

**CAPITAL
MARKETS
DAY 2022**
Pernod Ricard

STRETCHING GROWTH



ALEXANDRE RICARD
Chairman & Chief Executive Officer

Welcome to “The Island”!

Embodiment of our transformation

“

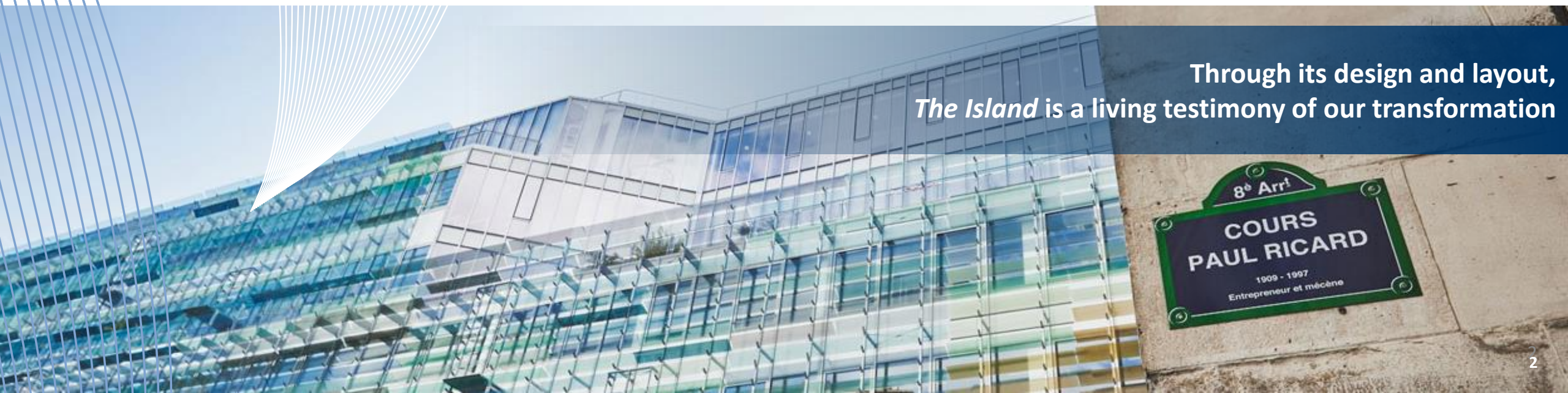
*Where better
than an Island to dream?*

PAUL RICARD

”



Through its design and layout,
The Island is a living testimony of our transformation

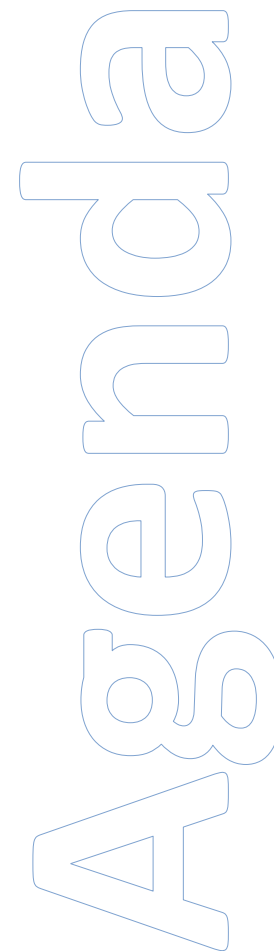


PLENARY SESSION

- 01 Stretching growth
- 02 The Conviviality Platform, a powerful growth model
- 03 Leveraging our unique culture of *Convivialité*
- 04 Sustainable value creation
- 05 Sustainability and Conviviality strengthening performance

THE CONVIVIALITY PLATFORM, STRETCHING GROWTH . . .

- 01 . . . In EMEA LATAM, focusing on Germany and Sub-Saharan Africa
- 02 . . . In Asia, focusing on China and India
- 03 . . . In the United States



An historic year



Record-breaking
performance

Balance
& Diversification

Responsible
& Sustainable

An exciting journey

- Pernod Ricard **well positioned to capture future growth opportunities**, with very diversified and balanced growth profile
- Transformation journey started in 2015 with **strategic plans executed and delivering results**
- **Now taking the transformation one step further** with The Conviviality Platform to adapt to evolving environment and to **stretch our growth**

