interim and annual financial statements and to convene the Shareholders' Meeting in charge of approving said statements.

Board meetings are called by the Chairman. The notice of the Board meeting, sent to the Directors at least eight days before the date of the meeting except in the event of a duly substantiated emergency, must set the agenda and state where the meeting will take place, which will be, in principle, the Company's registered office. Board meetings may also be held by video conference or teleconference, under the conditions provided for in the applicable regulations and the Internal Regulations.

Since FY17, the Directors hold a session at least once a year without the Directors from the Group Top Management (Executive Sessions). The purpose of these Executive Sessions is to assess the operation of the Board of Directors, the& performance of the Executive Director, as well as the review of his succession plan. One Executive Session was held in FY21.

2.6.2 Information provided to the Directors

The Directors receive the information they require to fulfil their duty. In accordance with the Internal Regulations, the supporting documents pertaining to matters on the agenda are provided far enough in advance to enable them to prepare effectively for each meeting.

A Director may ask for explanations or for additional information and, more generally, submit to the Chairman or the Lead Independent Director any request for information or access to information which he or she deems appropriate.

2.6.3 Directors' attendance at Board and Committee meetings during FY21

During FY21, the Board of Directors met nine times with an attendance rate of 100%. The average duration of the meetings of the Board of Directors was approximately four hours.

	Board of Directors	Audit Committee	Nominations and Governance Committee	Compensation Committee	Strategic Committee	CSR Committee
Alexandre Ricard	9/9				2/2	
Patricia Barbizet (1)	9/9		4/4	6/6		1/1
Esther Berrozpe Galindo (2)	5/5					
Wolfgang Colberg (3)	9/9	4/4	2/2		1/1	
Virginie Fauvel (4)	5/5					
Ian Gallienne	9/9			6/6	2/2	
César Giron (5)	9/9		4/4		1/1	
Anne Lange (6)	9/9		2/2		2/2	
Philippe Petitcolin (7) (8)	9/9	4/4		4/4	1/1	
Gilles Samyn (9)	4/4	1/1				
Société Paul Ricard (7) **(represented by Paul-Charles Ricard)**	9/9				1/1	
Kory Sorenson	9/9	4/4		6/6		
Veronica Vargas (10)	9/9					1/1
Director representing the employees						
Maria Jesus Carrasco Lopez	9/9					
Stéphane Emery	9/9			5/6		

(1) Chairwoman of the CSR Committee from 27.11.2020, date of its creation.
(2) Five meetings of the Board of Directors took place prior to 22.12.2020, the date of her resignation.
(3) One meeting of the Strategic Committee and two meetings of the Nominations and Governance Committee took place prior to 27.11.2020, the date of the end of his terms of office as a member of these two Committees.
(4) During FY21, and since the appointment of Virginie Fauvel as Director, five meetings of the Board of Directors were held.
(5) One meeting of the Strategic Committee was held prior to 27.11.2020, the date of the end of his term of office as a member of this Committee.
(6) Two meetings have been held since 27.11.2020, the date of Anne Lange's appointment to the Nominations and Governance Committee.
(7) One meeting has been held since the appointment as members of the Strategic Committee of Philippe Petitcolin and Société Paul Ricard represented by Paul-Charles Ricard.
(8) Four meetings of the Compensation Committee took place prior to 27.11.2020, the date of the end of his term as a member of this Committee.
(9) Four meetings of the Board of Directors and one meeting of the Audit Committee took place prior to 27.11.2020, the date of his resignation.
(10) Member of the CSR Committee from 27.11.2020, date of its creation.

2.6.4 Board of Directors' review

The Board of Directors includes on its agenda a regular discussion on its operation at least once a year and focuses in particular on the following areas:

- a review of its composition, operation and structure; and
- a check that significant issues are adequately prepared and discussed.

In accordance with the AFEP-MEDEF Code and with its Internal Regulations, the Nominations and Governance Committee and the Board have carried out an assessment of their operations. In addition, every three years a formalised external review with the support of a specialised consulting firm is carried out.

Since the last triennial external reviewed was performed in FY18, the Board performed a formalised review of its operation and that of its Committees during the fiscal year with the help of an external consultant specialised in corporate governance issues, who conducted individual interviews of each Director.

This last review highlights that the Board has continued to improve over the past three years and the recommendations made in 2018 have been implemented.

The Board is still gaining maturity and strength, notably thanks to the addition of new and diverse profiles, as well as the open attitude and the sense of control displayed by its Chairman.

The culture of the Board has remained stable while continuing to evolve by combining conviviality, commitment, professionalism, goodwill and challenge.

As part of a constructive approach, the specialised external firm made a number of recommendations that the Nominations and Governance Committee and the Board of Directors decided to implement, including:

- continue to work on the composition of the Board in the medium term in light of the strategic challenges of Pernod Ricard;
- revisit the organisation of hybrid meetings in order to enhance the experience of all the Directors, especially those who attend online; and
- take advantage of the new digital format to bring in functional or sectoral experts and Group executives based abroad.

2.6.5 Roles and activities of the Board of Directors

Main roles	**In exercising its legal prerogatives, the Board of Directors, notably:** • rules on all decisions relating to the major strategic, economic, social and financial directions of the Company and oversees their implementation by General Management; • deals with any issue relating to the smooth operation of the Company and monitors and controls these issues. In order to do this, it carries out the controls and checks it considers appropriate, including the review of Company management; • approves investment projects and any transactions, especially any acquisitions or disposal transactions, that are likely to have a significant effect on the Group's profits, the structure of its balance sheet or its risk profile; • draws up the annual and half-yearly financial statements and prepares the Shareholders' Meeting; • defines the Company's financial communication policy; • checks the quality of the information provided to the shareholders and to the markets; • appoints the corporate officers responsible for managing the Company based on the proposition of the Nominations and Governance Committee; • defines the compensation policy for the General Management based on the recommendations of the Compensation Committee; • conducts an annual review of every individual Director prior to publishing the annual report and reports the outcome of this review to the shareholders in order to identify the Independent Directors; and • approves the report of the Board on corporate governance and the balanced representation of women and men; on the conditions governing the organisation of the Board's work; and on the internal control and risk management procedures implemented by the Company.
Main activities in FY21	• During FY21, the Directors were regularly informed of developments in the competitive environment, and the operational Senior Management of the main affiliates reported on their organisation, businesses and outlook; in the context of the Covid-19 crisis, the Directors also closely monitored its impact, both from a health point of view and on the Group's activity, by holding regular discussions with Top Management. • The Board of Directors discussed the current state of the business at each of these meetings (operations, results and cash flow) and noted the progress of the Company's shares and the main ratios for market capitalisation. • The Board of Directors approved the annual and half-yearly financial statements and the terms of financial communications, reviewed the budget, prepared the Combined Shareholders' Meeting and approved the draft resolutions. • The Board of Directors devotes a significant part of its agenda to the minutes and discussions related to the work entrusted to the different Committees and their recommendations. • The Strategic Committee was in charge of analysing the main possible strategic orientations for the development of the Group and reporting to the Board on its reflections on the subjects related to its duties. • On the proposal of the Compensation Committee and in accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors' meeting held on 31 August 2021 established the FY22 compensation policy for the Chairman and CEO to be submitted to the approval of the Shareholders' Meeting (10^{th} resolution) and evaluated his variable compensation for FY21 without him being present. • In accordance with the recommendations of the AFEP-MEDEF Code, Directors held an Executive Session without the Directors from the Group Top Management in attendance. Specific topics discussed during this meeting mainly related to the operations of the Board and its Committees, the performance of the Executive Director, as well as a review of the succession plan. • The Board of Directors also examined governance issues, including the composition of the Board of Directors with respect to the recommendations of the AFEP-MEDEF Code notably with regards to the diversity of the Directors' profiles. • The Board of Directors, held on 21 April 2021, carried out an external and formal review of its functioning, with the support of an external consulting firm, the conclusions of which are set out above.

2.7 Structure and operation of the Committees

2.7.1 Committees of the Board of Directors

The Board of Directors delegates responsibility to its specialised Committees for the preparation of specific topics submitted for its approval.

Five Committees handle subjects in the area for which they have been given responsibility and submit their opinions and recommendations to the Board: the Audit Committee; the Nominations and Governance Committee; the Compensation Committee; the Strategic Committee, and the CSR Committee.

2.7.2 Audit Committee

Composition	**At 1 September 2021, the Audit Committee comprised:** **Chairman:** Mr Philippe Petitcolin (Independent Director) **Members:** Mr Wolfgang Colberg (Director) Ms Kory Sorenson (Independent Director) Two of the three Directors who are members of the Audit Committee are Independent Directors (67%), it being noted that the AFEP-MEDEF Code recommends an independence rate of 67%. The members of the Audit Committee were specifically chosen for their expertise in accounting and finance, based on their academic and professional experience. The Internal Regulations of the Audit Committee were reviewed and adopted at the Board of Directors' meeting of 8 February 2017. **During FY21, the Audit Committee met four times, with an attendance rate of 100%.**
Main roles	**The main roles of this Committee are the following:** • reviewing the Group's draft annual and half-year Parent Company and consolidated financial statements, as well as draft financial press releases, before they are submitted to the Board of Directors; • ensuring the appropriateness and consistency of the accounting methods and principles in force, preventing any breach of these rules and ensuring the quality of the information supplied to shareholders; • making recommendations, if necessary, to ensure the integrity of the financial reporting process; • reviewing work on brand valuations and ensuring the appropriate accounting treatment of complex or unusual transactions at Group level; • examining the scope of consolidation and, where appropriate, the reasons why some companies may not be included; • assessing the Group's internal control systems and reviewing internal audit plans and actions; • examining the material risks and off-balance sheet commitments and assessing how these are managed by the Company; • examining any matter of a financial or accounting nature submitted by the Board of Directors; • giving the Board of Directors its opinion or recommendation on the renewal or appointment of the Statutory Auditors, the quality of their work in relation to the statutory audit of the Parent Company and consolidated financial statements and the amounts of their fees, while ensuring compliance with the rules that guarantee the Statutory Auditors' independence and objectivity (in particular by the approval of non-audit missions); • reviewing conclusions and action plans resulting from the controls carried out by the *Haut Conseil du Commissariat aux Comptes*; and • supervising the procedure for selecting Statutory Auditors.
Main activities in FY21	In accordance with its Internal Regulations and in conjunction with the Statutory Auditors and the Consolidation, Treasury and Internal Audit Departments of the Company, the work of the Audit Committee focused primarily on the following issues: • review of the main provisions of French and foreign legislation or regulations, reports and commentaries with regard to corporate governance, risk management, internal control and audit matters; • review of the interim financial statements at 31 December 2020 during the meeting held on 9 February 2021; • review of the consolidated financial statements at 30 June 2021 (reviewed at the meetings held on 24 and 30 August 2021): the Audit Committee met with Management and the Statutory Auditors in order to discuss the financial statements and accounts and their reliability for the whole Group. In particular, it examined the conclusions of the Statutory Auditors and the draft financial reporting presentation; • monitoring of the Group's cash flow and debt; • risk management: the Group's main risks are regularly presented in detail to the Audit Committee (the meetings held on 9 December 2020 and 8 June 2021 were devoted mainly to risk management). At the meeting of 8 June 2021, the updated version of the Group's risk mapping was presented and discussed in detail, following a complete process involving the entire organisation (affiliates, functions);

Main activities in FY21 (continued)	• review of internal control: the Group sent its affiliates a self-assessment questionnaire to evaluate whether their internal control system was adequate and effective. Based on the Group's internal control principles and in compliance with the French Financial Markets Authority (AMF) reference framework for risk management and internal control ("*Cadre de référence de l'Autorité des Marchés Financiers* (AMF) *sur le dispositif de gestion des risques et de contrôle interne*") and the AMF's application guide published in 2007 and updated in July 2010, this questionnaire covers corporate governance practices, operational matters and IT support. Responses to the questionnaire were documented and reviewed by the Regions and the Group's Internal Audit Department. An analysis of the questionnaires returned was presented to the Audit Committee at the meeting held on 30 August 2021; • examination of the internal audit reports: in addition to the audits and controls carried out by the various affiliates on their own behalf, 25 internal audits were performed in FY21 by the internal audit teams (including IT audits). A full report was drawn up for each audit covering the types of risks identified – operational, financial, legal or strategic – and how they are managed. Recommendations are issued when deemed necessary. These are summarised for the Audit Committee, which is also regularly advised on the progress made in implementing the recommendations from previous audits; • approval of the Group internal audit plan for FY22 at the meeting held on 8 June 2021. The audit plan was prepared and approved, taking into account the Group's main risks; and • monitoring the roll-out of the Group's anti-corruption and influence peddling compliance programme.
Outlook for FY22	In FY22, the Committee will continue with the tasks it is carrying out for the Board of Directors in line with current regulations. In addition to the issues associated with preparing financial information, FY22 will be devoted to reviewing the management of the Group's major risks, as well as analysing reports on internal audits and the cross-disciplinary themes set out in the FY22 audit plan.

2.7.3 Nominations and Governance Committee

Composition	**On 1 September 2021, the nominations and Governance Committee comprised:** **Chairwoman:** Ms Patricia Barbizet (Lead Independent Director) **Members:** Mr César Giron (Director) Ms Anne Lange (Independent Director) Two out of the three Directors who are members of the Nominations and Governance a Committee are Independent Directors (67%), it being noted that the AFEP-MEDEF Code recommends an independence rate of 50%. Mr Alexandre Ricard, Chairman and CEO, is associated with the work of the Committee in matters relating to the appointment of Directors, in accordance with the AFEP-MEDEF Code. **In FY21, this Committee met four times, with an attendance rate of 100%.**
Main roles	The roles of this Committee, formalised in its Internal Regulations, are the following: • drawing up proposals concerning the selection of new Directors and proposing headhunting and renewal procedures; • periodically, and at least annually, discussing whether Directors and candidates for the position of Director or for membership of a Committee of the Board of Directors qualify as independent in light of the AFEP-MEDEF Code independence criteria; • ensuring the continuity of Management bodies by defining a succession plan for Executive Directors and Directors in order to propose options for replacement in the event of an unplanned vacancy; • being informed of the succession plan for key Group positions; • regularly reviewing the composition of the Board of Directors to monitor the quality (number of members, diversity of profiles, gender balance) and attendance of its members; and • carrying out annually assessments of the operation of the Board of Directors.
Main activities in FY21	In FY21, the main activities of the Nominations and Governance Committee included: • a review and recommendations to the Board of Directors on its composition and its Committees (appointments, renewals of mandates); • annual review of the Board members' independence (questionnaires sent to each Director, study of the significance of disclosed business relationships, specific criteria related to the passive crossing of the 10% voting rights threshold); • annual review of the Group's Talent Management policy and presentation of the succession plan for the Group Top Management; • annual review of Pernod Ricard SA diversity policy and professional and salary equity; • monitoring and reporting of the triennial formalised evaluation of the operation of the Board of Directors and its Committees; and • proposals to improve the operations of the Board of Directors and its Committees.
Outlook for FY22	In FY22, the Committee will continue with the tasks it is carrying out for the Board of Directors. It will not only review any issues relating to the composition of the Board and its Committees and the Directors' independence, but will pursue, led by its Chairwoman, the Company's Lead Independent Director, the diversity objectives in terms of skills on the Board of Directors and the robustness of the succession plan at all key levels in the Group.

2.7.4 Compensation Committee

Composition	**On 1 September 2021, the Compensation Committee comprised:** **Chairwoman:** Ms Kory Sorenson (Independent Director) **Members:** Mr Ian Gallienne (Independent Director) Ms Patricia Barbizet (Lead Independent Director) Mr Stéphane Emery (Director representing the employees) All of the Directors who are members of the Compensation Committee (1) are Independent Directors (100%), it being noted that the AFEP-MEDEF Code recommends an independence rate of 50%. **In FY21, Compensation Committee met six times, with an attendance rate of 96.43%.**

Main roles	The roles of this Committee, as confirmed by the Board of Directors on 12 February 2014, are the following:
	• reviewing and proposing to the Board of Directors the compensation to be paid to the Executive Directors as well as provisions relating to their retirement schemes and any other benefits granted to them;
	• proposing rules to this effect and reviewing these on an annual basis to determine the variable portion of the compensation of the Executive Directors and ensure that the criteria applied are in line with the Company's short-,medium- and long-term strategic orientations;
	• recommending to the Board of Directors the total amount of Directors' fees to be submitted for approval to the Shareholders' Meeting, as well as how they should be distributed:
	  • for duties performed as Board Members,
	  • for duties carried out on Committees of the Board Directors;
	• being informed of the compensation policy of the Senior Non-Executive Managers of the Group companies;
	• ensuring that the compensation policy for Senior Non-Executive Managers is consistent with the policy for Executive Directors;
	• proposing the general policy for allocation of stock options and performance-based shares, in particular the terms applicable to the Company's Executive Directors; and
	• approving the information provided to the shareholders on the compensation of the Executive Directors (in particular, the compensation policy and the components of the compensation submitted to the approval of the shareholders under the "Say on Pay" resolutions) and the policy for the allocation of stock options and performance-based shares.

