

**Grant of performance shares
to Mr Alexandre Ricard, Chairman & CEO
- November 10th, 2023 -**

I – Annual Long Term Incentive Plan

At its meeting held on November 10th, 2023, the Board of Directors, in accordance with the authorizations given by the Annual Shareholders' Meeting held on November 10th, 2021 (under 22nd resolution), approved a Long-Term Incentive Plan benefiting to 506 employees within the Group (the "Plan").

Under this Plan, the Board of Directors decided, following the recommendation of the Compensation Committee, to grant performance shares to Mr. Alexandre Ricard, Chairman & CEO, as presented hereafter, and in accordance with the commitment that the maximum annual allocation granted, in value, may not represent more than 150% of his gross fixed annual compensation.

▪ **PERFORMANCE SHARES WITH EXTERNAL PERFORMANCE CONDITION:**

- Amount: 6 786 performance shares, subject to an external performance condition.
- External performance condition (30% of the total grant in IFRS value):
The number of performance shares definitively transferred will depend on the positioning of the performance of the Total Shareholder Return (TSR) of Pernod Ricard compared to the TSR of the Panel's companies (as defined below) over a period of 3 years running from the 20th day before the Grant Date to the 20th day before the expiration of the Vesting Period (i.e. from 13th October 2023 to 13th October 2026 included):
 - ✓ If below the median (8th to 13th position): no performance share related to the external condition shall vest;
 - ✓ if equal to the median (7th position): 66% of the performance shares related to the external condition shall vest;
 - ✓ if in 6th, 5th or 4th position: 83% of the performance shares related to the external condition shall vest; and
 - ✓ if in 3rd, 2nd or 1st position: 100% of the performance shares related to the external condition shall vest.

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

It is specified that the Panel may be modified in the event of a change affecting one or several members of the Panel. The Board of Directors could, with a duly motivated decision and following the recommendation of the Compensation Committee, decide to add or exclude a member to or from the Panel in cases such as purchase, absorption, dissolution, splitting, merger or change in activity of Pernod Ricard, or one or several members from the Panel, provided this does not affect the overall consistency of the Panel and still allows the assessment of the external performance condition as determined at the time of the initial grant.

- Vesting period: 3 years without any further holding obligation.

▪ **PERFORMANCE SHARES WITH INTERNAL PERFORMANCE CONDITIONS:**

- Amount: 8 620 performance shares, all subject to two internal performance conditions, whose achievement will be assessed separately.

- Internal performance condition related to Profit from Recurring Operation ('PRO') (50% of the total grant in IFRS value):

The number of performance shares definitively transferred shall be determined by the following ratios of achieved Group Organic profit from recurring operations as compared to the Group Organic profit from recurring operations objective (restated for the effects of foreign exchange rates and scope of consolidation), for 3 consecutive financial years (FY24, FY25 and FY26).

The number of performance shares based on PRO is determined as follows:

- ✓ If the average is lower than or equal to 0.95: no performance share based on PRO shall vest;
 - ✓ If the average is between 0.95 and 1: the number of performance shares based on PRO having vested shall be determined by applying the percentage of linear progress between 0 and 100%; and
 - ✓ If the actual average is equal to or higher than 1: 100% of the performance shares based on PRO will vest.
- Internal performance condition related to Corporate Social Responsibility ('CSR') (20% of the total grant in IFRS value):

The number of performance shares definitively transferred will be determined based on the achievement of the following criteria:

- Carbon (Scopes 1 & 2): implementation of the roadmap to reduce the direct CO2 emissions generated by our sites (Scopes 1 & 2) in order to reduce emissions by 54% in absolute terms by 2030.
- Water: implementation of the roadmap aimed at reducing water consumption in our distilleries by 20.9% by 2030.
- Responsible drinking – Alcohol misuse: strategic brands will launch marketing campaigns focused on responsible alcohol consumption, with an objective of increasing each year over the 3 years following the granting of the allocation.
- Diversity & Inclusion: achieving gender balance diversity in our Top Management (at least 40% of each gender) by 2030.

The number of performance shares based on CSR is determined as follows:

- ✓ if no objectives are achieved: no performance share based on CSR shall vest;
 - ✓ if one objective is achieved: 25% of the performance shares based on CSR shall vest;
 - ✓ if two objectives are achieved: 50% of the performance shares based on CSR shall vest;
 - ✓ if three objectives are achieved: 75% of the performance shares based on CSR shall vest;
 - ✓ if four objectives are achieved: 100% of the performance shares based on CSR shall vest.
- Vesting period: 3 years, without any further holding obligation.

Compliance with the caps applicable:

At its meeting held on November 10th, 2023, the Board of Directors ensured that the quantity of performance shares granted to the Executive Director was in line with the 0.08% of the share capital specified in the 22nd resolution approved by the Shareholders' Meeting of November 10th, 2021. The grants to the Executive Director represent 0.006% of the share capital.

Lock-in and acquisition requirements applicable to the Executive Director, relating to stock options and performance shares:

Moreover, as for previous grants, and following the recommendation of the Compensation Committee, the Board of Director of November 10th, 2023, set the following holding and acquisition requirements:

- **Requirement to hold stock-options and performance shares:**
The Executive Director shall retain, in the registered form, and until the end of his term of office, a number of shares corresponding to (i) in respect of the 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 (ii) in respect of the performance shares: 20% of the volume of the performance shares that will be actually transferred to him; and
- **Requirement to acquire additional shares:**
The Executive Director shall undertake to buy, at the time the performance shares are effectively transferred to him, a number of shares equal to 10% of the performance shares transferred.

Once the Executive Director holds a number of registered shares corresponding to more than three times his gross fixed annual compensation at that time, the above-mentioned requirement will be reduced to 10% for both stock options and performance shares and the Executive Director will no longer be required to acquire additional shares. If, in the future, his registered holdings fall below the ratio of three, the lock-in and acquisition requirements mentioned above will apply anew.

II – ADDITIONAL GRANT OF PERFORMANCE SHARES (FOR THE SUPPLEMENTARY PENSION SCHEME)

According to the compensation policy for the Executive Director, as part of the supplementary pension scheme, Mr. Alexandre Ricard receives an additional annual compensation equal to 20% of his fixed and variable annual compensation, including:

- 10% of his fixed and variable annual compensation paid in cash (i.e., a gross amount of €314,062.50 for 2023) which he undertakes to invest, net of social security contributions and tax, in savings products dedicated to financing his supplementary pension
- 10% of his fixed and variable annual compensation paid in the form of the allocation of performance shares

Thus, the Board of Directors held on November 10th, 2023, decided to grant an additional allocation of performance shares for Mr. Alexandre Ricard, including:

- 1 136 performance shares with external condition; and
- 1 444 performance shares with internal conditions.

The performance conditions, presence and holding, that will apply to these grants will be the same as those outlined under the allocation of Group annual performance shares plan in effect on the grant date (see above).

Compliance with the applicable caps:

At its meeting held on November 10th, 2023, the Board of Directors ensured that the quantity of performance shares granted to the Executive Director was in line with the specific cap indicated in the 22nd resolution as approved by the Shareholders' Meeting of November 10th, 2021. This grant to the Executive Director represents 0.001% of the share capital.