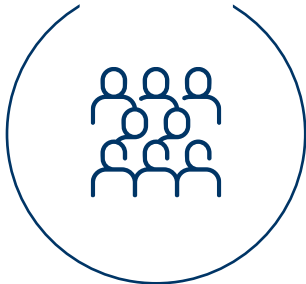
A winning formula

FAVOURABLE UNDERLYING DRIVERS

x

UNIQUE COMPETITIVE ADVANTAGES

Demographics



Consumption



**Portfolio
of brands**



**Routes
to markets**



**Culture
and Values**



Building on highly favorable demographics

**Growing global
population & increase
of the **drinking age** population**

LDA+ population +1.3% 2020 -2025 CAGR growth¹



Expansion of the **middle-class
in emerging countries**

China +7M affluents and +20M middle class / year²

India +20M LDA+ / year²

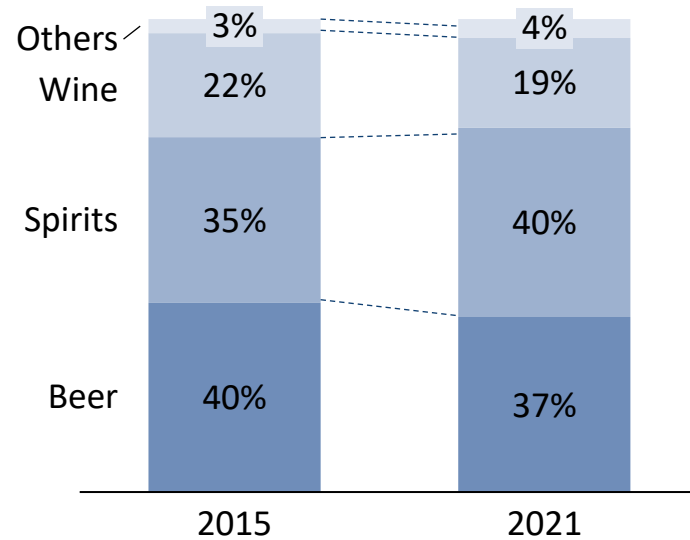


FAVORABLE UNDERLYING DRIVERS

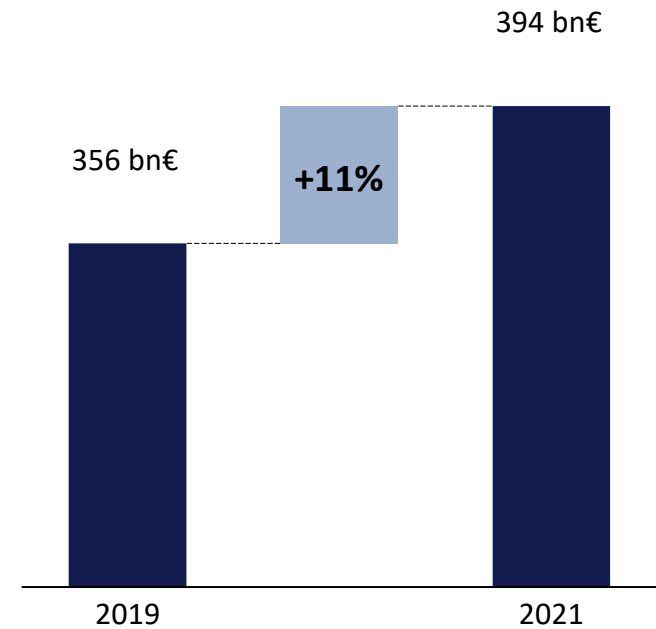
Increased penetration of spirits consumption, resilience through cycles...

Spirits now #1 total beverage alcohol category in value

Spirits value TBA¹ share
2015 - 2021



Spirits market in value
2021 vs. 2019



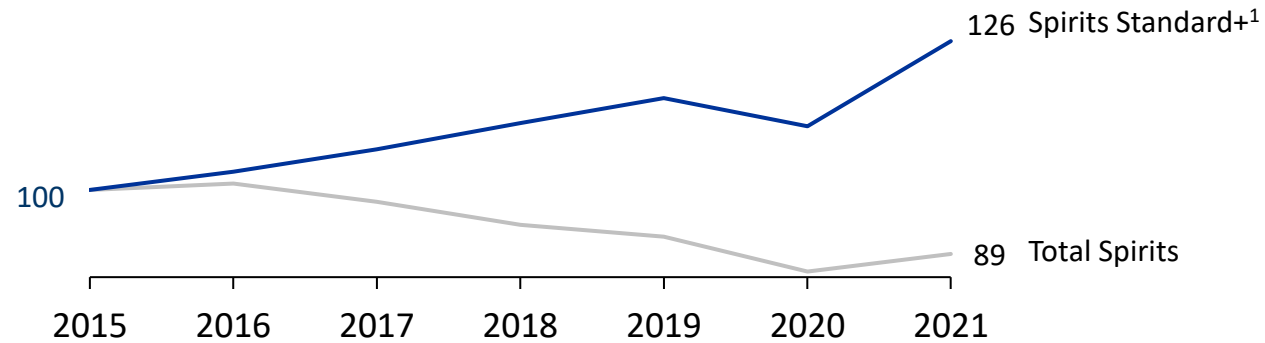
FAVORABLE UNDERLYING DRIVERS

Source: IWSR 2022, based on calendar year 2021

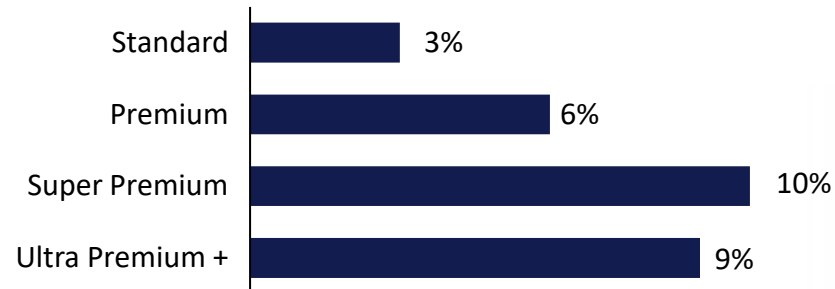
1. Total beverage alcohol

and acceleration of premiumization

Total Spirits and Spirits Standard+¹
Volume evolution 2015-2021 (rebased)



Spirits Standard+ Market CAGR by IWSR Price Tiers
2015-2021 in **Volume**



Pernod Ricard is **Value leader** in
Ultra Premium+

FAVORABLE UNDERLYING DRIVERS

Source: IWSR 2022, based on calendar year 2021.

Total Spirits = All Spirits. Spirits Standard+ = Spirits with Standard and above price bands, excluding all Baijiu, Soju, and Sochu
Price Bands (in USA): Standard: 10\$ -23\$, Premium 23\$ -30\$, Super Premium 30\$-45\$, Ultra Premium+ above 45\$

Capitalising on our unique premium brands portfolio...

Broadest and most comprehensive spirits portfolio across occasion, price points and categories

Strong brand equity and brand building capabilities

Ability to build local strongholds



STRATEGIC INTERNATIONAL BRANDS



PRESTIGE BRANDS



SPECIALTY BRANDS



STRATEGIC WINES



STRATEGIC LOCAL BRANDS

UNIQUE COMPETITIVE ADVANTAGES

and our unique routes to markets



- Balanced, global scale with direct **presence in 73 markets** and **overall presence in more than 160 countries**
- Strong footprint in emerging markets **with dual leadership in India and China**
- **Extended network** of distributors and partners
- **Omnichannel distribution capabilities**

Staying true to our culture and shared values...

