

The background of the entire page is a light gray, detailed line drawing of several wheat stalks. The stalks are arranged in a way that they appear to be growing upwards and outwards from the center, creating a sense of depth and texture. The drawing is fine and intricate, showing the individual grains and the structure of the wheat heads.

NOUS



RÉMY COINTREAU

I N T E G R A T E D A N N U A L R E P O R T
2 0 1 9 / 2 0 2 0

I N T E G R A T E D A N N U A L R E P O R T
2 0 1 9 / 2 0 2 0

White...
symbol of Exception:
the value guiding us in our quest
for excellence in our spirits,
and in our duty to set an example
as a Group.



RÉMY COINTREAU



F O R E W O R D

This integrated annual report focuses on Exception, the Group's fourth value. And this year 2019/2020 was indeed exceptional for Rémy Cointreau, in more ways than one! A new management team, a new strategic vision and, of course, an unprecedented global environment hit by the Covid-19 pandemic. For the first time in its history, the Group's entire activity came to an abrupt halt at the end of the financial year, across all continents.

But weathering this crisis has not only revealed the resilience of the Rémy Cointreau Group, driven by an exceptional team spirit, but also strengthened its values, which are more than ever in line with the present and the future. Because respect for Terroir fosters the local economy and sustainable development, respect for People boosts its many talents, and respect for Time fuels great ambitions.



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STRATEGIC PRESENTATION OF THE GROUP

All around the world, there are clients seeking exceptional experiences; clients for whom a wide range of terroirs means a variety of flavours. Their exacting standards are proportional to our expertise – the finely-honed skills that we pass down from generation to generation. The time these clients devote to drinking our products is a tribute to all those who have worked to develop them.

It is for these men and women that Rémy Cointreau, a family-owned French Group, protects its terroirs, cultivates exceptional multi-centenary spirits and undertakes to preserve their eternal modernity. The Group's portfolio includes 12 singular brands, such as the Rémy Martin and Louis XIII cognacs, and Cointreau liqueur.

Rémy Cointreau has a single ambition: becoming the world leader in exceptional spirits. To this end, it relies on the commitment and creativity of its 1,850 employees and on its distribution subsidiaries established in the Group's strategic markets. Rémy Cointreau is listed on Euronext Paris.



MARC HÉRIARD DUBREUIL

"It is important to us that this growth is responsible and continues to be based on the principles and values promoted by the Global Compact."

CHAIRMAN'S MESSAGE

2019/2020 was a singular year in more than one respect... like so many years have been for the Rémy Cointreau Group and its Houses, some of which are centuries-old. And it is in these unprecedented moments that the Group knows how to stay calm and agile, to prepare to rebound in the best possible way. That is why we are confident that we can emerge from this crisis even stronger, and why we are looking toward the future with ambition – the ambition to become the leader in exceptional spirits.

The 2019/2020 environment was particularly complex worldwide for the Group, as a global economic downturn combined with the threat of import tariffs in the United States and, of course, this unprecedented health crisis, which knocked the wind out of global air traffic and on-premise consumption. For the Group, the major event was the change in its governance, with the departure of Valérie Chapoulaud Floquet and the arrival of Éric Vallat as Chief Executive Officer of Rémy Cointreau.

In spite of this context, our sales held steady at above €1 billion, our profitability remained high at 21.0%, and some of our non-financial targets, such as sustainable agriculture, were met well ahead of schedule. Lastly, we are very proud of the "B-Corp" certification of our Bruichladdich Distillery, which recognises its social and environmental performance, alongside some 3,000 companies worldwide.

Along with a new management team, we are setting ourselves new financial and non-financial targets: within 10 years, the refined value strategy should enable the Group to achieve a gross margin of 72% and a current operating margin of 33%. However, it is important to us that this growth is responsible and continues to be based on the principles and values promoted by the Global Compact. Rémy Cointreau is therefore launching its "2025 Sustainable Exception" plan, with three key focus areas: sustainable agriculture, reduced carbon emissions, and ecodesign. Our objectives are clear: by 2025, to guarantee sustainable agriculture in all terroirs involved in crafting our spirits; target 100% ecodesign for our packaging; and gradually reduce our carbon emissions in line with the international ambition of "Net Zero Carbon" by 2050.

And lastly, the Group has just formalised its *Raison d'Être*, defining its long-term corporate mission.

In the shorter term, 2020/2021 is expected to unfold in a context that no-one can predict with certainty, but that we expect to see take two tracks. The first half should remain tense, in a situation still marked by the global pandemic and its consequences for all of our major markets. Based on a first quarter that we estimate to record an organic decrease of about 45%, and a second quarter already showing signs of recovery, but still in moderate decline, our current operating profit could fall by about 45% to 50% at constant exchange rates and scope. However, the second half is expected to benefit from a substantial rebound, one on which the Group is already focusing its full energy and creativity.