Main activities in FY21	Further details of the work of the Compensation Committee are provided in section 2.8 "Compensation policy". During FY21, the members of the Compensation Committee were in particular asked to study the rules of governance and market practices concerning the compensation of Executive Directors including a specific analysis of the impact of the Covid-19 pandemic on the compensation of the Executive Director, as well as to review Pernod Ricard's long-term incentive policy with a view to renewing the related resolutions at the Annual General Meeting of Shareholders on 10 November 2021, at which the introduction of a CSR criteria will, in particular, be proposed. Finally, the Committee members oversaw the Group's plan to eliminate any gender pay gap.
Outlook for FY22	During FY22, the Committee will continue to perform the tasks entrusted to it by the Board of Directors and, in particular, continue to ensure that the compensation policy for corporate officers, and more specifically the Executive Director, is aligned with the corporate interest and contributes to the Company's business strategy and sustainability, while at the same time providing incentives in line with market practices and the interests of shareholders.

(1) In accordance with the AFEP-MEDEF Code, Directors representing the employees are not taken into account when determining the percentage of independent Directors on the Board of Directors or its Committees.

2.7.5 Strategic Committee

Composition	**On 1 September 2021, the Strategic Committee comprised:** **Chairman:** Mr Alexandre Ricard (Chairman and CEO) **Members:** Mr Ian Gallienne (Independent Director) Ms Anne Lange (Independent Director) Mr Philippe Petitcolin (Independent Director) Company Paul Ricard represented by Mr Paul-Charles Ricard (Director) Three out of the five Directors who are members of the Strategic Committee are Independent Directors (60%), it being noted that the AFEP-MEDEF Code does not make any recommendation regarding the Strategic Committee's independence. **In FY21, the Strategic Committee met twice, with an attendance rate of 100%.** All the Directors may, upon request, and even if they are not members of the Committee, participate in the meetings of the Strategic Committee.
Main roles	The roles of the Strategic Committee, as confirmed by the Board on 11 February 2015, are the following: • reviewing the key strategic issues of the Pernod Ricard company or of the Group; • drawing up and giving its prior opinion on significant partnership transactions, sales or acquisitions; and • generally, dealing with any strategic issues affecting the Company or the Group.
Main activities in FY21	During FY21, the members of the Strategic Committee reviewed the Group's strategic issues, in particular those relating to their digital transformation and changing consumption patterns in their markets, and were given presentations on the Group's key markets or brands.
Outlook for FY22	In FY22, the Committee will continue with the tasks it is carrying out for the Board of Directors. It will notably conduct a review and analysis of the key strategic orientations foreseen for the Group's development, as well as the study of any strategic issues affecting the Company or the Group.

2.7.6 CSR Committee

Composition	**On 1 September 2021, the CSR Committee comprised:** **Chairwoman:** Ms Patricia Barbizet (Lead Independent Director) **Members:** Ms Veronica Vargas (Director) Ms Maria Jesus Carrasco Lopez (Director representing the employees) One out of two Directors who are members of the CSR Committee [1] is an Independent Director (50%), it being noted that the AFEP-MEDEF Code does not make any recommendation regarding the CSR Committee's independence. **In FY21, the CSR Committee met once, with an attendance rate of 100%[2].**
Main roles	The roles and mission of the CSR Committee are the following: • examining, reviewing and evaluating the Group's S&R strategy; • implementing the Group's S&R strategy and carry out its monitoring in qualitative and quantitative terms; • assessing the risks and opportunities in terms of social and environmental performance; • monitoring reporting systems, preparing non-financial information and reviewing the annual non-financial performance statement; and • reviewing annually the summary of the ratings assigned to the Group by the rating agencies and by the non-financial analyses.
Main activities in FY21	During FY21, the CSR Committee's main activities included: • presenting the S&R strategy and progress on the achievement of objectives for each pillar; • introduction of CSR criteria to the LTIPs; • reflecting on the application of the Group's CSR commitments in relation to its various stakeholders; and • reviewing and monitoring of CSR reporting in the current context.
Outlook for FY22	In FY22, the Committee will continue with the tasks it is carrying out for the Board of Directors. In particular, it will ensure that the objectives of the CSR roadmap are monitored and achieved and that the non-financial information that is prepared is clear and relevant.

(1) In accordance with the AFEP-MEDEF Code, Directors representing the employees are not taken into account when determining the percentage of Independent Directors on the Board of Directors or its Committees.
(2) You are reminded that the CSR Committee was created on 27 November 2020.

2.8 Compensation policy

This section was prepared with the assistance of the Compensation Committee in accordance with the regulations in force, in particular the provisions of Order no. 2020-1142 of 16 September 2020 (hereinafter the "Order") supplemented by Decree no. 2020-1742 of 20 December 2020. This information also takes into account the provisions of the AFEP-MEDEF Code of Corporate Governance for listed companies.

Accordingly, the compensation of the corporate officers is presented as follows:

- a first subsection presenting the compensation policy for corporate officers, which, pursuant to Article L. 22-10-8 of the French Commercial Code, will be submitted for shareholder approval (*ex ante* vote) at the Combined Shareholders' Meeting of 10 November 2021 in the 11th resolution concerning the members of the Board of Directors (excluding the Chairman and CEO) and the 10th resolution concerning the Chairman and CEO;
- a second subsection containing the information referred to in article L. 22-10-9, I. of the French Commercial Code relating to all compensation paid during, or awarded for, FY21 to the corporate officers (other than the Chairman and CEO) for their duties, which, pursuant to article L. 22-10-34, I. of the French Commercial Code, will be submitted for shareholder approval (global *ex post* vote) at the Combined Shareholders' Meeting of 10 November 2021 in the 9th resolution;
- a third sub-section containing the information mentioned in Article L. 22-10-9, I. of the French Commercial Code and covering all compensation paid during, or awarded in respect of, FY21 to the Chairman and Chief Executive Officer by virtue of his term of office which, pursuant to Article L. 22-10-34, I. of the French Commercial Code, will be submitted to the shareholders for approval (overall ex-post vote) at the Combined Shareholders' Meeting of 10 November 2021 in its 9th resolution; this third sub-section also includes the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during, or granted in respect of, FY21 to Mr Alexandre Ricard, Chairman and Chief Executive Officer, and which, pursuant to Article L. 22-10-34, II. of the French Commercial Code, will be submitted to the shareholders for approval (specific ex-post vote) at the Combined Shareholders' Meeting of 10 November 2021 in its 8th resolution; and
- a fourth subsection presenting the overall and additional components of the compensation policy but is not subject to a shareholder vote.

2.8.1 Compensation policy for corporate officers

The compensation policy for corporate officers is reviewed each year to take into account changes in regulations, market practices and codes of corporate governance, as well as shareholder votes and, where applicable, the opinions expressed at Shareholders' Meetings. An in-depth analysis is carried out in great detail at the time of reappointment.

The current compensation policy was defined by the Board of Directors on 31 August 2021 on the proposal of the Compensation Committee. Pursuant to article L. 22-10-8 of the French Commercial Code, this policy is subject to the approval of the Shareholders' Meeting each year and upon each major change. In the absence of approval, the previously approved policy continues to apply.

2.8.1.1 General principles for the determination, review and implementation of the compensation policy for corporate officers

The Board of Directors follows the general guidelines, drawn up within the framework of the recommendations of the AFEP-MEDEF Code, for the determination, review and implementation of its compensation policy.

It thus ensures that this compensation policy is consistent with the principles of compliance, comparability, competitiveness, comprehensiveness, motivation, performance, intelligibility of the rules and measurement.

Compliance

In its analysis and proposals to the Board of Directors, the Compensation Committee is particularly careful to follow the recommendations of the AFEP-MEDEF Code, which the Company uses as reference.

Compliance with the corporate interest and relationship to strategy

The compensation policy adopted by the Board of Directors includes incentives that reflect the Group's strategy of long-term profitable growth through responsible actions and compliance with the interests of the Company and its shareholders, both in terms of the correlation of compensation with the Company's short- and long-term performance and in terms of the policy of giving the executive a share of the capital and the associated share of risk.

This compensation policy, which reflects the interests of the Company, is part of its business strategy and helps secure the Group's long-term future. The performance conditions of the compensation policy for corporate officers are directly linked to the Group's performance metrics.

Thus, the compensation policy of corporate officers:

- reinforces the alignment of the interests of the Executive Director with the Company's corporate interest insofar as it is in line with and supports the Company's strategy; and
- contributes to the Company's sustainability thanks in particular to its long-term compensation policy and its loyalty-building effects as well as its incentives for sustainable performance.

Comparability and competitiveness

Compensation is based on the responsibilities assumed, the tasks performed, results obtained and market practices. Studies are regularly conducted with the assistance of consulting firms to measure compensation levels and structures in relation to panels of comparable companies (in terms of both size and scope).

Comprehensiveness and balance

Compensation components and other benefits are analysed individually and as a whole in order to achieve the best balance between fixed and variable, individual and collective, short- and long-term compensation.

Coherence

The Compensation Committee ensures that the compensation policy for the Executive Director is consistent with the compensation policy for the Group's employees, and in particular that of the members of the Executive Committee.

Motivation and performance

In its recommendations to the Board of Directors, the Compensation Committee seeks to propose a compensation policy commensurate with the responsibilities of the recipients and in line with the practices of comparable large international corporations, ensuring both a good balance between fixed compensation, variable annual compensation, long-term compensation, and that the policy strengthens the link with performance.

Lastly, the variable compensation policy for the Executive Director (determining in particular the criteria for the annual variable portion as well as the performance conditions for long-term profit-sharing plans) is regularly reviewed in line with the Group's strategic priorities, to ensure it is aligned with the interests of shareholders and incorporates social responsibility criteria.

Intelligibility of the rules

The Group ensures that the compensation policy is clear and comprehensible and that each of the rules set out in this document is sufficiently explicit for everyone to understand.

Measurement

The Group takes into account the corporate interests, market practices, and performance of senior executives and stakeholders when determining its compensation policy.

Implementation

On the recommendation of the Compensation Committee, the Board of Directors ensures that the policy is applied in accordance with the rules approved by the Shareholders' Meeting.

The Group works to ensure that the compensation system is coherent and that payment of employees is fair.

Governance

The determination, review and implementation of compensation policies for Corporate Officers are established by the Board of Directors, on the recommendation of the Compensation Committee, and then submitted to the Shareholders' Meeting. The Compensation Committee ensures the strict application of all of those policies in accordance with the above-mentioned principles.

Conflicts of interest

The Compensation Committee is composed of four members, three of whom are independent and one who represents the employees.

The Board of Directors and the Compensation Committee ensure the prevention and management of any conflicts of interest that may arise in this decision-making process. As a result, the Chairman & CEO refrains from taking part in deliberations and voting on policies that concern him. In accordance with the provisions of the AFEP-MEDEF Code, an independent Director is a non-executive Corporate Officer of the Company or its Group and has no special ties with them.

Potential change of governance

Where a new Chairman and CEO, a new Chief Executive Officer or new Deputy Chief Executive Officer(s) is appointed, the components of the compensation and the policy and criteria set out in the Compensation policy for the Chairman and CEO shall also apply to them on a *pro rata* basis. The Board of Directors, on the recommendation of the Compensation Committee, shall then, by means of adaptation to the situations of the interested parties, determine the objectives, performance levels, parameters, structure and maximum percentages compared to their fixed annual compensation, which may not be higher than those of the Chairman and CEO.

Furthermore, as regards the annual variable compensation policy, in the event of the arrival of a new Executive Director during the second half of a financial year, the Board of Directors will conduct a performance assessment at its discretion based on a proposal from the Compensation Committee and, in that case, the new Director will receive as variable compensation the prorated amount of the variable portion approved by the shareholders.

Similarly, if a new Director is appointed, the elements of compensation, principles and criteria provided for in the Compensation Policy for Corporate Officers would also apply to him/her on a *pro rata* basis.

2.8.1.2 Compensation policy for Directors (11th resolution)

The conditions governing Directors' compensation within the total annual amount of corporate officer compensation authorised by the Shareholders' Meeting are determined by the Board of Directors on the basis of a recommendation from the Compensation Committee.

Arrangements for allocating the compensation budget for FY21

Directors' annual compensation comprises a fixed portion set at €20,000, with an additional €6,000 for members of the Audit Committee and €5,000 for members of the Strategic Committee, the Compensation Committee, the Nominations and Governance Committee, and the CSR Committee. The Chairman of the Audit Committee receives an additional sum of €14,000, while the Chairwomen of the Compensation Committee, the Nominations and Governance Committee, and the CSR Committee each receive an additional €8,500.

The Lead Independent Director receives additional annual compensation of €40,000.

Directors are also eligible for a variable portion, calculated on the basis of their attendance at Board and Committee meetings. The variable portion is €4,000 per meeting.

Furthermore, in order to take account of distance constraints, an additional premium of €1,500 is paid to Directors who are not French tax residents, when they attend Board and/or Committee meetings. Directors who take part in Board meetings by video conference or conference call are not eligible for this additional amount.

As compensation, the Directors representing the employees receive a fixed annual payment of €15,000 for their attendance at meetings of the Board of Directors and, as appropriate, those of the Board of Directors' Committees of which they are members.

The Chairman and CEO does not receive compensation in respect of his office as a Director.

Of the €1,250,000 allocated by the Shareholders' Meeting of 27 November 2020, total compensation of €1,007,292 was paid to Directors in FY21, in accordance with the rules set out above.

For FY22, no change will be made to the amount and allocation of the budget applied for the previous financial year.

2.8.1.3 Compensation policy for the Chairman and CEO (10th resolution)

Presented below, in accordance with article L. 22-10-8 of the French Commercial Code, is the report of the Board of Directors on the compensation policy for the Chairman and CEO (hereinafter the "Executive Director"), which will be submitted to shareholders for their approval.

Accordingly, the Shareholders' Meeting of 10 November 2021 (in its 10th resolution appearing in Section 8 "Combined Shareholders' Meeting" of this universal registration document) will be asked to approve the following elements of the compensation policy of the Executive Director.

This report was prepared under the supervision of the Compensation Committee and makes a number of changes to the compensation policy previously approved by 94.23% of the shareholders at the Shareholders' Meeting of 27 November 2020.

The change in the components of compensation proposed below is in the context of the second term of office for the Executive Director. Changes in the compensation policy of Mr Alexandre Ricard had initially been considered at the time of the renewal of his term of office in November 2020; however the Compensation Committee and the Board of Directors had preferred to postpone any changes until this year, given the health context and economic impact of Covid-19.

These proposed changes take into account:

- the analysis of market practices of CAC 40 companies and peer panel companies with a view to aligning them with those of the CAC 40;
- the excellent management of the Group by Mr Alexandre Ricard with, in particular, the strong development of the Group and the Group's buoyant market capitalisation (this has doubled since FY15 during which Mr Alexandre Ricard was appointed Chairman and CEO);

while ensuring stability until the end of the current term of office.

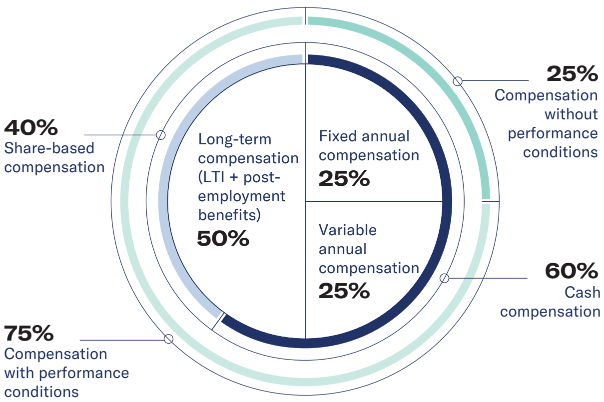
Compensation structure

The structure of the Executive Director's compensation consists mainly of:

- cash compensation comprising a fixed portion and a variable annual portion directly related to his or her individual performance and contribution to the Group's performance; and
- capital compensation in the form of an allocation of shares whose vesting is subject to the achievement of performance conditions in line with shareholders' interests.

