

Additional information on the elements of compensation and benefits granted to Mr Alexandre Ricard, Chairman & Chief Executive Officer of Pernod Ricard

Determination of FY 2014/2015 variable compensation

At the Board of Directors' meeting held on 26 August 2015, on the recommendation of the Compensation Committee, and after approval of the financial elements by the Audit Committee, the Board assessed the amount of the variable portion of Mr Alexandre Ricard's compensation for the 2014/2015 financial year.

Considering the quantitative and qualitative criteria set by the Board meeting of 27 August 2014 and the accomplishments recognized as of 30 June 2015, the amount of the variable portion was evaluated as follows:

- ✓ As per the quantitative criteria (profit from recurring operations, net attributable profit and net debt/EBITDA), the variable portion amounted to 75.55% of Mr Alexandre Ricard's total annual gross fixed compensation (vs target at 80%)
- ✓ As per the qualitative criteria, the amount decided by the Board of Directors was 30% of Mr Alexandre Ricard's total annual fixed compensation. The Board deemed that Mr Alexandre Ricard's performance in the 2014/2015 financial year had been very satisfactory, considering: the overall quality of the Group's General Management in a particularly volatile environment, the gradual improvement of the activity's growth, notably through innovations, the implementation of the Group reorganisation (Allegro) and the changes in the management teams and lastly maintaining the Group's commitments on societal issues..

The total amount of Mr Alexandre Ricard's variable compensation for the 2014/2015 financial year as Deputy Chief Executive Officer & Chief Operating Officer and then as Chairman & Chief Executive Officer was consequently set at €883,649 or 105.55% of his 2014/2015 total annual fixed compensation (vs target at 110%). The variable compensation in respect of the 2013/2014 and 2012/2013 financial years represented respectively 55.40% and 78.20% of his annual fixed compensation.

Determination of the elements of compensation for FY 2015/2016

At the same meeting, the Board of Directors followed the recommendation of the Compensation Committee and decided to maintain, for FY2015/2016, the compensation elements allocated to him in 2014/2015 as Chairman & Chief Executive Officer.

The compensation elements are as follows:

- ❖ 2015/2016 gross annual fixed compensation: €950,000
- ❖ 2015/2016 variable compensation: 110% of the annual fixed compensation targeted capped at 180%

- ❖ No board attendance fees
- ❖ Entitlement to performance stock options and performance shares
- ❖ Entitlement to a company car

Reminder: Mr Alexandre Ricard, as Chairman & Chief Executive Officer also benefits from the following compensation elements:

1. **Non-compete clause / severance pay clause (for imposed departure)**

- 12-month non-compete clause (12 months of compensation¹)
- Imposed departure clause of maximum 12 months of compensation¹ which would be due, subject to fulfillment of performance conditions, in case of imposed departure related to a change of control or strategy of the Group (according to the Afep-Medef Code, no payment in case of a departure related to i) non-renewal of his term of office, ii) if departure was decided by the Executive Director himself, iii) in case of a change of position within the Group or iv) if he is close to retirement).

In accordance with the Afep-Medef Code, the overall amount related to the non-compete clause and the imposed departure clause (sum of both clauses) will be capped at 24 months of compensation¹.

2. **Defined benefit pension plan and collective healthcare and insurance schemes** granted by Pernod Ricard on the same terms as those that apply to the category of employees to which he belongs for the determination of his employee benefits and other additional elements of his compensation.

In accordance with the regulated agreements and commitments procedure, the items above were authorised by the Board of Directors held on 11 February 2015 and 22 July 2015 and will be submitted to the approval of the Shareholders' Meeting to be held on 6 November 2015 (5th resolution).

¹ Last fixed annual compensation + last variable annual compensation decided by the Board of Directors