Experienced, committed, diversified
& renewed management team



c. 40% non French and c. 30% women, 100%
international experience

Empowered teams - freedom within a
frame

Engaging, performance-driven **Conviviality**
culture

2030 **Sustainability & Responsibility**
strategy

UNIQUE COMPETITIVE ADVANTAGES

with Sustainability & Responsibility at the core

From Grain to Glass strategy

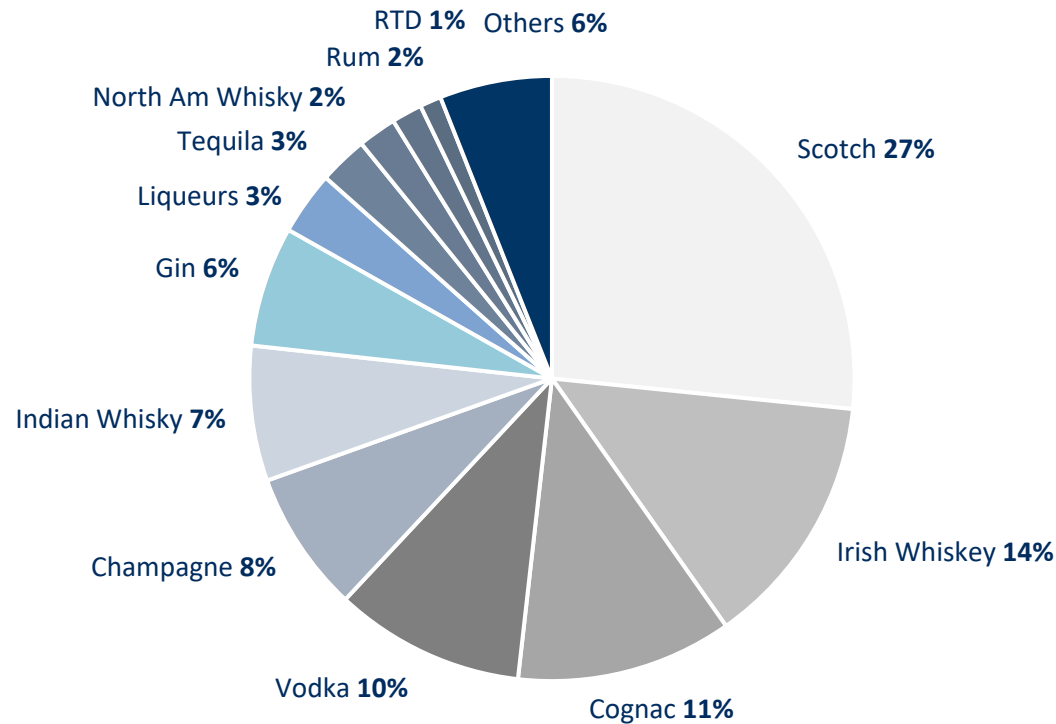


UNIQUE COMPETITIVE ADVANTAGES

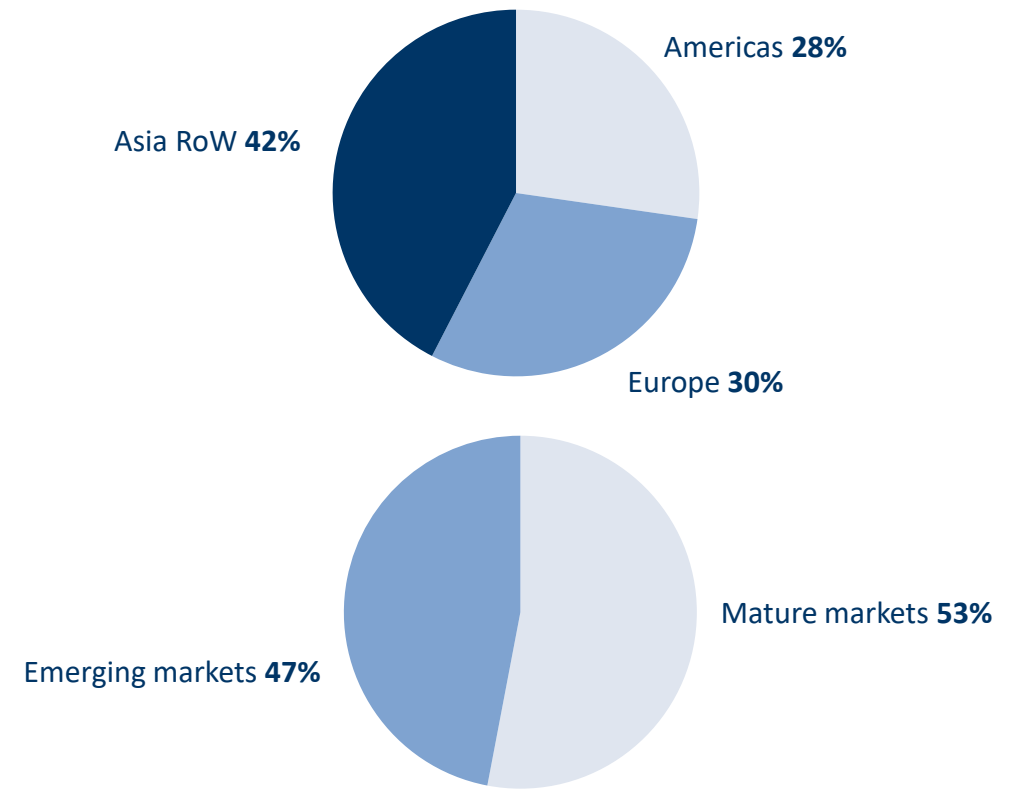
Leveraging our diversified sources of growth across categories and balanced global footprint

Spirits brand contribution to Organic Growth

c.2/3 of growth driven by 5 categories:



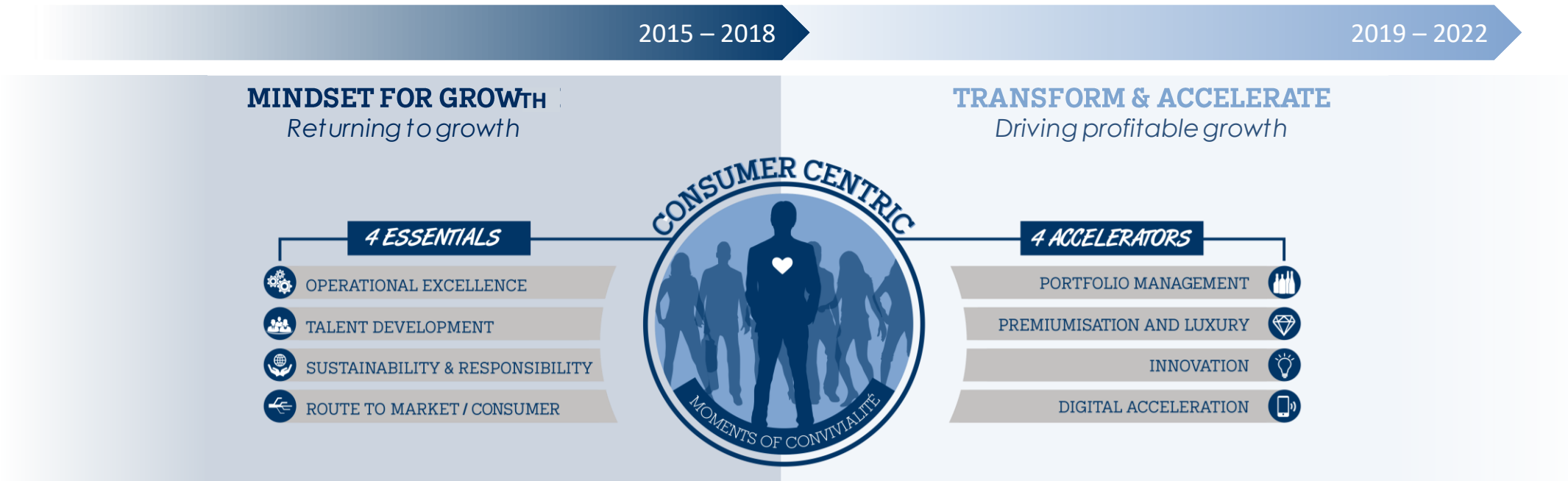
Net Sales Breakdown



UNIQUE COMPETITIVE ADVANTAGES

Note: as at H1 FY22

Growth amplified by winning strategies...



- Winning in key Geographies: Must-Win markets
- Building Passion Brands
- Funding the journey
- Valuing our people