Components of compensation	
Fixed compensation	€1,250,000
Variable compensation	Target: 110% – Max: 180% (Quantitative criteria: target 80%/max 150% – Qualitative criteria: target 30%/max 45%)
Long-term profit-sharing plan	Max 150% of fixed annual compensation, subject to performance conditions
Supplementary pension scheme	20% of fixed and variable compensation (10% in performance shares and 10% in cash)
Deferred commitments	Non-compete clause + Imposed departure clause: combined maximum of 24 months' compensation (fixed and variable)
Multi-year/exceptional variable compensation	Any multi-year variable compensation or exceptional compensation shall be precisely communicated and justified. None currently
Other	Company car/collective healthcare and welfare schemes

Breakdown of target annual compensation



The components of the compensation structure are balanced and are allocated as follows:

- 50/50 between fixed and variable annual compensation, and long-term compensation;
- 60/40 between cash compensation and share-based compensation;
- 75/25 between performance-based compensation and non-performance-based compensation.

Fixed annual compensation

The fixed portion of the Executive Director's compensation is determined based on:

- the level and complexity of his responsibilities;
- his experience and career history, particularly within the Group;
- market analyses for comparable functions (study conducted with the help of specialised firms on the positioning of the compensation of the Executive Director in relation to the practices of CAC 40 companies and international companies in the beverage sector for similar positions);
- individual performance.

The possibility of a review of fixed compensation is analysed in detail at each reappointment. However, an early review might occur in the event of significant changes to their scope of responsibilities or a major deviation compared to the market positioning. In these specific situations, the adjustment of the fixed compensation and the reasons for it will be made public.

Finally, the Board of Directors has decided that, in the event of the appointment of a new Chairman and CEO, a new Chief Executive Officer or new Deputy Chief Executive Officer(s), these same principles will apply.

In light of the exceptional circumstances in 2020, on the recommendation of the Compensation Committee, the Board of Directors decided, on 1 September 2020, to postpone the review of Mr Alexandre Ricard's compensation by one year, despite the exceedingly high quality of his performance and the renewal of his term of office.

Accordingly, on 31 August 2021, the Board of Directors decided, on the proposal of the Compensation Committee, to increase the fixed annual compensation of Mr Alexandre Ricard to €1,250,000 until the end of his term of office, so that it is more closely aligned with the median practices of the CAC 40, given that Pernod Ricard's market capitalisation is above the median of the CAC 40.

In this decision, the Board of Directors took into consideration:

- the acceleration of Group Pernod Ricard's financial performance since his appointment in 2015;
- the excellent management during the health crisis which confirmed Mr Alexandre Ricard's leadership;
- the analyses carried out by two independent external firms which revealed a gap between his compensation (both fixed and total) compared to the median practice of CAC 40 companies and a greater gap with companies in the beverage sector (i.e. external condition panel); and
- fixed compensation of Mr Alexandre Ricard unchanged since August 2018.

The Board of Directors also ensured that this review was coherent with the compensation and salary conditions of the Group's employees, particularly in France.

Compensation as Chairman of the Board of Directors

The Executive Director does not receive compensation for offices he or she holds in the Company or in Group companies.

Variable annual portion

The purpose of variable annual compensation is to compensate the performance achieved during the financial year by the Executive Director in terms of the annual performance objectives set by the Board of Directors in accordance with the corporate strategy. Pursuant to the provisions of article L. 22-10-34 of the French Commercial Code, the payment of variable annual compensation is conditional upon its prior approval by the Ordinary Shareholders' Meeting ("ex-post" vote).

The Board of Directors and the Compensation Committee strive to strengthen the link between performance and compensation and to integrate corporate social responsibility.

More specifically, this variable portion is based on performance levels applying to financial and non-financial parameters, representative of expected overall performance.

This variable portion is expressed as a percentage of the fixed annual portion. It may vary between 0% and 110% if the quantitative and qualitative objectives are achieved (target level) and may rise to a maximum of 180% if the Group records exceptional financial and non-financial performance in relation to the objectives.

PERFORMANCE CRITERIA

The criteria are reviewed regularly to ensure they are in line with the Company long-term strategy and may be modified on an occasional basis. For FY22, the Board of Directors, on the recommendation of the Compensation Committee, proposes that the following criteria be reapplied:

Quantitative criteria: target 80% maximum 150%	**Achievement of budgeted profit from recurring operations**, restated for exchange rate and scope effects. This criterion, intended to provide an incentive to exceed the target for profit from recurring operations, is one of the key elements of the Group's decentralised structure. This concept of commitment to the budgeted profit from recurring operations helps to bring together all of the structures, which are rewarded according to the extent to which they meet their own targets for profit from recurring operations. This criterion rewards the management performance of the Executive Director.	Target 20% Maximum 37.5%
	Achievement of budgeted Group net profit from recurring operations, restated for exchange rate and scope effects. This criterion takes into account all of the Group's financial data that fall under the Executive Director's responsibility for the financial year and thus makes it possible for his compensation to be aligned as closely as possible with that of the shareholders.	Target 20% Maximum 37.5%
	Achievement of budgeted recurring free cash flow, restated for exchange rate and scope effects. This criterion measures the Group's financial performance and value creation.	Target 20% Maximum 37.5%
	Rate of cash conversion for profit from recurring operations, restated for exchange rate and scope effects. The inclusion of this criterion in the calculation of the variable portion of the Executive Director's compensation is in line with the Group's strategy in that it rewards good cash management, regardless of the level of achievement of profit from recurring operations.	Target 20% Maximum 37.5%
Qualitative criteria: target 30% maximum 45%	The individual performance of the Executive Director is assessed annually by the Board of Directors on the recommendation of the Compensation Committee. The qualitative criteria assessed are reviewed annually, based on the Group's strategic priorities, knowing that the Board of Directors will strive to always include a CSR criterion. For confidentiality reasons regarding the Group's strategy, details of qualitative objectives may only be made public after the event and after assessment by the Compensation Committee and the Board of Directors.	Target 30% Maximum 45%
TOTAL TARGET 110% MAXIMUM 180%		**TARGET 110% MAXIMUM 180%**

In any event, variable compensation (quantitative and qualitative criteria) may not exceed 180% of the fixed annual compensation.

PERFORMANCE LEVELS

The performance achievement level shall be communicated, criterion by criterion, once the performance assessment has been prepared.

TERMINATION OF OFFICE

If the Executive Director leaves during the financial year, the amount of the variable portion of their compensation for the current year will be determined *pro rata* to attendance time for the year in question, depending on the performance level observed and assessed by the Board of Directors for each of the criteria initially adopted. However, it should be noted that no compensation shall be paid if the Executive Director is dismissed for gross negligence or with good cause or on decision of the Board of Directors.

PAYMENT METHOD

In accordance with the law, the payment of variable annual compensation will be conditional upon prior approval by the Ordinary Shareholders' Meeting.

Stock option and performance-based share allocation policy

The Board of Directors considers that share-based compensation mechanisms, which also benefit other key functions of the Company, are particularly appropriate for the Executive Director, given the level of responsibility of this function and his or her ability to contribute directly to long-term corporate performance in a way that is aligned with shareholders' interests.

In addition, the Board of Directors ensures that the performance conditions are consistent with those applied to the Group's Senior Managers, particularly the members of the Executive Committee.

During FY21, the Board of Directors reaffirmed its desire to give key personnel an interest in the performance of Pernod Ricard shares, and during its meeting of 27 November 2020, it decided to introduce a combined allocation plan made up of stock options and performance shares.

The Board's aim is therefore to continue to align the interests of Pernod Ricard employees with those of the shareholders, by encouraging them to hold shares of the Company. Just over 750 employees were rewarded, making it possible to target not only executives in management positions, but also to retain young high-potential Managers (Talents) in all of the Group's affiliates around the world.

For the future, the Shareholders' Meeting of 10 November 2021 will be asked to authorise the Board of Directors to allocate free performance shares to employees and Executive Directors of the Company and Group companies (resolution no. 22), subject to the performance conditions detailed below. The Board of Directors wished to align itself with the market practices of CAC 40 companies by eliminating stock options and to introduce a corporate social responsibility criterion in line with its roadmap in this area.

ALLOCATION OF PERFORMANCE-BASED SHARES

The performance shares granted will have a vesting period of three years and will be subject to the following performance conditions:

- 50% of the allocation of performance-based shares, by value, will be subject to an internal performance condition linked to a criterion relating to profit from recurring operations;
- 30% of the performance-based share allocation, by value, will be subject to a relative external performance condition (TSR *versus* a peer panel);
- 20% of the performance-based share allocation, by value, will be subject to an internal performance condition relating to CSR criteria.

Details of performance conditions

PRO (Profit from Recurring Operations)	The shares will be definitively awarded if the average achievement of the Group's annual objectives for profit from recurring operations, restated for scope and exchange rate effects, over three consecutive financial years, is greater than 95 % of the Group's budgeted annual objectives for profit from recurring operations for these financial years: • if the average level of achievement over the three financial years of the budgeted profit from recurring operations is less than or equal to 0.95: no performance shares will vest; • if the average level of achievement is between 0.95 and 1: the number of performance shares vesting will be determined on a straight-line basis according to the percentage achievement between 0% and 100%; and • if the average level of achievement is 1 or more: 100% of performance shares will be vested. The determination of the final number of shares awarded will be assessed over a period of three consecutive financial years (including the year in which the shares were allocated). The final number of shares awarded is determined on a straight-line basis according to the percentage achievement between 0 and 100.
TSR (Total Shareholder Return)	The number of performance shares that vest will be determined by the positioning of the overall performance of the Pernod Ricard share (TSR) compared to that of the Panel of 12 peers over a period of three years following the allocation of the plan, in accordance with the following: • below the median (8th to 13th position), no performance shares will vest; • at the median (7th position), 66% of the shares will vest; • if in 6th, 5th or 4th position, 83% of the shares will vest; and • if in 3rd, 2nd or 1st position, 100% of the shares will vest. The Board of Directors has decided that, in addition to Pernod Ricard, the Panel shall comprise the following 12 companies: AB InBev, Brown Forman, Campari, Carlsberg, Coca-Cola, Constellation Brands, Danone, Diageo, Heineken, LVMH, PepsiCo and Rémy Cointreau. The composition of the Panel may be modified depending on changes in the companies, particularly in the event of acquisition, absorption, dissolution, spin-off, merger or change of activity, subject to maintaining the overall consistency of the sample and enabling application of the external performance condition in accordance with the performance objective set on allocation.
CSR (Corporate Social Responsibility)	The number of performance shares that vest will be determined based on the achievement of the following criteria assessed over a period of three consecutive financial years (including the year during which the shares were allocated): • Carbon: implementation of the roadmap to reduce the direct CO_2 emissions generated by our sites in order to achieve zero net emissions by 2030. • Water: implementation of the roadmap, which aims to reduce the water consumption of our distilleries by 20% by 2030. • Responsible consumption: Pernod Ricard's strategic brands will launch marketing campaigns focused on responsible drinking, with the aim of ramping this up each year over the next five years. • Employees: objective of achieving gender diversity in our Top Management (at least 40% of each gender) by 2030. The Board of Directors will determine, at the time of each allocation, the quantified objectives to be achieved for each of these four criteria. Number of shares that vest: • if no objectives are achieved: no shares will vest; • if one objective is achieved: 25% of the shares will vest; • if two objectives are achieved: 50% of the shares will vest; • if three objectives are achieved: 75% of the shares will vest; • if four objectives are achieved: 100% of the shares will vest.

MAXIMUM ALLOCATION AMOUNT

Throughout the current term of office of the Executive Director, the maximum annual allocation, by value, of performance shares allocated to the Executive Director is limited to 150% of his gross fixed annual compensation. This maximum allocation has been determined by taking into account:

- the practices of CAC 40 and beverage sector companies (external benchmarking panel); and
- the demanding nature of the performance conditions.

Furthermore, the maximum amount of performance shares allocated to the Executive Director is limited to 0.08% of the share capital on the grant date of the performance-based shares (in accordance with the 22nd resolution).

LOCK-IN PERIOD

The Board of Directors requires the Executive Director:

- to hold a number of shares in registered form until the end of his or her term of office, corresponding to:
  - in respect of stock options: 30% of the capital gain since acquisition, net of social security contributions and taxes, resulting from the exercise of the stock options, and
  - in respect of performance shares: 20% of the volume of performance shares that will actually vest;
- to undertake to buy a number of additional shares equal to 10% of the performance shares acquired at the time that the performance shares actually vest; and
- once the Executive Director holds a number of registered Company shares that corresponds to more than three times his or her gross fixed annual compensation at that time, the above-mentioned lock-in obligation will be reduced to 10% for both stock options and performance shares and the Executive Director concerned will no longer be required to acquire additional shares. If, in the future, the registered holdings fall below the ratio of three times, the above-mentioned lock-in and vesting requirements will once more apply.

PRESENCE CONDITION AND TERMINATION OF OFFICE

The definitive allocation is subject to a presence condition (at the date on which the shares vest) for all beneficiaries including the Executive Director, with the exceptions specified in the plan regulations (notably in cases of death or disability) or decided by the Board of Directors. In case of the Executive Director, the Board of Directors may decide to remove the presence condition *pro rata temporis* where appropriate, issuing a notification of and justification for any such decision. The performance shares held shall remain subject to all applicable plan regulations, particularly with regard to the calendar and performance conditions.

HEDGING

In accordance with the Code of Conduct, the latest version of which was adopted by the Board of Directors on 20 July 2017, and the AFEP-MEDEF Code, the Executive Director has formally agreed to refrain from using hedging mechanisms for any performance shares received from the Company.

Policy on deferred commitments

IMPOSED DEPARTURE CLAUSE

A maximum allowance of 12 months' compensation (last fixed and variable annual compensation determined by the Board of Directors) would be paid under performance conditions in the event of imposed departure as a result of a change in the Group's control or strategy. However, there would be no payment in the event of i) non-renewal of the term of office, ii) departure initiated by the Director, iii) a change of functions within the Group or iv) if he or she is able to benefit in the near future from their pension rights.

The imposed departure clause is subject to the following three performance criteria:

- criterion number 1: bonus rates achieved over the term(s) of office: criterion number 1 will be considered as met if the average bonus paid over the entire length of the term(s) of office is no less than 90% of the target variable compensation;
- criterion number 2: growth rate of profit from recurring operations over the term(s) of office: criterion number 2 will be considered as met if the average growth rate of profit from recurring operations *vs.* budget of each year over the entire length of the term(s) of office is more than 95% (adjusted for foreign exchange and scope impacts); and
- criterion number 3: average growth in net sales over the term(s) of office: criterion number 3 will be considered as met if the average growth in net sales over the entire length of the term(s) of office is greater than or equal to 3% (adjusted for foreign exchange and scope impacts).

The amount of compensation that may be received under the imposed departure clause shall be calculated according to the following scale:

- if all three criteria are met, payment of 12 months' compensation (1);
- if two of the three criteria are satisfied: payment of eight months' compensation (1);
- if one of the three criteria is satisfied: payment of four months' compensation (1); and
- if no criterion is satisfied: no compensation will be paid.

NON-COMPETE CLAUSE

The signing of this non-compete clause for a period of one year is intended to protect the Group by preventing the Executive Director from performing duties for a competitor, in return for an allowance of 12 months' compensation (last fixed and variable annual compensation, determined by the Board of Directors).

In accordance with the AFEP-MEDEF Code:

- the indemnity will be paid monthly during its term;
- it is provided in this clause that the Board of Directors may waive the application of this clause when the Executive Director leaves;
- the indemnity will not be paid if the Executive Director leaves the Group to take retirement or if the Executive Director is over 65 years old; and
- the maximum amount of the indemnity under the non-compete clause and the imposed departure clause (sum of both) is capped at 24 months' compensation (last fixed and variable annual compensation approved by the Board of Directors).

(1) *Most recent annual fixed and variable compensation decided by the Board of Directors.*

Supplementary pension scheme

The supplementary pension scheme supplements the retirement schemes provided under compulsory basic and supplementary schemes.