I would like to take a moment here to thank all of our employees for their remarkable solidarity, which they have expressed in numerous initiatives to help each other, on every continent, in recent months. I'd like to say how much we admire their responsiveness – their fighting spirit, even – and the community spirit they have demonstrated through their voluntary commitments in their local areas.

Finally, I want to recognise the financial efforts made and shared by everyone in this Group – from employees to members of the Board of Directors – to adapt our cost structure in this context of pressure on sales. Rémy Cointreau's conduct stems from ethics that we are proud to share with our shareholders. I thank them for their confidence and loyalty.

INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER

ÉRIC VALLAT

"This highly unusual year revealed the Group's solidity, the commitment of our teams, and the structural integrity of our future-oriented brands."



You served as Chief Executive Officer of the House of Rémy Martin from 2014 to 2018, and you returned as Group Chief Executive Officer in December 2019. What are your impressions since your return?

What struck me most upon my arrival was the great importance, energy and enthusiasm dedicated to the Group's corporate social responsibility. We stand out by virtue of our deep commitment to our terroirs. We are responsible for protecting them for future generations. By taking care of our heritage and our land, our sights are firmly set on the future.

Beyond our terroirs, the focus is no longer solely on the organoleptic qualities of our products and their price positioning, but also on their carbon footprint. We have ambitious targets in this area, driven by results that are already apparent.

I was also struck by the development and professional growth of our Chinese subsidiary, which in three years has developed a truly impressive organisation, with new and effective business management tools.

2019/2020 was a singular year for the Group. What is your analysis?

The year was marked by an especially complex macroeconomic environment. I am referring to the political crisis in Hong Kong, of course, but also to the application of import duties on some spirits categories in the United States, in the autumn of 2019. These external factors went together with the restructuring of our distribution network in Europe, which will have a positive impact in the long term despite being detrimental in the short term. Lastly, the final quarter of the year was marked by the health crisis, which started in January 2020 in China before spreading across the rest of the world, forcing us to close for the first time and simultaneously all our distilleries and bottling sites, from Cognac to Barbados.

These headwinds allowed us to become more agile and to instil our values ("Terroirs, People, Time and Exception") with even more meaning. I commend everyone's commitment, which made it possible to promptly reduce our costs and maintain our teams around the world without relying on government subsidies. Because the Rémy Cointreau men and women

are our greatest asset, and the time to prepare for the future is now.

You announced a new strategic plan for the Group, with 10-year goals. Why 10 years?

There are at least three fundamental reasons for this decision. The first involves the ageing time required to make our products. When we purchase *eaux-de-vie* for our cognacs, for example, we think in terms of 10 years, sometimes 20, and even 100 years for Louis XIII! In that respect, 10 years is our natural horizon.

Moreover, an ambitious plan requires ambitious goals. But we know there is no single, clearly laid-out path to achieve them. We have to allow for questioning, test phases, changes to the organisational model, in short. And that requires more than 5 years.

Lastly, to develop a real strategic vision, you need to break free from the budget. But a five-year plan is likely to merely extend it. It would not be as ambitious, and it would be less disruptive. Our aspiration to become the leader in exceptional spirits must prompt us to rethink our profession to reach out to our clients.

The Group expects a gross margin of 72% and an operating margin of 33% by 2030. What are the main drivers to achieve these targets?

The short answer is that I see four lines of development to increase the Group's profitability in the next 10 years. Firstly, setting goals for each brand in our portfolio, and thereby allocating our investments in a more targeted and effective manner to maximise the Group's growth and profitability. The second line consists of reaching out to our clients to find out more about them and engage in direct dialogue with them where possible. One of our goals is to achieve 20% of our revenue through e-commerce within 10 years. Thirdly, the Liqueurs and Spirits division includes a few promising gems with great growth potential, that we will increasingly

focus on. All of this while implementing a responsible growth plan that spans more than the environment. That plan is the fourth driver I would like to mention, because the values we uphold will play an increasingly important role in motivating our teams and clients around the world.

You mentioned that this growth should certainly be profitable, but also "responsible". What are the major challenges facing the Group in this regard?