delivering against ambitious objectives

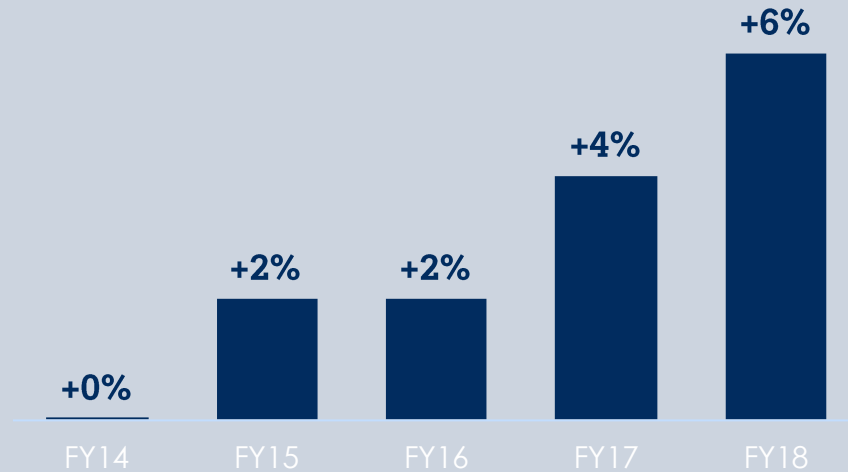
2015 – 2018

2019 – 2022

MINDSET FOR GROWTH

Returning to growth

Organic Sales Growth



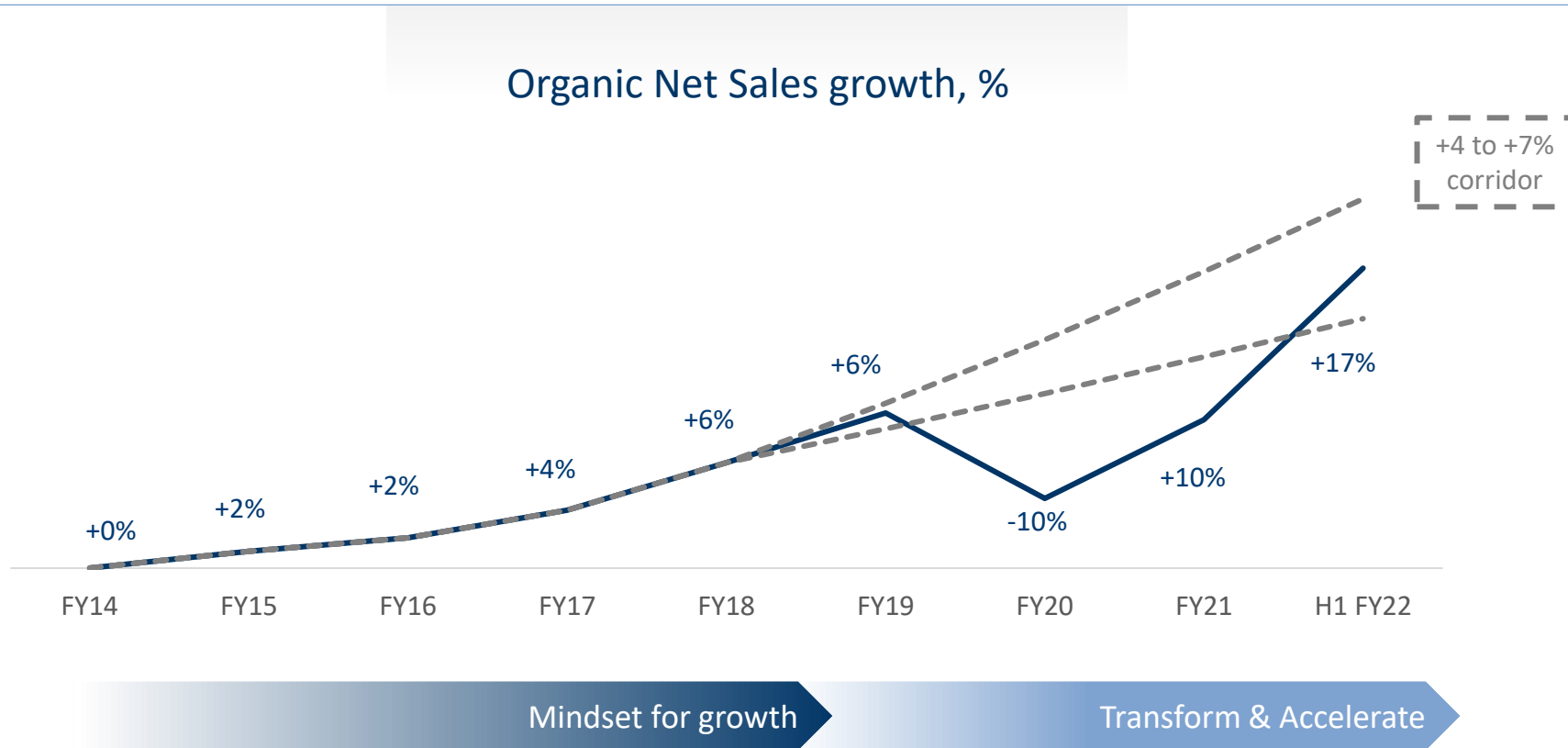
TRANSFORM & ACCELERATE

Driving profitable growth

+4% to +7% OSG / +50-60 bps organic margin

- **US Sales >\$2bn and China >€1bn in FY21**
- **GTR, China and India** leadership maintained and very dynamic performance in **EMEA LATAM**
- **Market share gains in most markets**
- **Strong E-commerce acceleration**
- **c. €1bn M&A** driving competitive edge, notably USA
- **2030 strategy: carbon net zero** scopes 1+2 by 2030/ 1+2+3 by 2050 and **water use: -20%** by 2030
 - Single use plastic POS removed
 - UN Global Compact LEAD

Strong growth and financial trajectory despite Covid...