The Board of Directors, on the recommendations of the Compensation Committee, decided at its meeting of 31 August 2021 to modify the level of the supplementary pension scheme implemented in 2016. This change was analysed in the light of market practices and in order to align itself as closely as possible with the CAC 40, both in terms of structure and level.

The Executive Director would therefore receive additional annual compensation equal to 20% of his fixed and variable annual compensation, paid each year:

- half (*i.e.* 10%) in the form of the allocation of performance-based shares, the number of which will be determined based on the IFRS value of shares when the allocation occurs, and which must be approved by the Board of Directors each year. The conditions relating to performance, presence and holding that will apply to these allocations will be the same as those outlined under the general Group performance-based share allocation plan in effect on the grant date; and
- half (*i.e.* 10%) in cash. It is specified that the Executive Director will undertake to invest the cash component of this additional compensation he may receive, net of social security contributions and tax, in savings products dedicated to financing his supplementary pension.

Multi-year compensation

The Board of Directors has decided not to use this type of long-term cash compensation mechanism, preferring to favour a share-based instrument more closely aligned with shareholders' interests.

However, such a mechanism might be envisaged if regulatory changes or any other circumstance were to make the use of a share-based instrument restrictive or impossible. In this event, the principles and criteria for the determination, distribution and maximum allocation of shares stipulated in the policy relating to share plans will be used in the structuring of such variable multi-year compensation using the most similar appropriate procedures possible.

Exceptional compensation

In accordance with the AFEP-MEDEF Code (24.3.4), the Board of Directors has adopted the principle by which the Executive Director may receive a special bonus in certain circumstances (particularly in the case of transformational operations), which must be explicitly disclosed and justified.

Moreover, in accordance with the AFEP-MEDEF Code (article 24.4), in the case of external recruitment of a new Executive Director, the Board of Directors may also decide to pay an amount (in cash or in shares) to compensate the new Executive Director for loss of all or part of his or her compensation (excluding retirement benefits) related to leaving his or her previous position. This compensation may not exceed the amount lost by the person in question.

In all cases, the payment of such compensation may only be made subject to the prior approval of the Ordinary Shareholders' Meeting pursuant to article L. 22-10-34 of the French Commercial Code.

Other benefits

COMPANY CAR

For fulfilling his or her duties as a representative of the Company, the Executive Director has a company car. Insurance, maintenance and fuel costs are borne by the Company.

COLLECTIVE HEALTHCARE AND WELFARE SCHEMES

The Executive Director enjoys the benefit of the collective healthcare and welfare schemes offered by the Company under the same terms as those applicable to the category of employees to which they belong for the determination of their welfare benefits and other additional components of their compensation.

Exception to the implementation of the compensation policy for the Chairman and CEO

In accordance with the second paragraph of III of article L. 22-10-8 of the French Commercial Code, in the event of exceptional circumstances, the Board of Directors may depart from applying elements of the compensation policy, provided that such a departure is temporary, is in the Company's interest and is necessary to ensure the Company's continued existence or viability. Any departure will be decided by the Board of Directors, on the recommendation of the Compensation Committee and after obtaining the opinion, where necessary, of an independent consulting firm, it being understood that reasons must be given for this departure.

Such a departure may only be temporary and in exceptional circumstances, in particular a major event affecting markets in general or that of wines & spirits in particular.

The compensation elements that may be departed from, in either a positive or negative sense, are the annual or long-term variable compensation (but without the limits being modified).

EMPLOYMENT CONTRACT/CORPORATE OFFICE (TABLE 11 AMF NOMENCLATURE)

	Employment contract		Supplementary defined-benefit pension scheme		Indemnities or advantages due or liable to be due by virtue of the discontinuance of or change in their positions		Indemnities relating to a non-compete clause	
Executive Directors	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Mr Alexandre Ricard Chairman and CEO (1)		X		X	X		X	

(1) Mr Alexandre Ricard resigned from his employment contract on 11 February 2015, when he was appointed Chairman and CEO. Before this, his contract of employment with Pernod Ricard had been suspended since 29 August 2012.

2.8.2 Components of compensation paid or allocated during FY21 to the corporate officers (9th resolution)

2.8.2.1 Table of compensation received (in euros) by Non-Executive Directors (Table 3 AMF nomenclature)

Of the €1,250,000 allocated by the Shareholders' Meeting of 27 November 2020, a total of €1,007,292 in compensation was paid to Directors in FY21, in accordance with the rules set out in subsection 2.8.1 above. As a reminder, the Chairman and CEO does not receive compensation as a Director.

	FY20		FY21	
Members of the Board	**Amounts allocated**	**Amounts paid**	**Amounts allocated**	**Amounts paid**
Ms Patricia Barbizet	136,833	122,333	166,375	151,625
Ms Esther Berrozpe Galindo (1)	37,833	8,833	30,417	59,417
Ms Nicole Bouton (2)	60,750	108,708	N/A	N/A
Mr Wolfgang Colberg	142,000	146,500	100,000	123,000
Ms Virginie Fauvel (3)	N/A	N/A	31,667	5,667
Mr Ian Gallienne	104,500	111,500	99,500	93,000
Mr César Giron	94,000	94,000	83,083	85,583
Ms Martina Gonzalez-Gallarza (2)	30,333	56,833	N/A	N/A
Ms Anne Lange	69,000	69,000	82,917	65,417
Mr Philippe Petitcolin (4)	46,167	8,167	111,167	98,667
Mr Pierre Pringuet (2)	48,500	90,833	N/A	N/A
Société Paul Ricard represented by Mr Paul-Charles Ricard (5)	56,000	52,000	62,917	56,417
Mr Gilles Samyn (6)	85,500	87,500	30,833	67,833
Ms Kory Sorenson	111,667	104,417	115,500	114,500
Ms Veronica Vargas	65,000	62,500	62,917	59,417
Ms Maria Jesus Carrasco Lopez	15,000	15,000	15,000	15,000
Mr Stéphane Emery	15,000	15,000	15,000	15,000
TOTAL	**1,118,083**	**1,153,124**	**1,007,292**	**1,010,543**

N/A: not applicable.

(1) Starting 8 November 2019 until 22 December 2020, the date of her resignation.
(2) Until 8 November 2019, the date of the end of his/her term as Director.
(3) Starting 27 November 2020, the date of her appointment by the Shareholders' Meeting.
(4) Starting 8 November 2019, the date of his appointment by the Shareholders' Meeting.
(5) Permanent representative of Société Paul Ricard, Director.
(6) Until 27 November, date of his resignation.

2.8.2.2 Other components of the compensation of corporate officers performing management or executive roles within the Group

In addition to compensation received in respect of their office as Directors, Messrs César Giron and Paul-Charles Ricard received compensation in their respective capacities as Chairman and CEO of Martell Mumm Perrier-Jouët and Prestige & Craft Manager of Martell Mumm Perrier-Jouët.

A summary statement of the compensation and other benefits received by each of these Non-Executive Directors from the companies controlled by Pernod Ricard SA, under article L. 233-16 of the French Commercial Code, is drawn up pursuant to article L. 22-10-9, paragraph 5 of the same Code.

Mr César Giron, member of the Board of Directors and Chairman and CEO of Martell Mumm Perrier-Jouët

FIXED COMPENSATION

Mr César Giron receives gross fixed compensation for his duties as Chairman and CEO of Martell Mumm Perrier-Jouët that amounted to €488,580 for FY21 (unchanged from FY20).

VARIABLE COMPENSATION

In his capacity as Chair of a direct affiliate and member of the Executive Committee, Mr César Giron receives gross variable compensation for which the quantitative criteria depend, on the one hand, on the financial performance of the entity he manages and, on the other, on the Group's results, with a view to strengthening solidarity and collegiality between the Chairs of the Executive Committee.

Mr César Giron is also assessed on the basis of individual qualitative criteria.

This variable portion is expressed as a percentage of the fixed annual portion. It may reach 70% of his gross fixed compensation if the quantitative and qualitative targets are achieved (target level) and can rise to a maximum of 105% if the Group records exceptional financial performance in relation to the targets. The criteria are reviewed regularly and may be modified on an occasional basis.

In this respect, during FY21, he received gross variable compensation in October 2020 of €228,949 relating to FY20, *i.e.* 46.86% of his fixed compensation for FY20.

EXCEPTIONAL COMPENSATION

No exceptional compensation was awarded or paid in respect of FY21.

ALLOCATION OF STOCK OPTIONS AND/OR PERFORMANCE SHARES

On 27 November 2020, the Board of Directors authorised a combined stock option and performance-based share allocation plan.

Under this plan, Mr César Giron received the following allocation:

- 6,517 stock options with an external performance condition (€153,345 at IFRS value); and
- 2,078 performance shares with an internal performance condition (€306,711 at IFRS value).

The details of the overall stock option and performance-based share allocation policy are shown below (pages 82-83 of this universal registration document).

SEVERANCE BENEFITS

Mr César Giron receives no compensation for termination of service.

SUPPLEMENTARY PENSION SCHEME

Mr César Giron has a conditional supplementary defined-benefit pension scheme (article 39) under article L. 137-11 of the French Employment Code, provided that recipients:

- have at least 10 years' seniority within the Group when they leave or retire;
- are at least 60 years of age on the date of leaving or retirement;
- have claimed the basic and complementary French social security pension schemes (ARRCO, AGIRC);
- permanently end their professional career; and
- end their professional career within the Group. In accordance with regulations, employees aged over 55 whose contract is terminated and who do not take up another job are deemed to have retired. The aim of the scheme is to make it possible to supplement the pension provided by France's mandatory state-run pension scheme. It offers retired beneficiaries a life annuity that can be passed on to their spouse and/or ex-spouse in the event of death.

Pensions are proportionate to the beneficiary's length of service, with an upper limit of 20 years. Pensions are calculated on the basis of the beneficiary's average compensation (fixed and variable) over the three years preceding his or her retirement.

The amount of the supplementary annuity is calculated by applying the following coefficients to the basis of calculation:

- for the portion of the compensation between 8 and 12 times France's annual social security ceiling, the coefficient is 2% multiplied by the number of years' service (capped at 20 years, *i.e.* 40%);
- between 12 and 16 times France's annual social security ceiling, the coefficient is 1.5% per year of service (capped at 20 years, *i.e.* 30%); and
- in excess of 16 times France's annual social security ceiling, the coefficient is 1% per year of service (capped at 20 years, *i.e.* 20%).

The supplementary pension equals the sum of the three amounts above.

In addition, the rights granted under this plan, added to those of other pensions, cannot exceed two-thirds of the amount of the beneficiary's most recent fixed annual compensation.

A provision is entered on the balance sheet during the build-up phase and, when the beneficiary claims his or her pension, the capital is transferred to an insurer and thus entirely outsourced.

Funding for this scheme is the responsibility of Pernod Ricard, which pays premiums to a third-party insurance agency to which it has entrusted management of this pension scheme.

In accordance with the provisions of article D. 22-10-16 of the French Commercial Code, at 30 June 2021, the estimated gross amount of the pension potentially paid under the supplementary defined-benefit pension scheme for Mr César Giron would amount to €151,781 per year.

The relevant social security contributions falling due to Pernod Ricard stood at 24% of the contributions transferred to the insurer.

Furthermore, in accordance with the government decree of 3 July 2019:

- the scheme has been closed since 2016;
- no additional rights may vest in respect of periods of employment after 1 January 2020.

COLLECTIVE HEALTHCARE AND WELFARE SCHEMES

Mr César Giron qualifies for the collective healthcare and welfare schemes offered by Martell Mumm Perrier-Jouët under the same terms as those applicable for the category of employees to which he belongs for the determination of his employee benefits and other additional components of his compensation.

OTHER BENEFITS

For FY21, Mr César Giron was provided with a company car.

Mr Paul-Charles Ricard, Permanent Representative of Société Paul Ricard, member of the Board of Directors and Prestige & Craft Manager at Martell Mumm Perrier-Jouët

FIXED COMPENSATION

Mr Paul-Charles Ricard receives gross fixed compensation for his duties as Prestige & Craft Manager at Martell Mumm Perrier-Jouët that amounted to €68,649 for FY21.

VARIABLE COMPENSATION

This variable portion is expressed as a percentage of the fixed annual portion. It may reach 15% of his gross fixed compensation if the (individual) qualitative targets are achieved.

In this respect, during FY21, he received gross variable compensation of €8,868 relating to FY20.

AMOUNTS RECEIVED IN RESPECT OF EMPLOYEE INCENTIVE AGREEMENT AND PROFIT-SHARING PLANS

Under the employee profit-sharing plans in effect within Martell Mumm Perrier-Jouët, Mr Paul-Charles Ricard received €7,898 from incentive agreements and €6,402 from profit-sharing.

COLLECTIVE HEALTHCARE AND WELFARE SCHEMES

Mr Paul-Charles Ricard qualifies for the collective healthcare and welfare schemes offered by Martell Mumm Perrier-Jouët under the same terms as those applicable for the category of employees to which he belongs for the determination of his employee benefits and other additional components of his compensation.

OTHER COMPONENTS OF COMPENSATION

No special bonus/No allocation of stock options and/or performance shares/No compensation for termination of service/No supplementary pension scheme/No benefits in kind.

2.8.3 Components of the compensation paid or allocated during FY21 to Mr Alexandre Ricard, Chairman and CEO (8th and 9th resolutions)

The compensation paid or allocated for FY21 to Mr Alexandre Ricard, Chairman and CEO, was approved by the Board of Directors at its meetings of 1 September 2020, 20 October 2020 and 31 August 2021 on the proposal of the Compensation Committee. The total compensation decided complies with the compensation policy as approved by the Shareholders' Meeting of 27 November 2020 (12th resolution), and in particular with the relationship between the amounts of variable compensation and the assessment of both the short- and long-term performance of the Company, to which the Chairman and CEO has made a significant contribution.

Components of compensation	Amounts paid during the past financial year	Amounts allocated during the past financial year	Remarks
Fixed compensation	€1,100,000	€1,100,000	• At its meeting of 1 September 2020, the Board of Directors decided, on the recommendation of the Compensation Committee, to maintain the gross fixed annual compensation of Mr Alexandre Ricard at €1,100,000 for FY21.
Variable annual compensation	€297,000	€1,980,000	• At its meeting held on 31 August 2021, the Board of Directors, on the recommendation of the Compensation Committee and after approval of the financial elements by the Audit Committee, assessed the amount of the variable portion of Mr Alexandre Ricard's compensation for FY21. • Considering the quantitative and qualitative criteria set by the Board meeting on 21 October 2020 and the achievements recognised as of 30 June 2021, the amount of the variable portion was assessed as follows: • for the quantitative criteria, the variable portion amounted to 150% of Mr Alexandre Ricard's fixed annual compensation, *versus* a target of 80% and a maximum of 150%, breaking down as follows:

Components of compensation	Amounts paid during the past financial year	Amounts allocated during the past financial year	Remarks
Variable annual compensation (continued)			(see tables below)

Objectives	Target	Maximum	Level of achievement
Achievement of budgeted profit from recurring operations	20%	37.5%	37.5%
Achievement of budgeted Group net profit from recurring operations	20%	37.5%	37.5%
Achievement of budgeted Recurring Free Cash Flow	20%	37.5%	37.5%
Rate of cash conversion for profit from recurring operations (cash conversion)	20%	37.5%	37.5%
Overall rate of achievement of objectives	**80%**	**150%**	**150%**

- for the qualitative criteria, the variable portion amounted to 41% of Mr Alexandre Ricard's fixed annual compensation, *versus* a target of 30% and a maximum of 45%, breaking down as follows:

Objectives	Target	Maximum	Level of achievement	Assessment
Ability to effectively address the impacts of the COVID-19 pandemic and limit the impacts on the Group	12%	18%	18%	The Group has implemented material resources and procedures to protect the health and safety of its employees: supplies of protective equipment, implementation of health directives, permanent monitoring of the health situation, psychological support. The impacts of the health crisis were also limited thanks to effective cash management (refinancing, credit lines, transformation project, etc.) and agility in the reallocation of resources. The result of this effective management is the return to a pre-Covid level of activity and financial performance for the fiscal year.