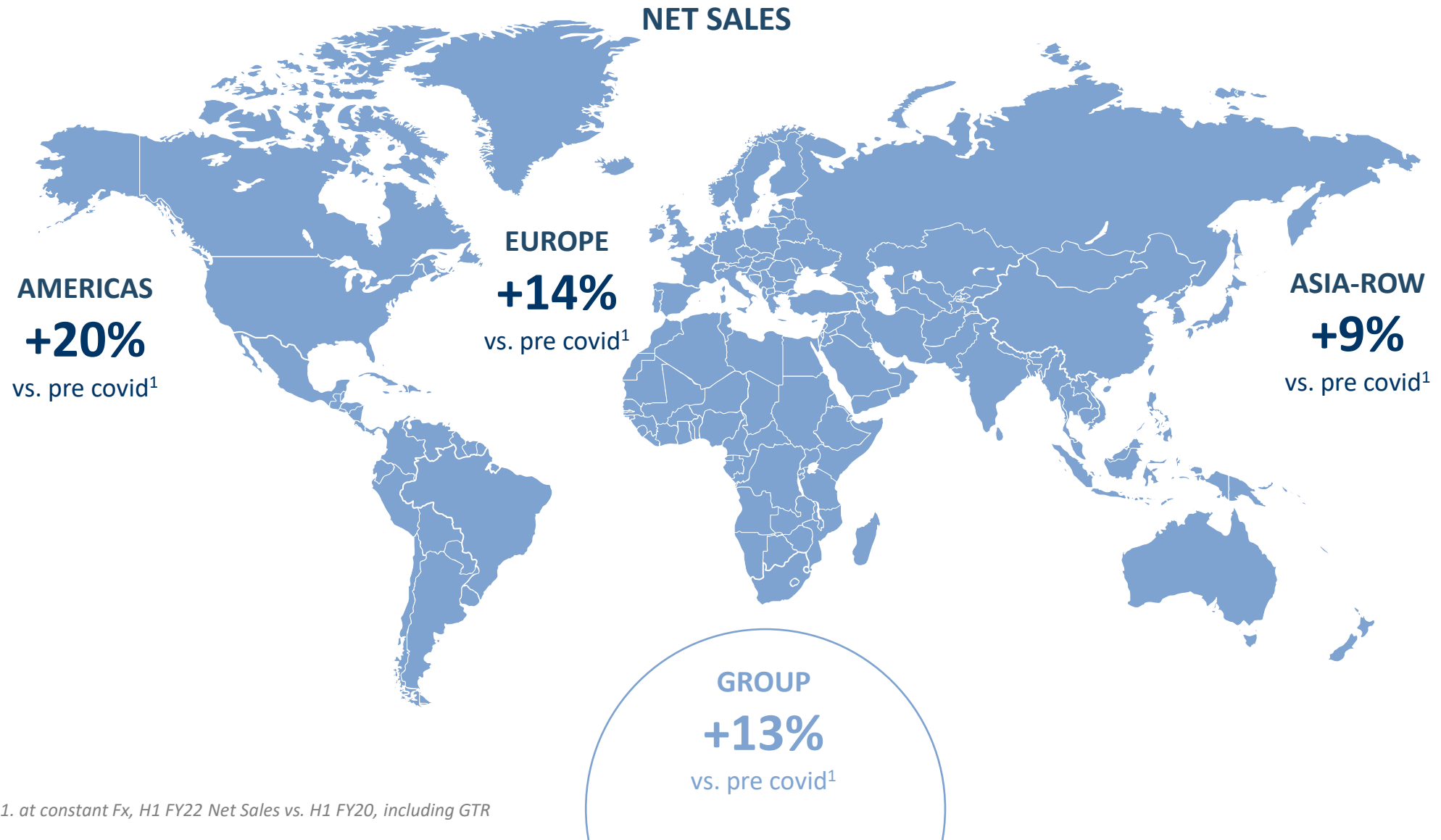


Record breaking sales and PRO in H1 FY22

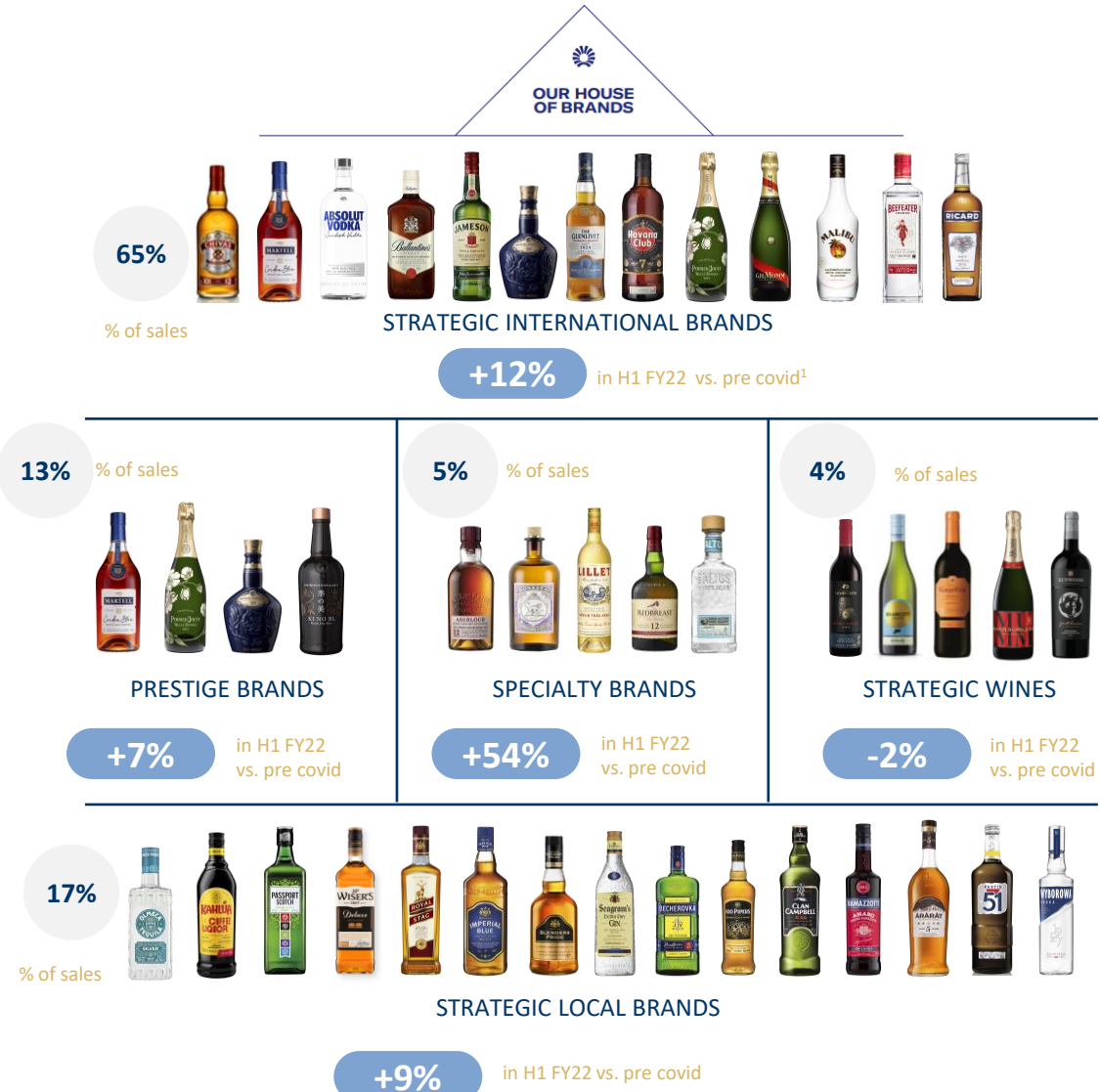
Strong **margin expansion** since FY19 of **c. 50bps** p.a. on average

Strong cash delivery with **historically high Free Cash Flow** in H1 FY22

with all regions exceeding their pre-pandemic levels...



and excellent rebound of all our spirit brands



c. 3/4 of spirits brands delivering a record year²

Jameson,
Ballantine's,
Beefeater,
The Glenlivet,
Absolut,
Malibu
reaching volume milestones

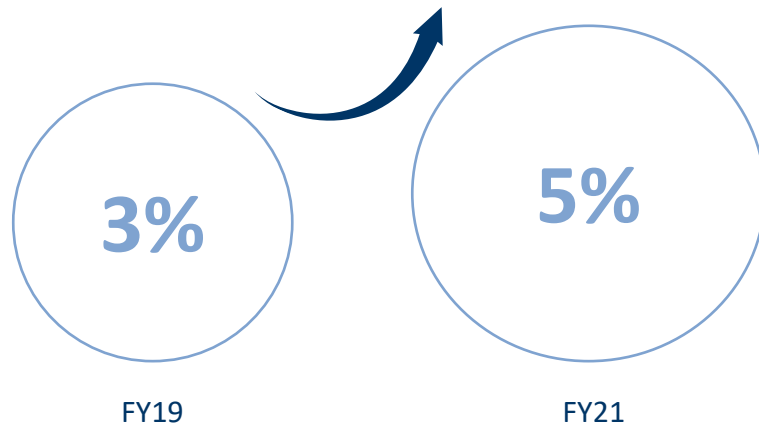
Specialty brand Lillet reaching
1M cases milestone