Components of compensation	Amounts paid during the past financial year	Amounts allocated during the past financial year	Remarks				
Variable annual compensation (continued)			**Objectives**	**Target**	**Maximum**	**Level of achievement**	**Assessment**
			CSR: demonstrate leadership both internally and externally through regular communications and promotion of the "Good Times from a Good Place" strategy.	6%	9%	6%	The objectives of the "Good Times from a Good Place" strategy set for the year were achieved: implementation of the "Health & Safety" roadmap in a Covid context, early achievement of the reduction in orders for single-use plastic promotional items. The commitment to responsible alcohol consumption and the ambitions in terms of carbon neutrality and regenerative agriculture were also strengthened. The Group continues to place CSR at the heart of its strategy and is increasingly integrating it into all of its activities. For the coming years, the Group's ambition is to increase its leadership and become a pioneer in these areas.
			Implementation of the Digital Transformation roadmap (KDP, Finance 4.0)	6%	9%	8%	The Group accelerated its Digital Transformation roadmap. For the Key Digital Programmes: the pilots delivered excellent results and are now being deployed in the affiliates. The necessary skills were developed internally to support the acceleration over the coming years and develop our competitive advantage. The Finance function also accelerated its digitisation with the deployment of new tools, supported by significant efforts in terms of change management.
			Dynamic management and agility in the reallocation of A&P resources.	6%	9%	9%	The good management and the great agility in the allocation of resources according to the dynamics of markets, channels and categories are reflected in the market shares and the excellent financial performance during the financial year.
			Overall rate of achievement of objectives	**30%**	**45%**	**41%**	
			• Consequently, the total amount of Mr Alexandre Ricard's variable compensation for FY21 as Chairman and CEO was set at €1,980,000, *i.e.* 180% of his fixed annual compensation for FY21 (*vs.* a target of 110%). The variable compensation in respect of FY20 and FY19 respectively represented 27% and 158.71% of his fixed annual compensation.				
Multi-year variable compensation	N/A	N/A	• Mr Alexandre Ricard does not qualify for any multi-year variable cash compensation.				

Components of compensation	Amounts paid during the past financial year	Amounts allocated during the past financial year	Remarks
Compensation as Chairman of the Board of Directors	N/A	N/A	• Mr Alexandre Ricard does not receive any compensation in his capacity as Chairman of the Board of Directors.
Special bonus	N/A	N/A	• Mr Alexandre Ricard does not qualify for any special bonus.
Allocation of stock options and/or performance shares		€549,990 (IFRS total value of stock options with external performance condition) €549,953 (IFRS total value of performance shares with internal performance condition) €549,949 (IFRS total value of performance shares with external performance conditions)	• During FY21, the Board of Directors' meeting held on 27 November 2020 decided, on the recommendation of the Compensation Committee, to grant Mr Alexandre Ricard: • **23,374 stock options** (*i.e.* approximately 0.009% of the Company's share capital) fully subject to the external performance condition described in the 2019/20 universal registration document, "Allocation of stock options" paragraph in subsection 2.8.1.3 (page 60); • **3,726 performance shares** (*i.e.* approximately 0.001% of the Company's share capital) fully subject to the internal performance condition described in the 2019/20 universal registration document, "Allocation of performance-based shares" paragraph in subsection 2.8.1.3 (page 60); • **6,013 performance shares** (*i.e.* approximately 0.002% of the Company's share capital) fully subject to the external performance condition described in the 2019/20 universal registration document, "Allocation of stock options" paragraph in subsection 2.8.1.3 (page 60).This allocation represents, in IFRS value, 150% of his fixed annual compensation. This allocation represents, in IFRS value, 150% of his fixed annual compensation. • The same presence condition applies to Mr Alexandre Ricard and the other beneficiaries of the allocation plan. • It is noted that the Executive Director is subject to lock-in obligations in respect of shares resulting from the exercise of stock options and the effective transfer of performance shares (described in the 2019/20 universal registration document, "Stock option and performance-based share allocation policy" paragraph in subsection 2.8.1.3 (page 60)).
Welcome bonus or compensation for termination of office	No payment	No payment	• The detail of the non-compete clause and the imposed departure clause is provided in Section 2.8.2.
Supplementary pension scheme		€69,919 (total IFRS value of performance shares with internal and external performance conditions) €69,850 (payment in cash of 5% of the fixed and variable annual compensation)	• 10% of his fixed and variable annual compensation in the form of a grant of performance shares (5%) and cash (5%). • Grant of: • 237 performance shares, subject to an internal condition; and • 382 performance shares subject to an external condition. The performance, presence and lock-in conditions applicable to these allocations are the same as those provided for in the Group's overall performance share allocation plan in force on the grant date (described in the Allocation of stock options" and "Allocation of performance-based shares" paragraphs in subsection 2.8.1.3 of the 2019/20 universal registration document). On the same principle as for grants of performance shares, Mr Alexandre Ricard is subject to lock-in obligations (described in the "Allocation of stock options" and "Allocation of performance-based shares" paragraphs in subsection 2.8.1.3 of the 2019/20 universal registration document). • Mr Alexandre Ricard has undertaken to invest the cash payment, net of social security contributions and tax, in investment vehicles dedicated to financing his supplementary pension.
Collective healthcare and welfare schemes			• Mr Alexandre Ricard qualifies for the collective healthcare and welfare schemes offered by the Company under the same terms as those applicable to the category of employees to which he belongs for the determination of his welfare benefits and other additional components of his compensation.
Other benefits	€ 7,294		• Mr Alexandre Ricard benefits from a company car.

N/A: not applicable.

Summary of components of the compensation due or granted to Mr Alexandre Ricard for the financial year

Summary table of compensation paid and options and shares granted to Mr Alexandre Ricard (Table 1 AMF nomenclature)

(€)	FY20	FY21
Compensation due for the financial year (1)	1,404,394	3,087,294 (2)
Value of multi-year variable compensation allocated during the financial year	N/A	N/A
Value of options granted during the financial year	549,985	549,990
Value of performance shares allocated during the financial year	1,099,882	1,099,902
Value of performance shares allocated during the financial year in respect of the supplementary pension scheme (3)	142,312	69,919
Supplementary cash payment in respect of the supplementary pension scheme (3)	142,291	69,850
TOTAL	**3,338,865**	**4,876,955 (2)**

N/A: not applicable.

(1) This total includes the use of a company car.
(2) The amount of the bonus due for the year will be subject to the ex-post vote of shareholders.
(3) Annual component equal to 5% of fixed and variable compensation.

Summary table of compensation paid to Alexandre Ricard (by the Company and the controlled companies as defined by article L. 233-16 of the French Commercial Code and the controlling company or companies) (Table 2 AMF nomenclature)

	FY20		FY21	
(€)	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation	1,100,000	1,100,000	1,100,000	1,100,000
Variable annual compensation (1)	297,000	1,745,810	1,980,000 (3)	297,000
Multi-year variable compensation	N/A	N/A	N/A	N/A
Special bonus	N/A	N/A	N/A	N/A
Compensation as Chairman of the Board of Directors	N/A	N/A	N/A	N/A
Benefits in kind (2)	7,394	7,394	7,294	7,294
TOTAL	**1,404,394**	**2,853,204**	**3,087,294**	**1,404,294**

N/A: not applicable.

(1) The variable compensation due in respect of the prior year is paid in the current year.
(2) Company car.
(3) The amount of the bonus due for the year will be subject to the ex-post vote of shareholders.

Stock options granted to Mr Alexandre Ricard by the Company and any Group companies during the financial year (Table 4 AMF nomenclature)

Date of plan n° 32	Type of options (purchase or subscription)	Value of shares according to the method used for the consolidated financial statements (IFRS)	Number of options granted during the financial year	Strike price	Performance conditions	Exercise period
27.11.2020	Purchase	€549,990	23,374	€154.11	Positioning of the total performance of the Pernod Ricard share compared with the total performance of a panel of 12 companies over three years.	From 28.11.2024 to 27.11.2028

Stock options exercised by Mr Alexandre Ricard during the year (Table 5 AMF nomenclature)

Date of plan n° 28	Number of options exercised during the financial year	Strike price
17.11.2016	26,062 [1]	€105.81

(1) The initial allocation was 31,400 options (the external performance condition confirmed the availability of 83% of the options initially allocated).

Performance shares granted to Mr Alexandre Ricard by the Company and any Group companies during the financial year (Table 6 AMF nomenclature)

Date of plan n° 32	Number of shares awarded during the period	Value of shares according to the method used for the consolidated financial statements (IFRS)	Vesting date	Vesting date	Performance conditions
27.11.2020	3,726	€549,953	28.11.2024	28.11.2024	Average achievement of the annual budget targets in respect of profit from recurring operations in the current and subsequent two years (three consecutive years).
27.11.2020	237 [1]	€34,981	28.11.2024	28.11.2024	Average achievement of the annual budget targets in respect of profit from recurring operations in the current and subsequent two years (three consecutive years).
27.11.2020	6,013	€549,949	28.11.2024	28.11.2024	Positioning of the total performance of the Pernod Ricard share compared with the total performance of a panel of 12 companies over three years.
27.11.2020	382 [1]	€34,938	28.11.2024	28.11.2024	Positioning of the total performance of the Pernod Ricard share compared with the total performance of a panel of 12 companies over three years.

(1) Allocation under the supplementary pension scheme.

Performance shares vested to Mr Alexandre Ricard during the financial year (Table 7 AMF nomenclature)

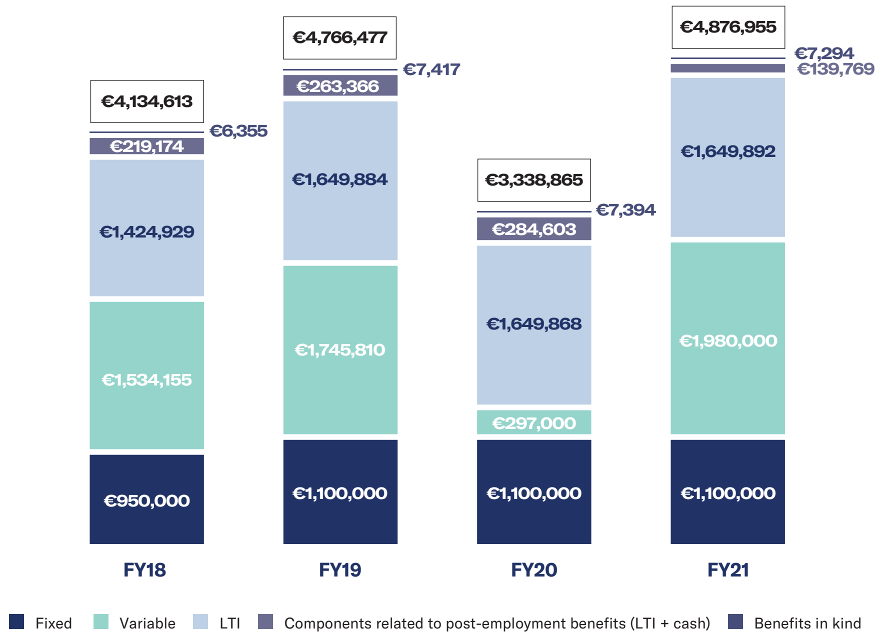
Date of plan n° 28	Number of shares vesting during the financial year	Vesting conditions
17.11.2016	5,000 (1)	• Average achievement of the annual budget targets in respect of profit from recurring operations in the current and subsequent two years (three consecutive years).
17.11.2016	6,806 (2)	• Average achievement of the annual budget targets in respect of profit from recurring operations in the current and subsequent two years (three consecutive years). • Positioning of the total performance of the Pernod Ricard share compared with the total performance of a panel of 12 companies over three years.
17.11.2016	8,989 (3)	No performance conditions (presence condition for three years).

(1) The initial allocation was of 5,000 shares (the internal performance condition was 100% met).
(2) The initial allocation was of 8,200 shares (the internal performance condition was 100% met and the external performance condition (sixth position in the panel) confirmed the vesting of 83% of the shares initially allocated).
(3) Second third of the Exceptional Bonus Share Plan granted to the Executive Director in exchange for the elimination of the supplementary defined-benefit pension scheme. This exceptional allocation was intended to compensate for vested rights and was not subject to any performance conditions. However, it spread the vesting of shares over a three-year period and includes a mandatory two-year lock-in period (see page 109 of the 2016/17 universal registration document).

Summary table of Mr Alexandre Ricard's multi-year variable compensation

Mr Alexandre Ricard did not receive any multi-year variable compensation during past financial years.

Change in the annual compensation due to Alexandre Ricard over the last financial years



Equity ratio between the level of compensation of Mr Alexandre Ricard, Chairman and CEO, and the average and median compensation of the Company's employees

Information concerning the ratios between the compensation of the Chairman and CEO and the average and median compensation of the Company's employees is presented below in accordance with the provisions of article L. 22-10-9 of the French Commercial Code.

CALCULATION METHOD

The average and median compensation was established on a full-time equivalent basis for the Company's employees other than the Chairman and CEO.

This compensation, taken into account on a gross basis, includes the following elements: fixed compensation, variable annual compensation, additional payments under the supplementary defined-contribution pension scheme, employee savings schemes and long-term incentive measures valued at their fair value at the date of allocation, as recognised in the consolidated financial statements in accordance with IFRS 2. This valuation corresponds to a historical value at the grant date calculated for accounting purposes. It does not represent a current market value, nor the value that could be received by the beneficiary upon the eventual vesting of these securities, especially if the performance conditions are not met.

The scope of employees included only covers employees who were present continuously for two consecutive financial years. For part-time employees, compensation has been established on the basis of full-time equivalents.

The ratios and annual changes in compensation were calculated on the basis of the gross compensation components paid or awarded in the current year (thus including the variable compensation and profit-sharing allocated in respect of the prior year).

The legal scope of this information covers Pernod Ricard SA. In addition, in accordance with recommendation 26.2 of the AFEP-MEDEF Code, the ratios are also published for a broader scope, representative of the Group's business in France, including Pernod Ricard SA and all direct and indirect affiliates located in France.

The table below has been drawn up taking into account the model circulated by the AFEP in its guidelines updated in February 2021.

ANNUAL CHANGES IN THE COMPANY'S COMPENSATION AND PERFORMANCE

Table of ratios for I. 6 and 7 of article L. 22-10-9 of the French Commercial Code

	FY17	FY18	FY19	FY20	FY21
Change *(in%)* in the compensation of Mr Alexandre Ricard, Chairman and CEO(1)	19%	17%	19%	5%	-33%
Information on the scope of the listed company (2)					
Change *(in %)* in average employee compensation	0.5%	-8.1%	-0.4 %	7.8%	2.9%
Change *(in %)* in median employee compensation	4.3%	-1.4%	-1.2 %	4.5%	2.1%
Ratio compared to average employee compensation	*48.09*	*33.76*	*40.17*	*39.12*	*25.38*
Change *(in %)* compared to the previous financial year	114.8%	-29.8%	19.0%	-2.6%	-35.1%
Ratio compared to median employee compensation	*85.98*	*56.21*	*67.43*	*67.68*	*44.31*
Change *(in %)* compared to the previous financial year	106.8%	-34.6%	20.0%	0.4%	-34.5%
Additional information on the extended scope (3)					
Change *(in %)* in average employee compensation	(2)	N.C.	-0.5%	6.4%	0.6%
Change *(in %)* in median employee compensation		N.C.	0.1%	- 2.9%	4.2%
Ratio compared to average employee compensation		*54.15*	*64.49*	*63.71*	*42.24*
Change *(in %)* compared to the previous financial year		N.C.	19.1%	- 1.2%	-33.7%
Ratio compared to median employee compensation		*70.25*	*83.15*	*89.86*	*57.58*
Change *(in %)* compared to the previous financial year		N.C.	18.4%	8.2%	-36.0%
Company performance					
Profit from Recurring Operations	2,394	2,358	2,581	2,260	2,423
Change *(in %)* compared to the previous financial year (3)	3.3%	6.3%	8.7%	-13.7%	18.3%

N.C. Not calculable

(1) Elements explaining the variation of the ratio as regards the compensation of the Chairman and CEO taken into account:

- *FY17: exceptional payment of €2,668,000 in consideration for the abolition of the supplementary defined-benefit pension scheme (past service compensation – see 2016/17 unviversal registration document, page 109). For the purposes of comparing compensation over time, this exceptional payment has been separated out;*
- *FY18: payment of the FY17 bonus with an achievement rate of 131%, whereas the bonus paid in FY17 in respect of FY16 represented 96%;*
- *FY19: increase in the fixed compensation and payment of the bonus for FY18, with an achievement rate of 161%;*
- *FY20: payment of the bonus due in respect of FY19, with an achievement rate of 159%;*
- *FY21: impact of the Covid-19 crisis on the FY20 variable compensation paid during the financial year.*

(2) For technical reasons, it was not possible to reconstruct the entire extended scope for FY17.
(3) In internal growth, restated for foreign exchange and scope effects.

Taking into account the last vote of the Shareholders' Meeting of 27 November 2020

The Board of Directors, on the recommendation of the Compensation Committee, took into account the vote of the Shareholders' Meeting of 27 November 2020, which saw strong shareholder support (97.19% for the "ex post" vote and 94.23% for the "ex ante" vote) for the compensation policy put in place within the Group, and therefore decided to continue this policy according to the same principles and arrangements for FY22.

2.8.4 Other aspects of the compensation policy (not subject to shareholder vote)

Overall stock option and performance-based share allocation policy

During FY21, the Board of Directors reaffirmed its desire to give key personnel an interest in the performance of Pernod Ricard shares, and during its meeting of 27 November 2020, it decided to introduce a combined allocation plan made up of stock options and performance shares.

The Board's aim is therefore to continue to align the interests of Pernod Ricard employees with those of the shareholders, by encouraging them to hold shares of the Company. Just over 750 employees were rewarded, making it possible to target not only executives in management positions, but also to retain young high-potential managers (Talents) in all of the Group's affiliates around the world.

The 27 November 2020 allocation plan consists of stock options with performance conditions and performance shares.

The Board of Directors confirmed the following plan features on the recommendation of the Compensation Committee:

- subject all allocations (stock options and performance shares) to performance criteria;
- retain the external performance criterion applicable to stock options and a portion of the performance shares allocated to the Executive Director: positioning of the overall performance of Pernod Ricard shares compared with the overall performance of a panel of 12 comparable companies over three years, only considering positioning on the median or higher;
- maintain the internal performance criterion applicable to performance shares, *i.e.* the average achievement of annual targets for profit from recurring operations, assessed over three consecutive financial years;
- maintain a balanced allocation between stock options and performance shares for the members of the Executive Committee, including the Executive Director, thus allowing fair compensation based on the achievement of internal and external criteria; and
- maintain allocations of performance shares for all beneficiaries, with the volume varying according to the classification of their position within the Group.

ALLOCATION OF STOCK OPTIONS WITH EXTERNAL PERFORMANCE CONDITIONS

The volume of stock options with performance conditions allocated by the Board of Directors' meeting of 27 November 2020 stood at 136,711 stock options.

All of the stock options under the plan are subject to an external performance condition and will become exercisable from November 2024 depending on the positioning of the overall performance of Pernod Ricard shares compared to the overall performance of a panel of 12 comparable companies. This condition will be evaluated over a three-year period following the plan allocation.

The number of shares that will ultimately be granted will be determined by comparing the overall performance of the Pernod Ricard share and the overall performance of a Panel from 27 November 2020 to 27 November 2023 inclusive (three years). Accordingly, if the total performance of the Pernod Ricard shares (TSR) is:

- below the median (8^{th} to 13^{th} position), no options will be exercisable;
- at the median (7^{th} position), 66% of the options will be exercisable;
- in 6^{th}, 5^{th} or 4^{th} position, 83% of the stock options will be exercisable; and
- in 3^{rd}, 2^{nd} or 1^{st} position, 100% of the stock options will be exercisable.

At the grant date, the Board of Directors decided that the Panel shall comprise, in addition to Pernod Ricard, the following 12 companies: AB InBev, Brown Forman, Campari, Carlsberg, Coca-Cola, Constellation Brands, Danone, Diageo, Heineken, LVMH, PepsiCo and Rémy Cointreau.

The Panel's composition is subject to change, based on the above-mentioned companies' development. The Board of Directors shall, with a duly reasoned decision and following the recommendation of the Compensation Committee, exclude a company from or add a new company to the Panel, for example, in the case of an acquisition, absorption, dissolution, spin-off, merger or change of business of one or more of the Panel's members, subject to maintaining the overall consistency of the Panel and enabling the application of the external performance condition in line with the performance objective set upon allocation.

The vesting period for the stock options is four years followed by an exercise period of four years.

ALLOCATION OF PERFORMANCE-BASED SHARES WITH AN EXTERNAL PERFORMANCE CONDITION

At its meeting of 27 November 2020, the Board of Directors granted 7,689 performance shares with an external performance condition (excluding shares related to the supplementary pension scheme).

All of the performance shares under the plan are subject to internal and external performance conditions and will vest from November 2024 based on the positioning of the overall performance of Pernod Ricard share compared to the overall performance of a Panel of 12 comparable companies (see above). This external condition will be assessed over a period of three years following the allocation of the plan, *i.e.* from 27 November 2020 to 27 November 2023 inclusive.

The final volumes will be determined at the end of the external condition evaluation period in accordance with subsection "Allocation of stock options".

ALLOCATION OF PERFORMANCE-BASED SHARES WITH INTERNAL CONDITION

A total of 262,530 performance shares (excluding shares related to the supplementary pension scheme) were awarded by the Board of Directors at its meeting of 27 November 2020, all subject to the internal performance condition described below.

The number of performance shares that will ultimately be granted will be determined based on the ratios of achievement of the Group's profit from recurring operations, adjusted for currency effects and changes in the scope of consolidation as compared with the Group's budgeted profit from recurring operations over three consecutive financial years (FY21, FY22 and FY23).

The number of performance shares is determined according to the following conditions:

- if the average level of achievement is 0.95 or below: no performance shares will vest;
- if the average level of achievement is between 0.95 and 1: the number of performance shares that vest is determined by applying the percentage of linear progression between 0 and 100%; and
- if the average level of achievement is 1 or more: 100% of the performance shares will vest.

Performance shares allocated to all beneficiaries have a four-year vesting period, without a lock-in period.

In addition, beneficiaries must still be part of the Group on the vesting date, except in the case of retirement, death or invalidity.

History of allocations of stock options – Situation at 30 June 2021 (Table 8 AMF nomenclature)

	LTIP 2015	LTIP 2016	LTIP 2017	LTIP 2018	LTIP 2019	LTIP 2020
Plan number	27B	28B	29B	30B	31B	32B
Date of authorisation by Shareholders' Meeting	06.11.2015	06.11.2015	06.11.2015	06.11.2015	08.11.2019	08.11.2019
Date of Board of Directors' meeting	06.11.2015	17.11.2016	09.11.2017	21.11.2018	08.11.2019	27.11.2020
Type of options	Purchase	Purchase	Purchase	Purchase	Purchase	Purchase
Total number of options that can be subscribed or purchased	278,575	150,008	124,050	109,492	131,864	136,711
Of which by corporate officers of Pernod Ricard SA	*28,200*	*39,445*	*32,050*	*32,006*	*28,831*	*29,891*
Of which by Mr Alexandre Ricard	*20,700*	*31,400*	*25,050*	*26,143*	*22,545*	*23,374*
Of which by Mr César Giron	*7,500*	*8,045*	*7,000*	*5,863*	*6,286*	*6,517*
Commencement date for exercise of options	07.11.2019	18.11.2020	10.11.2021	22.11.2022	09.11.2023	28.11.2024
Expiry date	06.11.2023	17.11.2024	09.11.2025	21.11.2026	08.11.2027	27.11.2028
Subscription or purchase price (€) (1)	102.80	105.81	126.53	137.78	162.79	154.11
Number of shares subscribed or purchased	113,332	41,953	-	-	-	-
Total number of stock options cancelled or lapsed (2)	96,068	32,183	46,797	5,863	6,286	-
Of which those of Mr Alexandre Ricard	*7,038*	*5,338*	*8,517*	-	-	-
Of which those of Mr César Giron	*2,550*	*1,368*	*2,380*	-	-	-
Subscription or purchase options remaining	69,175	75,872	77,253	103,629	125,578	136,711

N/A: not applicable.

(1) The purchase price of the shares by the beneficiaries corresponds to the average of the closing prices recorded during the 20 trading sessions preceding the day on which the options were granted.

(2) Options cancelled after the beneficiaries failed to meet the continuous service and/or performance conditions. During FY21, 39,797 stock options granted under the 09.11.2017 plan were cancelled in application of the external performance condition (66% of the amounts initially awarded).

As of 30 June 2021, there were 588,218 stock purchase options outstanding, representing approximately 0.22% of the Company's share capital. All these options are "in the money" (closing price of the Pernod Ricard share on 30 June 2021 at €187.02).

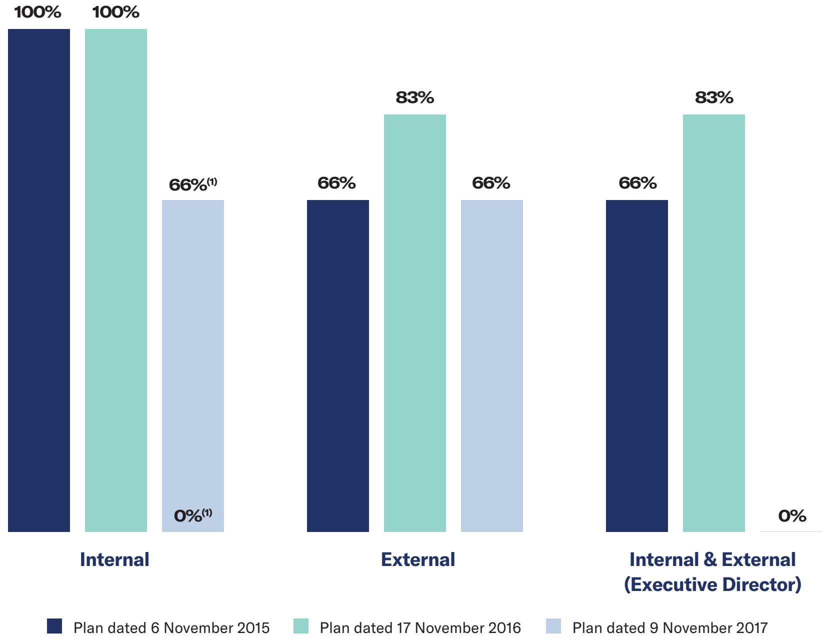
At present, there are no Pernod Ricard "subscription" stock options in circulation.

Stock options granted to the Group's top 10 employees other than corporate officers and options exercised by these employees during FY21 (Table 9 AMF nomenclature)

	Number of options granted/exercised	Exercise price *(in euros)*	Plans
Options granted during the financial year by the issuer and any companies within its Group granting options to the top 10 employees of the issuer and any such Group company, receiving the highest number of options (1)	53,269	154.11	27.11.2020
Options held on the issuer and the companies included in the scope of allocation of the options exercised, during the year by the top 10 employees of the issuer and any company included in this scope, exercising the highest number of options	31,298	104.17	06.11.2015 17.11.2016

(1) In FY21, only eight employees within Pernod Ricard SA received options.

Historical achievement rates for internal and external performance conditions



(1) Board of Directors' decision to adjust the achievement of the condition relating to FY20 and to set achievement of the performance condition for this plan at 66% (see Page 73 of the 2019/20 universal registration document), with the exception of the Executive Director, for whom the allocation has been cancelled in full.

History of allocations of performance shares – Situation as at 30 June 2021 (Table 10 AMF nomenclature)

	LTIP 2015	LTIP 2016	LTIP 2017	LTIP 2018	LTIP 2019	LTIP 2020
Plan number	27A, 27C	28A, 28C	29A, 29C	30A, 30C	31A, 31C	32A, 32C
Date of authorisation by Shareholders' Meeting	06.11.2015	06.11.2015	06.11.2015	06.11.2015	08.11.2019	08.11.2019
Date of Board of Directors' meeting	06.11.2015	17.11.2016	09.11.2017	21.11.2018	08.11.2019	27.11.2020
Number of performance shares awarded	418,923	461,376	371,511	341,313	269,474	270,838
Of which to corporate officers of Pernod Ricard SA	*10,650*	*15,815*	*13,820*	*14,356*	*12,566*	*12,436*
Of which to Mr Alexandre Ricard	*8,500*	*13,200*	*11,820*	*12,441*	*10,570*	*10,358*
Of which to Mr César Giron	*2,150*	*2,615*	*2,000*	*1,915*	*1,996*	*2,078*
Vesting date of the performance shares	07.11.2019	18.11.2020	10.11.2021	22.11.2022	09.11.2023	28.11.2024
End date for share lock-in period	07.11.2019	18.11.2020	10.11.2021	22.11.2022	09.11.2023	28.11.2024
Presence of performance condition	Yes	Yes	Yes	Yes	Yes	Yes
Number of performance shares cancelled (1)	89,150	101,234	184,574	147,462	102,761	3,172
Of which those of Mr Alexandre Ricard	*1,870*	*1,394*	*11,820*	489	-	-
Of which those of Mr César Giron	*0*	*0*	*680*	*651*	*679*	-
Number of performance shares vested (2)	329,773	360,142	592	545	293	-
Unvested performance shares (3)	0	0	186,345	192,817	166,420	267,666

All performance shares are subject to performance conditions and the beneficiaries must still be working for the Company. Performance shares vest after four years subject to the continued presence of the beneficiaries in the Company at the vesting date.

(1) Performance shares cancelled after the beneficiaries ceased to meet the continuous service condition (through resignation or redundancy) or failed to meet the performance conditions. During FY21, 66% of the shares granted under the 2017 plan were confirmed following the exceptional adjustment on the internal performance condition decided by the Board of Directors (they remain subject to the condition of presence until 9 November 2021), with the exception of the Executive Director. For the shares awarded to Mr Alexandre Ricard in 2017, the shares were cancelled in full.

(2) Allocated shares that vested and were transferred to the beneficiaries. Shares relating to plans in the process of vesting were transferred in advance to the beneficiaries following the death of several beneficiaries.

(3) For the 2015, 2016 and 2018 plans, the internal performance condition was evaluated in full. For the 2018 plan, the external performance condition applicable to the Executive Director will be assessed in November 2021. For the 2019 and 2020 plans, the internal performance condition will be assessed at the end of FY22 and FY23 respectively.

Performance shares granted to the top 10 employees other than corporate officers and vested shares received by the latter during FY21

	Number of shares allocated/vested	Value of the shares (1) *(in euros)*	Plans
Options allocated during the financial year by the issuer and any companies within its Group granting options to the top 10 employees of the issuer and any such Group company, receiving the highest number of options	21,993	147.6	27.11.2020
Shares vested during the financial year by the top 10 employees of the issuer and any companies within its Group, receiving the highest number of shares	23,000	94.85	17.11.2016

(1) Value of shares according to the method used for the consolidated financial statements (IFRS).

Pernod Ricard has not issued any other options granting access to shares reserved for its Executive Directors or the top 10 employees of the Company and all companies within its Group granting options.

EMPLOYEE PROFIT-SHARING PLANS

All employees of the Group's French companies are eligible for profit-sharing and incentive agreements based on the results of each specific entity. In line with the Group's decentralised structure, the terms and conditions of each of these agreements are negotiated at the level of each entity concerned.

Similarly, outside France, the Group encourages all affiliates to implement local agreements enabling employees to share in the profits of the entity to which they belong.

Profit-sharing agreements of this type exist in countries including Ireland and the United Kingdom: in each of these countries, employees may potentially receive Pernod Ricard shares based on their entity's annual results.

PROVISION FOR PENSION BENEFITS

Details of the total amount of provisions recorded or otherwise recognised by the issuer for the payment of pensions are set out in Note 4.7 – *Provisions* in the Notes to the consolidated financial statements.

COMPENSATION OF EXECUTIVE COMMITTEE MEMBERS

The Compensation Committee members are kept regularly informed of changes in the compensation given to members of the Executive Committee. They ensure consistency between the compensation policy for Executive Directors and members of the Executive Committee and the integration of social responsibility criteria in their variable compensation.

In regularly reviewing the various aspects of compensation, the members of the Compensation Committee pay particular attention to ensuring that the policy applied to the Group's Executive Director is consistent with the policy applied to the members of the Group's Senior Management both in France and internationally.

The compensation of the members of the Executive Board (excluding the Chairman and CEO), which is set by General Management, comprises a fixed annual portion, plus a variable portion representing an attractive incentive, for which the criteria are largely based on the Group's financial performance, as is the case for the Executive Director. Qualitative criteria to evaluate individual performance are also applied to this variable financial portion.