1. vs. H1 FY20, at constant Fx

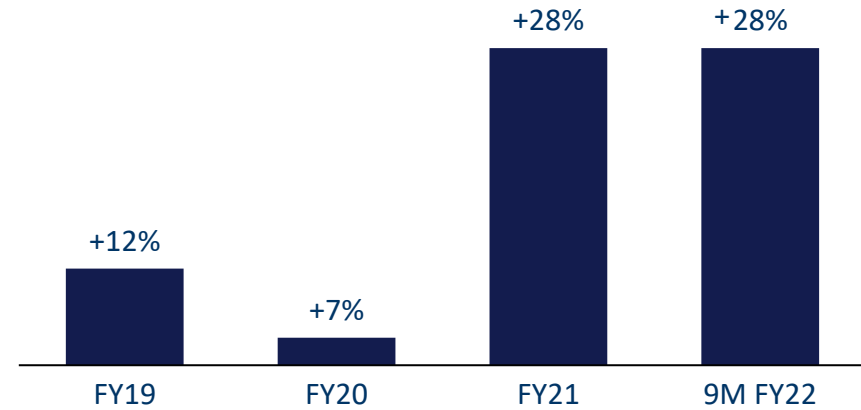
2. In Net Sales, brands in the house of brands

Recent acquisitions fueling accretive growth of Specialty Brands portfolio

Share of Specialty Brands in Net Sales



Specialty Brands Organic Net Sales



Gaining, maintaining our dynamic momentum on share in most markets¹

OVERALL PERNOD RICARD GAINING +0.5 PP VALUE MARKET SHARE IN 2021 IN STANDARD²



1. Source: latest data available
Europe LATAM, Canada and Australia as at 9M FY22 ;
China, India & GTR as at FY21 ; Japan, Korea, Taiwan as at H1 FY22

2. IWSR 2022, Calendar 2021 vs. 2020

Global Travel Retail:
Maintaining leadership positions

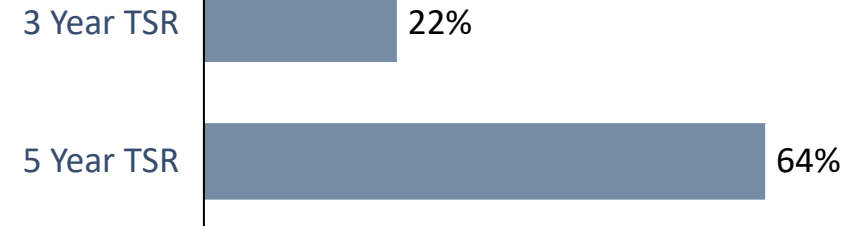
Broad-based performance translating into strong shareholder value creation

Share price, €

Evolution between
1st July 2014 and 2nd June 2022



Total shareholder return¹



1. TSR calculation method used is a last month method (date to date) with reintegration of dividends with a closing date 2nd June 2022

Updating our strategic plan to further enhance and stretch our performance in a changing environment



Changing consumer values & expectations
from brands and corporations



New World Order
with challenging geopolitical context



The real **emergence of Middle and Affluent Classes**,
representing over half of the global population



Technology and data revolution radically changing
consumer behaviour



Unprecedented changes in the workplace
and intensifying war for talent

Changing consumer values & expectations from brands and corporations

MORE RESPONSIBLE



61%

of global consumers have changed their shopping habits, making more environmentally friendly, sustainable or ethical purchases¹

MORE ENGAGED



58%

of consumers will buy or advocate for brands that align with their beliefs or values²

MORE CONNECTED



+216%

estimated increase in consumer spending on social networks by 2025³

AT HOME CONSUMPTION



+9%

worldwide increase of at-home revenue share of alcoholic drinks 2021 vs. 2019³

1. Accenture 2020

2. Edelman 2022

3. Statista

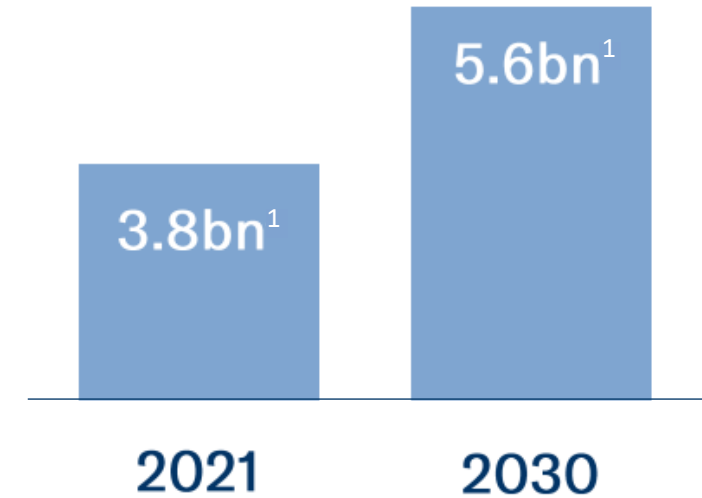
New global challenges

Rising political tensions, currency volatility, climate change, supply chain disruption, inflation and uneven post Covid-recovery



The real emergence of Middle and Affluent Classes

The emergence of the middle
and affluent classes:
more than half the world's
population



People considered part
of the middle or affluent classes



+7m/yr
affluents
+20m middle
class/yr



LDA+ population
+20M/year



Population anticipated
to be the third largest in
the world
by 2030

1. Brookings
2. Nigeria

Technology and data revolution radically changing consumer behaviours

Data Living



76%

of global consumers say their everyday lives
and activities depend on technology

Virtual Worlds



84%

of Chinese consumers said that technology
has deepened relationships with their
friends and family