The Chairmen of the Group's direct affiliates, who are members of the Executive Committee, also receive compensation comprising a fixed portion, which is set in proportion to individual responsibilities, plus a variable portion, for which the quantitative criteria depend firstly on the financial performance of the entity they manage and secondly on the Group's results, with a view to strengthening solidarity and collegiality. The Chairmen are also evaluated using individual qualitative criteria.

The same performance indicators thus apply to the key players in the Group's business development, through the structure of and the method for evaluating the variable portion of their annual compensation.

For a number of years, all members of the Executive Committee, including the Executive Director, have also been evaluated on the basis of their employee development and management performance and the implementation of Corporate Social Responsibility (CSR) projects.

Total fixed compensation awarded to the members of the Executive Committee, including the Executive Director, amounted to €7.3 million for FY21 (compared to €7.7 million for FY20). In addition to this, variable compensation (relating to FY20) of €3.1 million was paid (compared with €7.1 million in FY20). This significant variation between the two financial years is due to the negative impact of the health crisis on the Group's financial results, *i.e.* the quantitative portion of the variable compensation.

The total recurring expense in respect of pension commitments for members of the Executive Committee, including the Executive Director, was €1.7 million in the financial statements for the year ended 30 June 2021 (compared with €4.8 million as at 30 June 2020). This significant variation between the two financial years is due to the fact that certain members of the Executive Committee received, in exchange for the elimination of the supplementary pension scheme with conditional rights decided in 2016, a cash compensation payment in respect of past service, smoothed over three years, for which the final payment was made during FY20.

2.8.5 Summary of transactions involving Pernod Ricard securities made by corporate officers in FY21 (article 223-26 of the AMF General Regulation)

First name, surname, Company name	Title	Financial instrument	Type of transaction	Date	Price (€)	Amount of transaction (€)
Mr Alexandre Ricard	Chairman and CEO	Call options	Exercise of stock options	18.11.2020	160.70	4,188,163
		Shares	Vesting	18.11.2020	160.70	1,897,224
Ms Patricia Barbizet	Director	Shares	Vesting	28.06.2021	188.75	30,200
Mr César Giron	Director	Shares	Vesting	18.11.2020	160.70	420,231
		Call options	Exercise of stock options	15.12.2020	102.80	508,860
		Shares	Disposal	15.12.2020	160.0159	792,079
Société Paul Ricard	Director	Transfer of stock put options	Transfer of stock put options	03.09.2020	1.8400	137,474
Le Delos Invest III SAS, legal entity linked to Société Paul Ricard, Director	Director	Shares	Settlement of a financial forward contract	16.02.2021	0.00	0.00
		Forward financial instrument with underlying shares	Conclusion of a forward financial instrument	16.02.2021	0.00	0.00
		Shares	Pledge of shares	16.02.2021	0.00	0.00
		Shares	Vesting	19.02.2021	163.8228	281,775,216
Delos Invest II SA, legal entity linked to Société Paul Ricard, Director	Director	Shares	Settlement of two financial forward contracts	23.06.2021 30.06.2021	0.00	0.00
		Financial forward instrument with equities as underlying	Conclusion of two financial forward instruments	23.06.2021 30.06.2021	0.00	0.00
		Shares	Pledge of shares	23.06.2021 30.06.2021	0.00	0.00

2.8.6 Corporate officers' equity investments in the Company's share capital (situation at 30 June 2021)

Members of the Board of Directors	Number of shares at 30 June 2021	Percentage of share capital at 30 June 2021	Number of voting rights at 30 June 2021	Percentage of voting rights at 30 June 2021
Executive Directors				
Mr Alexandre Ricard (Chairman and CEO)	158,566	0.06%	165,906	0.05%
Directors				
Mr César Giron	4,765	NM	4,765	NM
Société Paul Ricard represented by Mr Paul-Charles Ricard (1)	34,630,930	13.22%	61,105,036	19.43%
Ms Veronica Vargas	9,820	NM	9,820	NM
Independent Directors				
Ms Patricia Barbizet (Lead Independent Director)	3,160	NM	3,160	NM
Mr Wolfgang Colberg	1,076	NM	1,652	NM
Ms Virginie Fauvel	50	NM	50	NM
Mr Ian Gallienne	1,000	NM	1,000	NM
Ms Anne Lange	1,000	NM	1,000	NM
Mr Philippe Petitcolin	310	NM	310	NM
Ms Kory Sorenson	1,000	NM	1,000	NM
Director representing the employees (2)				
Ms Maria Jesus Carrasco Lopez	-	NM	-	NM
Mr Stéphane Emery	-	NM	-	NM

NM: not meaningful.

(1) *Includes shares held by Société Paul Ricard, as well as by Le Garlaban, Le Delos Invest I, Le Delos Invest II and Le Delos Invest III, related to Société Paul Ricard within the meaning of article L. 621-18-2 of the French Monetary and Financial Code.*

(2) *In accordance with the law, Directors representing the employees are not required to hold a minimum number of Company shares.*

2.9 Financial authorisations and delegations

The use of all current delegations and financial authorisations granted to the Board of Directors by the Shareholders' Meetings of 8 November 2019 and 27 November 2020, where applicable, over the course of FY21 are summarised in the following tables.

The financial authorisations and delegations listed below were approved by the Shareholders' Meetings of 8 November 2019 and 27 November 2020 and for a period of 18, 26 or 38 months. These authorisations will expire on 7 January 2022, 26 May 2022, 7 January 2023 or 26 January 2023.

2.9.1 General financial authorisations and delegations

Nature of the delegation or authorisation	Maximum nominal amount of the issue of debt securities*	Maximum nominal amount of the capital increase resulting immediately or on completion of the issue (excluding adjustments)	Use of existing authorisations during the financial year ended 30.06.2021	Features/Terms
Ordinary shares and/or securities granting access to the share capital with preferential subscription rights (13th resolution of the AGM of 08.11.2019)	€12 billion*	€135 million	None	The amount of capital increases carried out under the 14th, 15th, 16th, 17th, 18th, 19th, 22nd and 23rd resolutions of the AGM of 08.11.2019 will be deducted from the overall limit of €135 million set in this 13th resolution. The nominal amount of debt securities issued under the 14th resolution of the AGM of 08.11.2019 will be deducted from the limit of €12 billion set in this 13th resolution. These amounts may be increased by a maximum of 15%, in the event of additional requests on the occasion of a capital increase (15th resolution).
Ordinary shares and/or securities granting access to the share capital by public offer without preferential subscription rights (14th resolution of the AGM of 08.11.2019)	€4 billion*	€41 million	None	Shares and debt security issues giving access to the share capital will be deducted from the limits provided for in the 13th resolution of the AGM of 08.11.2019. All of the capital increases carried out under the 15th, 16th, 17th, 18th, 22nd and 23rd resolutions will be deducted from the limit of €41 million set in this 14th resolution. Amounts may be increased by a maximum of 15% in the event of additional requests (15th resolution).
Equity securities and/or securities giving access to equity securities to be issued without preferential subscription rights (16th resolution of the AGM of 08.11.2019)	€4 billion*	€41 million	None	Will be deducted from the limits set for capital increases in the 13th and 14th resolutions of the AGM of 08.11.2019. Amounts may be increased by a maximum of 15% in the event of additional requests (15th resolution).
Shares and/or securities granting access to the share capital in consideration for contributions in kind granted to the Company (17th resolution of the AGM of 08.11.2019)	N/A	10% of the share capital at the time of issue	None	Will be deducted from the limits set for capital increases in the 13th and 14th resolutions of the AGM of 08.11.2019.

Nature of the delegation or authorisation	Maximum nominal amount of the issue of debt securities*	Maximum nominal amount of the capital increase resulting immediately or on completion of the issue (excluding adjustments)	Use of existing authorisations during the financial year ended 30.06.2021	Features/Terms
Shares and/or securities granting access to the Company's share capital, immediately or in the future, in the event of a public offer initiated by the Company (18th resolution of the AGM of 08.11.2019)	N/A	10% of the share capital at the time of issue	None	Will be deducted from the limits set for capital increases in the 13th and 14th resolutions of the AGM of 08.11.2019.
Capitalisation of premiums, reserves, profits and other items (19th resolution of the AGM of 08.11.2019)	N/A	€135 million	None	Will be deducted from the overall limit set for capital increases in the 13th resolution of the AGM of 08.11.2019.

* *Maximum nominal amount of Company debt instruments granting access to ordinary shares.*

N/A: not applicable.

2.9.2 Specific authorisations and delegations in favour of employees and/or Executive Directors

Nature of the delegation or authorisation	Date of the delegation or authorisation (resolution)	Term	Expiry of the delegation or authorisation	Maximum amount authorised	Use of existing authorisations during the financial year ended 30.06.2021	Features/Terms
Performance-based shares	AGM of 08.11.2019 (20th)	38 months	07.01.2023	1.5% of the share capital on the date of Board of Directors' decision to allocate	270,838 (0.1% of share capital)	Independent limit (sub-limit for Executive Directors of 0.06% of the capital, which is deducted from the limit of 1.5%).
Stock options	AGM of 08.11.2019 (21st)	38 months	07.01.2023	1.5% of the share capital on the date of Board of Directors' decision to allocate	136,711 (0.05% of share capital)	Independent limit (sub-limit for Executive Directors of 0.21% of the share capital, which is deducted from the limit of 1.5%).
Shares or securities granting access to share capital, reserved for a members of employee saving plans, without preferential subscription rights	AGM of 27.11.2020 (17th)	26 months	26.01.2023	2% of share capital at the date of the Shareholders' Meeting, shared with the 18th resolution of the Shareholders' Meeting of 27.11.2020	None	Will be deducted from the limits set for capital increases in the 13th and 14th resolutions of the AGM of 08.11.2019.
Shares or securities granting access to share capital, reserved for a certain categories of beneficiaries, without preferential subscription rights	AGM of 27.11.2020 (18th)	18 months	26.05.2022	2% of the share capital on the date of the Shareholders' Meeting, shared with the 17th resolution of the Shareholders' Meeting of 27.11.2020	None	Will be deducted from the limits set for capital increases in the 13th and 14th resolutions of the AGM of 08.11.2019.

2.9.3 Authorisations relating to the share buyback programme

Type of securities	Date of authorisation (resolution)	Term	Expiry of the authorisation	Maximum amount authorised	Use of existing authorisations during the financial year ended 30.06.2021	Features/Terms
Share buybacks	AGM of 27.11.2020 (15th)	18 months	26.05.2022	10% of share capital	(1)	Maximum purchase price: 270€
Share buybacks	AGM of 08.11.2019 (11th)	18 months	07.05.2021	10% of share capital	(1)	Maximum purchase price: €260
Cancellation of treasury shares	AGM of 08.11.2019 (12th)	26 months	07.01.2022	10% of share capital	None	-

(1) A summary of Company transactions carried out during FY21 as part of the share buyback programme is shown below in subsection 2.10 "Share buyback programme".

2.10 Share buyback programme

The following paragraphs include the information that must be included in the Board of Directors' report pursuant to article L. 225-211 of the French Commercial Code and that relates to the description of the share buyback programme in accordance with article 241-2 of the French Financial Markets Authority (AMF) General Regulation.

Transactions performed by the Company on its own shares during FY21 (1 July 2020 – 30 June 2021)

Authorisations granted to the Board of Directors

During the Combined Shareholders' Meeting of 8 November 2019, the Company's shareholders authorised the Board of Directors to buy or sell the Company's shares for a period of 18 months as part of the implementation of a share buyback programme. The maximum purchase price was set at €260 per share and the Company was not authorised to purchase any more than 10% of the shares making up the Company's capital; additionally, the number of shares held by the Company could not, at any time, exceed 10% of the shares comprising the Company's capital.

Furthermore, the Combined Shareholders' Meeting of 27 November 2020 authorised the Board of Directors to trade in the Company's shares under the same conditions and at a maximum purchase price set at €270 per share, for a period of 18 months. This authorisation cancelled the authorisation granted by the Shareholders' Meeting of 8 November 2019 with effect from 27 November 2020, for the portion which remained unused.

Pursuant to these authorisations, the liquidity agreement compliant with the AMAFI Code of Conduct and entered into with Rothschild & Cie Banque with effect from 1 June 2012 was renewed on 1 June 2021 for a period of one year. The funds initially allocated to the liquidity account amount to €5,000,000.

The authorisation granted by the Shareholders' Meeting of 27 November 2020, which remains in force at the date this document was filed, will expire on 26 May 2022. The Shareholders' Meeting of 10 November 2021 will be called upon to authorise the Board of Directors to trade in the Company's shares under a new share buyback programme described below, under "Details of the new programme to be submitted for authorisation to the Combined Shareholders' Meeting of 10 November 2021".

Position on 30.06.2021	
% of direct and indirect treasury shares	0.37%
Number of shares held	965,483
Number of shares cancelled in the last 24 months	None
Nominal value	1,496,499
Gross carrying amount	€126,685,526
Portfolio market value*	€180,738,418

* *Based on the closing price at 30.06.2021, i.e. €187.20.*

Summary of transactions performed by the Company on its own shares during FY21

The following table details the transactions performed by the Company on treasury shares within the scope of the share buyback programme during FY21.

	Total gross flows from 01.07.2020 to 30.06.2021									Open positions at 30.06.2021			
	Liquidity agreement		Transactions carried out (excluding liquidity agreement)[1]							Long positions		Short positions	
Operations	Purchase	Sale	Purchase of securities	Call options purchased	Call options exercised	Exercise of the cancellation clause	Sale of securities	Sale and repurchase agreements	Transfers [2]	Call options [3]	Forward purchases	Put options	Forward Sales
Number of shares	475,914	475,914	-	125,000	210,000	-	-	-	447,073	397,077	-	-	-
Maximum term	-	-	-	05.12.2023	15.12.2020	-	-	-	-	05.12.2023	-	-	-
Average Price (€)	157,79	157,83	-	-	-	-	-	-	104,20	-	-	-	-
Average exercise price (€)	-	-	-	154,11	126,53	-	-	-	-	149,98	-	-	-
Amount (€)	75,094,144.55	75,115,628.05	-	19,263,750.00	26,571,300.00	-	-	-	46,583,849	59,553,564.83	-	-	-

(1) 50,000 stock options (American calls) were also unwound early.
(2) Transfers of treasury shares.
(3) American call option.

Under the share buyback programme authorised by the Shareholders' Meeting of 27 November 2020 and implemented by the Board of Directors, no shares were purchased on the market. In addition, an optional hedge was subscribed for 125,000 shares by acquiring the same number of 3-year American call options. The Company also purchased 210,000 shares through the exercise of American call options. 50,000 stock options (American calls) were also unwound early.

Pursuant to authorisations granted by the Combined Shareholders' Meeting of 27 November 2020, the Board of Directors of the same date implemented a stock option allocation plan and a performance-based share allocation plan.

A reallocation of shares acquired on the stock market in previous years to cover various stock option or performance-based share plans and the 125,000 American calls, which enabled the same number of Pernod Ricard shares to be acquired, were allocated to cover part of these stock option and performance-based share allocation plans.

Treasury shares constitute reserves covering the various stock option and performance-based share allocation plans still in force. During the period, transfers were made within these reserves of treasury shares: 359,402 shares were allocated to beneficiaries of the performance-based share plan of 17 November 2016 (at the end of the four-year vesting period), in addition to 87,671 shares transferred to cover the rights of beneficiaries who had exercised stock options.

The 210,000 Pernod Ricard SA shares resulting from the exercise of the American call options, which serve to cover the various plans, were sold off-market to an investment services provider at an average price of €126.53.

In addition, the shares purchased during FY20 under the share buyback programme were cancelled. This concerns 3,545,029 shares.

Under the liquidity agreement signed with Rothschild & Cie Banque, during the period, the Company:

- purchased 475,914 shares for a total amount of €75,094,144.55; and
- sold 475,914 shares for a total amount of €75,115,628.05.

Distribution of treasury shares on 30 June 2021

Treasury shares are all allocated as reserves for different stock option and performance-based share allocation plans.

Details of the new share buyback programme to be submitted for authorisation to the Combined Shareholders' Meeting of 10 November 2021

The description of this programme (see below), which was established in accordance with article 241-3 of the AMF's General Regulation, will not be published separately.

As the authorisation granted by the Shareholders' Meeting of 27 November 2020 allowing the Board of Directors to trade in the Company's shares is due to expire on 26 May 2022, a resolution will be proposed at the Shareholders' Meeting of 10 November 2021 (12th resolution – see Section 8 "Combined Shareholders' Meeting" of this universal registration document) to grant a further authorisation to the Board of Directors to trade in the Company's shares at a maximum purchase price of €280 per share, excluding acquisition costs.

This authorisation would enable the Board of Directors to purchase Company shares representing a maximum of 10% of the Company's share capital. Thus, in accordance with the law, the Company may not at any time hold a number of shares representing more than 10% of its share capital.

As the Company may not hold more than 10% of its share capital, and given that it held 965,483 shares (*i.e.* 0.37% of the share capital) at the time of the last declaration relating to the number of shares and voting rights on 30 June 2021, the maximum number of shares that can be bought will be 25,222,173 (*i.e.* 9.63% of the share capital), unless it sells or cancels shares it already holds.

The purpose of the share buyback programme and the uses that may be made of the shares repurchased in this manner are described in detail in the 12th resolution to be put to the vote of the shareholders on 10 November 2021. The share buyback programme would enable the Company to purchase the Company's shares or have them purchased for the purpose of:

(i) allocating shares or transferring them to employees and/or Executive Directors of the Company and/or its current or future affiliates under the terms and conditions provided for by law, in particular by granting stock options or as part of employee profit-sharing plans; or

(ii) covering its commitments pursuant to financial contracts or options with cash payments relating to changes in the stock market price of the Company's shares, granted to employees and/or Executive Directors of the Company and/or its current or future affiliates under the terms and conditions provided for by law; or

(iii) making free allocations of shares to employees and/or Executive Directors of the Company and/or its current or future affiliates, under the terms and conditions of articles L. 22-10-59 *et seq.* of the French Commercial Code, it being specified that the shares may be allocated, in particular, to an employee savings plan in accordance with the provisions of article L. 3332-14 of the French Employment Code; or

(iv) retaining them and subsequently tendering them (in exchange, as payment or otherwise) within the scope of external growth transactions, subject to the limit of 5% of the number of shares comprising the share capital; or

(v) delivering shares upon the exercise of rights attached to securities granting access to the share capital through reimbursement, conversion, exchange, presentation of a warrant or in any other manner; or

(vi) cancelling all or some of the shares repurchased in this manner, under the conditions provided for in article L. 22-10-62 paragraph 4 of the French Commercial Code and in accordance with the authorisation to reduce the share capital granted by the Combined Shareholders' Meeting of 10 November 2021 in its 14th resolution; or

(vii) allowing an investment services provider to act on the secondary market or to ensure liquidity of the Company's shares by means of liquidity agreements in compliance with the terms of a Code of Conduct approved by the French Financial Markets Authority (AMF).

This programme is also intended to enable the Board of Directors to trade in the Company's shares for any other authorised purpose or any purpose that might come to be authorised by law or regulations in force.

The number of Company shares purchased may be such that:

- the Company does not purchase more than 10% of the shares comprising the Company's share capital at any time during the term of the share buyback programme; this percentage applies to the share capital adjusted in accordance with capital transactions carried out after this Shareholders' Meeting; in accordance with the provisions of article L. 22-10-62 of the French Commercial Code, when shares are repurchased to favour the liquidity of the share under the conditions set out by the applicable regulations, the number of shares taken into account for calculating the 10% cap is equal to the number of shares purchased, less the number of shares sold during the authorisation period; and
- the number of shares held by the Company at any time does not exceed 10% of the number of shares comprising its share capital.

These shares may be purchased, sold, transferred, delivered or exchanged, on one or more occasions, by any authorised means pursuant to the regulations in force. These means include, in particular, over-the-counter transactions, sales of blocks of shares, sale and repurchase agreements and the use of any financial derivatives, traded on a regulated or over-the-counter market, or setting up option strategies (purchases and sales of puts and calls and any combinations thereof in compliance with the applicable regulations). Transactions involving blocks of shares may account for the entire share buyback programme.

These transactions may be carried out during periods considered appropriate by the Board of Directors. However, during a public offer period, the repurchases would only be carried out subject to the conditions that they:

- enable the Company to comply with its prior commitments undertaken before the launch of the public offer; and
- are undertaken in connection with the pursuit of a share buyback programme that was already in progress; and
- fall within the scope of the objectives referred to in items (i) and (iii) above; and
- cannot cause the offer to fail.

The Board of Directors may also carry out, in accordance with applicable legal and regulatory provisions, the reassignment to another objective of previously repurchased shares (including under a previous authorisation) and their sale (on- or off-market).

This authorisation would be valid for a period of 18 months from the Shareholders' Meeting of 10 November 2021 and would cancel, as from this same date, for any unused portion, the authorisation granted to the Board of Directors to trade in& the Company's shares by the Combined Shareholders' Meeting of 27 November 2020 in its 15th resolution.

2.11 Items liable to have an impact in the event of a public offer

In accordance with article L. 22-10-11 of the French Commercial Code, the items liable to have an impact on the Company's securities in the event of a public offer are set out below.

2.11.1 The Company's share capital structure

The Company's share capital structure is shown in the table "Allocation of share capital and voting rights on 30 June 2021" in Section 9 "About the Company and its share capital", in the subsection "Information about the share capital".

Threshold crossings declared during FY21 are also indicated in the table entitled "Allocation of share capital and voting rights on 30 June 2021" in Section 9 "About the Company and its share capital" of this universal registration document, in the subsection "Information about the share capital".

2.11.2 Statutory restrictions on the exercise of voting rights and double voting rights

The Company's bylaws provide for a limit on voting rights. This mechanism is described in subsection 2.12.3 "Voting conditions" below.

In addition, certain shares of the Company have double voting rights as described in subsection 2.12.3 "Voting conditions" below.

2.11.3 Agreements between shareholders of which the Company is aware

The Shareholders' agreement between shareholders of the Company (agreement between Mr Rafaël Gonzalez-Gallarza and Société Paul Ricard, owned by the Ricard family) is described under "Shareholders' agreements" in subsection 2.5 "Composition of the Board of Directors" of this universal registration document and also appears on the AMF website (www.amf-france.org).

2.11.4 Agreements entered into by the Company which are modified or become void as a result of a change of control of the Company

Under certain conditions, the Company's financing contracts provide for the early repayment of its debts. The description of the change of control clauses of these contracts is given under "Significant contracts" in Section 5 "Management report" of this universal registration document.

2.11.5 Other items

The Company's bylaws are amended in accordance with the applicable legal and regulatory provisions in France.

There is no specific agreement providing for indemnities in the event of the termination of the position of a member of the Board of Directors, with the exception of the commitments to the Executive Director described in subsection 2.8.1.3 "Compensation policy for the Chairman and CEO", in the "Policy on deferred commitments" paragraph.

2.12 Shareholders' Meetings and attendance procedures

Article 32 of the bylaws sets out the procedures that shareholders must follow in order to attend Shareholders' Meetings.

The shareholders meet every year at a Shareholders' Meeting.

2.12.1 Notice to attend meetings

Both Ordinary and Extraordinary Shareholders' Meetings are called, held and voted in accordance with the conditions provided for by law. They are held at the Company's registered office or at any other place stated in the notice of meeting.

Decisions by the shareholders are taken at Ordinary, Extraordinary or Combined Shareholders' Meetings depending on the nature of the resolutions they are being asked to adopt.

2.12.2 Participation in Shareholders' Meetings

All shareholders have the right to attend the Company's Shareholders' Meetings and to participate in the deliberations, either in person or by proxy, regardless of the number of shares they hold. In order for a shareholder to have the right to participate in Ordinary or Extraordinary Shareholders' Meetings, the shares must be registered in the name of the shareholder or in the name of the financial intermediary acting on the shareholder's behalf at 00.00 (Paris time) two business days prior to the Shareholders' Meeting, either in the registered share accounts kept by the Company or in the bearer share accounts kept by the authorised financial intermediary.

The entry or recording of the shares in bearer share accounts kept by the authorised financial intermediary are acknowledged *via* a share certificate issued by the financial intermediary and attached as an appendix to the postal voting form, proxy form or application for an admission card made out in the name of the shareholder or on behalf of the shareholder represented by the registered financial intermediary. Any shareholder wishing to attend the Shareholders' Meeting in person who has not received their admission card by 00.00 (Paris time) two business days before the Shareholders' Meeting may also ask for such a certificate to be issued.

If a shareholder does not attend the Shareholders' Meeting in person, he or she may choose one of the following options:

- give a proxy to the Chairman of the Shareholders' Meeting;
- give a proxy to a spouse or partner with whom he or she has entered into a civil union agreement, or to any other person; or
- vote by post or *via* the Internet.

A shareholder who has already cast a postal or Internet vote, sent in a proxy form or applied for an admission card or a share certificate may sell all or some of his or her shares at any time. However, if the sale takes place before 00.00 (Paris time) on the second business day prior to the Shareholders' Meeting, the Company will invalidate or modify accordingly, as appropriate, the postal or Internet vote cast, proxy form, admission card or share certificate. For this purpose, the authorised financial intermediary in charge of the shareholder's account will inform the Company or its duly authorised agent of the sale and will provide it with the necessary information.

No sale or other form of transaction carried out after 00.00 (Paris time) on the second business day prior to the Shareholders' Meeting, regardless of the means used, will be notified by the authorised financial intermediary or taken into consideration by the Company, notwithstanding any agreement to the contrary.

Furthermore, in view of the still uncertain situation with regard to the development of the Covid-19 epidemic, Pernod Ricard may have to change the attendance procedures for the Shareholders' Meeting on 10 November 2021.

We would therefore ask you to regularly check the Shareholders' Meeting section on the Pernod Ricard website, which will confirm the final arrangements for attending this Shareholders' Meeting depending on the sanitary and/or legal requirements.

2.12.3 Voting conditions

The voting right attached to the shares is proportional to the share capital they represent. Each share grants the right to at least one vote (article L. 225-122 of the French Commercial Code).

Restriction on voting rights

However, each member of the Shareholders' Meeting has as many votes as shares he or she possesses and represents, up to 30% of the total voting rights.

Double voting rights

A double voting right is granted to other shares (in light of the fraction of the authorised share capital they represent) to all fully paid-up shares that can be shown to have been registered for at least ten years in the name of the same shareholder, from 12 May 1986 inclusive (article L. 22-10-46 of the French Commercial Code).

In the event of a share capital increase through the capitalisation of reserves, profits or share premiums, registered shares allocated as bonus shares to a shareholder, on the basis of existing shares for which he or she benefits from this right, will also have double voting rights as from their issuance (article L. 22-10-46 of the French Commercial Code).

Any share loses the double voting right if converted into bearer shares or if its ownership is transferred. Nevertheless, transfer following the division of an estate or the liquidation of assets between spouses and *inter vivos* donation to a spouse or relation close enough to inherit will not result in the loss of the acquired right and will not interrupt the aforementioned ten-year period.

Declaration of statutory thresholds

Any individual or corporate body acquiring a shareholding greater than 0.5% of the share capital must inform the Company of the total number of shares held by registered letter, with return receipt requested, within a period of 15 days from the date on which this threshold is exceeded. This notification must be repeated, under the same conditions, each time the threshold is exceeded by an additional 0.5%, up to and including 4.5%.

In the event of non-compliance with the notification obligation mentioned in the previous paragraph, shares in excess of the undeclared amount shall be stripped of their voting rights, at the request, as set forth in the minutes of the Shareholders' Meeting, of one or more shareholders holding at least 5% of the share capital, for any Shareholders' Meeting held until the expiry of the period stipulated in article L. 233-14 of the French Commercial Code following the date when the notification is made.

2.12.4 Modification of shareholders' rights

The Extraordinary Shareholders' Meeting has the power to modify shareholders' rights, under the conditions defined by law.

2.13 Management structure

2.13.1 General Management

On 30 June 2021, the General Management of the Group was carried out by the Chairman and CEO, assisted by the Executive Board. It forms the permanent body for coordinating the Management of the Group.

Composition of the Executive Board on 30 June 2021:

- **Alexandre Ricard, Chairman and CEO**;
- **Hélène de Tissot**, EVP Finance, IT and Operations;
- **Anne-Marie Poliquin**, Group General Counsel and Compliance Officer;
- **Christian Porta**, Managing Director, Global Business Development;
- **Cédric Ramat**, EVP Human Resources, Sustainability & Responsibility.

The Executive Board is responsible for reviewing all decisions relating to the Group's business. It refers to the Board of Directors on various points when the latter's approval is required. It steers and coordinates the major transformation projects launched recently, organises the work of the Executive Committee and defines objectives for its members, in particular by signing off the strategic plan, the budget and regular business reviews.

In addition, the Group Communications Department, the Public Affairs Department and the Internal Audit Department report to the Chairman and CEO.

The Executive Board meets on a weekly basis.

2.13.2 Executive Committee

The Executive Committee comprises the Group's Management body.

Composed of 15 members – the entire Executive Board as well as the Chairmen and Chief Executive Officers of the main affiliates – who meet every month (approximately 11 times a year) at the registered office or at an affiliate. Under the direction of the Chairman & CEO, the Board helps to define the Group's strategy and plays an essential coordinating role between the registered office and affiliates, as well as amongst the affiliates themselves (Brand Companies and Market Companies).

More specifically:

- The Board is responsible for overseeing the Group's business activities and ensuring that its main policies are applied;
- It gives its opinion on the setting of financial and operational objectives;
- It periodically conducts brand and market reviews, assesses performance and proposes the necessary organisational adjustments; and
- It validates the Group's major policies and oversees their implementation.

Composition of the Executive Committee on 30 June 2021:

- the Executive Board;
- the CEOs of the Brand Companies:
  - Chivas Brothers: Jean-Christophe Coutures [(1)], CEO,
  - Martell Mumm Perrier-Jouët: César Giron, CEO,
  - Pernod Ricard Winemakers: Bryan Fry, CEO,
  - Irish Distillers Group: Conor McQuaid, CEO,
  - The Absolut Company: Stéphanie Durroux, CEO;
- the CEOs of the Market Companies:
  - Pernod Ricard North America: Ann Mukherjee, CEO,
  - Pernod Ricard Asia: Philippe Guettat, CEO,
  - Pernod Ricard Europe, Middle East, Africa and Latin America: Gilles Bogaert, CEO,
  - Pernod Ricard Global Travel Retail: Mohit Lal, CEO,
  - Pernod Ricard France: Philippe Coutin, CEO.

2.13.3 Non-discrimination policy and diversity in Top Management

The policy is based on talent identification and management processes, as well as succession planning focused on performance and potential. Considerable effort has been made in recent years to ensure the quality and objectivity of the assessment. This resulted in the implementation last year of the "Let's Talk Talent" assessment and calibration process powered by the Workday platform, deployed globally, and which ensures the greatest possible consistency in the personal development and career advancement process for all our employees.

In addition, in the wake of the global "Better Balance" initiative conducted from 2017 to 2019 on the two main dimensions of the Group's diversity challenges (gender and nationality), the General Management and the Human Resources Department have been encouraged to identify measures specific to their own diversity challenges on at least these two dimensions and to make them objectives for the members of the affiliates' Management Committees. Moreover, objectives have been defined for the Group's Management bodies, identified as the "Top 500" [(2)] employees, and a series of actions have been taken to help achieve these objectives [(3)].

In 2019, Pernod Ricard's Board of Directors, on the recommendation of the Nominations and Governance Committee, established binding objectives within its CSR roadmap relating to diversity in the Group's management bodies: by 2030, the Group's management bodies will have to include a minimum of 40% women/men representation. In addition, Pernod Ricard estimates that it will achieve a 30% gender balance in its management bodies by 2025.

All of the initiatives undertaken by Pernod Ricard in favour of diversity help to make all the processes that lead to the selection of candidates and their assignment to the highest positions of responsibility in the Company more equitable and have produced the following results over the recent period:

- for the Executive Committee, the proportion of women has increased from 7% to 27% between 2015 and 2021; and
- for the "Top 500", between 2015 and 2021, the proportion of women has risen from 19% to 29%.

This diversity policy and the results obtained are presented annually to the Board of Directors by General Management.

(1) Jean-Etienne Gourgues succeeded Jean-Christophe Coutures on 1 July 2021.
(2) The "Top 500" comprised 457 employees in 2015, and 484 in June 2021. It includes 45 different nationalities.
(3) The diversity policy in Top Management is detailed in the Declaration of Extra-Financial Performance in section 3.3.2.2.