Metaverse



25%

of People will spend at least 1 hour per day
in the metaverse by 2026

Unprecedented changes in workplace with war for talent intensifying

Expansion
of remote working



A change in the way offices are
used, becoming hubs for
meetings
and exchanges



Intensifying
war for talent



Leveraging our core values and our transformation capabilities

Blending performance & conviviality



Health, Safety
& Wellbeing



Sustainability
& Responsibility

**THINK CONSUMER
FIRST**

Consumer
Centricity



Continuous Improvement
& Innovation



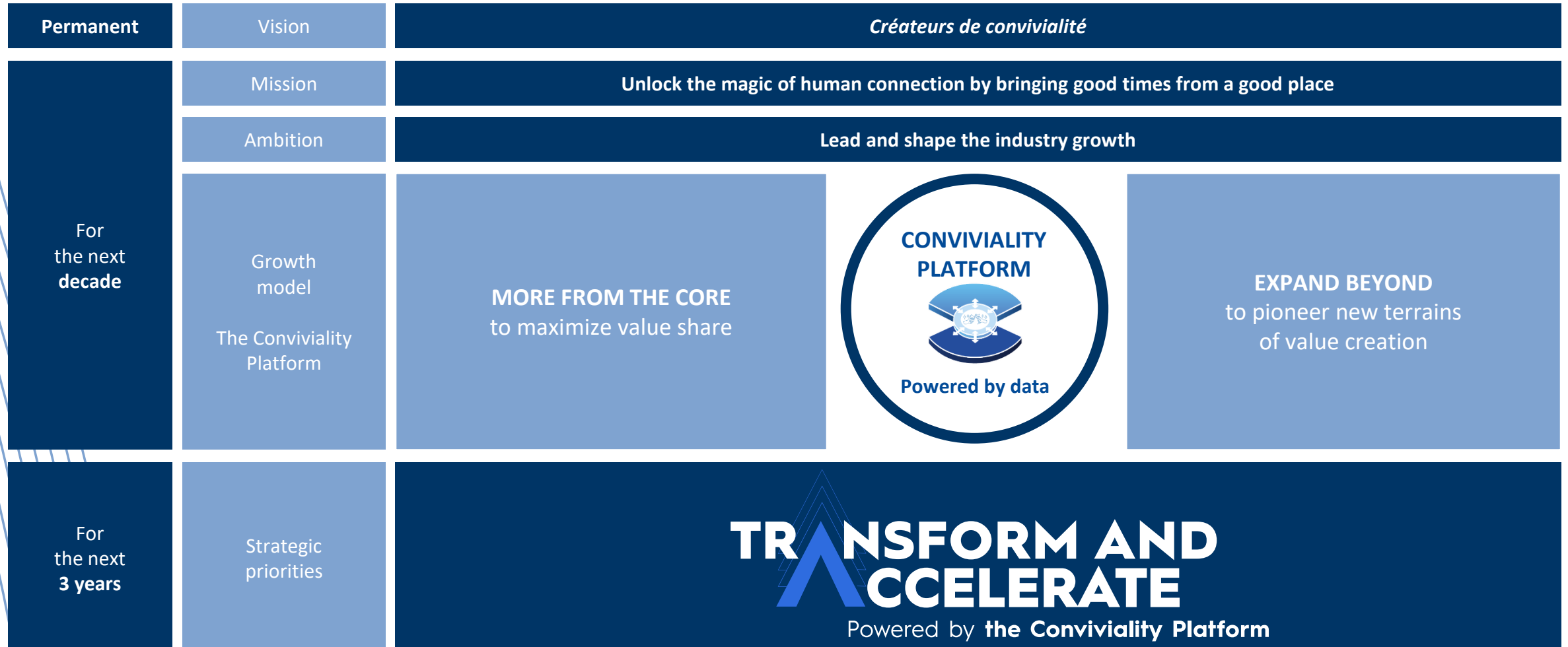
Diversity
& Inclusion



Digital & Data

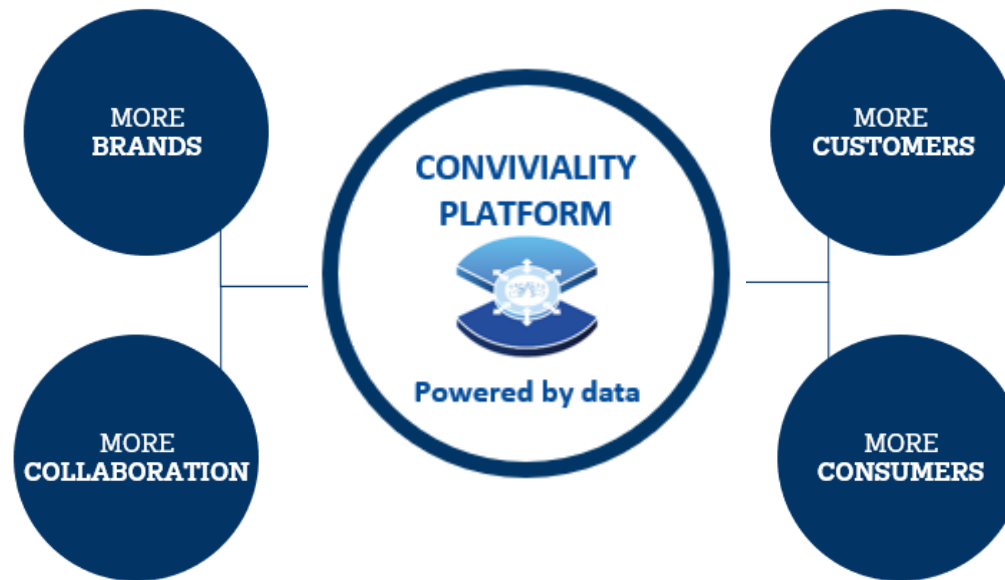
Introducing the Conviviality Platform

Our growth model built on our strengths, complementing our vision, mission and ambition



Precision at scale to further stretch our growth

Leveraging the **power of data**, our **portfolio of brands**
and our **distribution network**



to offer the ***right* product** at the ***right* price**, at the ***right* time**, to the ***right* consumer**, with the ***right* experience**, for ***every* occasion** in ***every* market**