We are fortunate to have "inherited" exceptional land. It is our duty to preserve this land for future generations. To that end, we have three very ambitious goals. As from 2025, all the agricultural raw materials used in our distilleries – from sugarcane plantations to orange groves – must follow a sustainable agriculture approach, as is already the case for our cognacs. Moreover, also for 2025, I would like 100% of our packaging to be eco-responsible. Lastly, we are committed to reducing our carbon generation in order to achieve a zero-carbon footprint in all our activities by 2050. Responsible growth reaches beyond the environment; it means growth that promotes diversity and inclusion. This also applies to our own teams. A committee has been created for this purpose, and will recommend practical measures in the next few months.

What inspires your confidence in 2020/2021 and the years ahead?

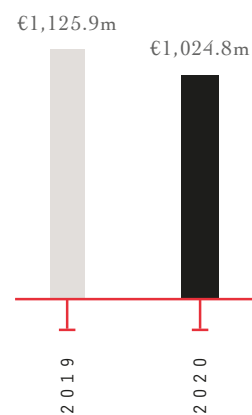
The year 2020/2021 will also be marked by Covid. We may lack visibility, but we are fully geared to get through this difficult period, and we will take all the measures that may prove necessary. But these short-term difficulties do not challenge our confidence in the future. What inspires my confidence? The commitment of our teams, our consistent and complementary brand portfolio (with some brands being 3 centuries old and others being 10-year-old start-ups), the quality and positioning of our spirits, and lastly, the authenticity of our values. Our structure is solid, and we have a roadmap to boot!

KEY FIGURES AND HIGHLIGHTS IN 2019 / 2020

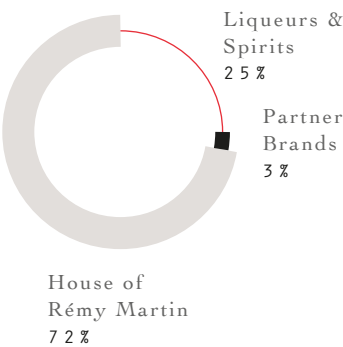
_FINANCIAL DATA

For the period 1 April 2019 to 31 March 2020

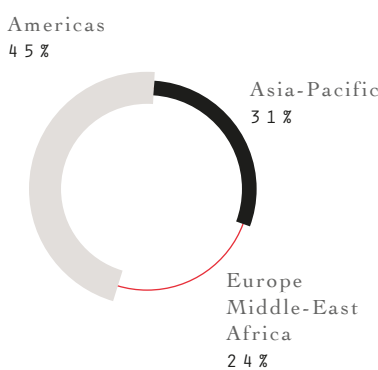
Net sales



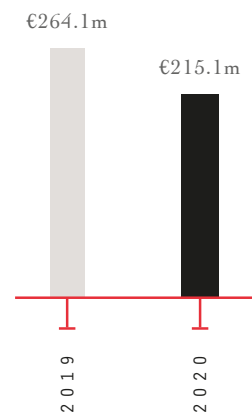
Net sales by division



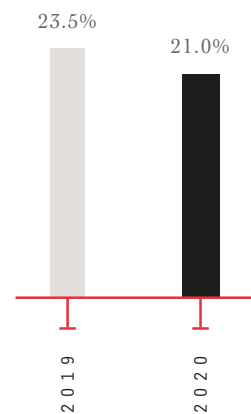
Net sales by geographic area



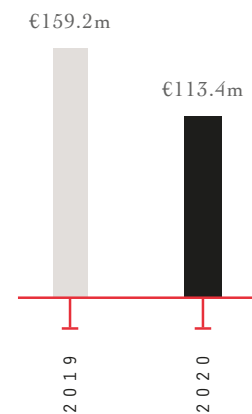
Current operating profit/(loss)



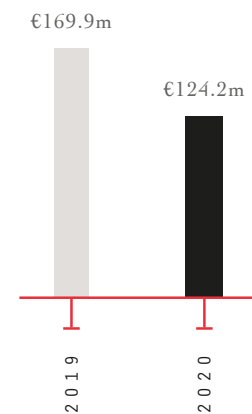
Current operating margin



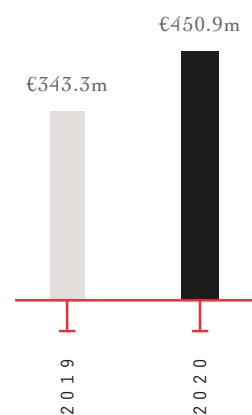
Profit/(loss) for the period



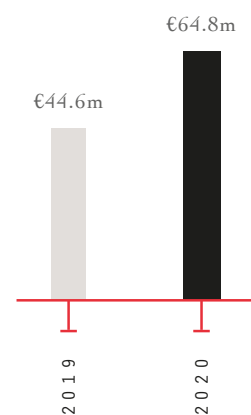
Net profit/(loss) excluding non-recurring items



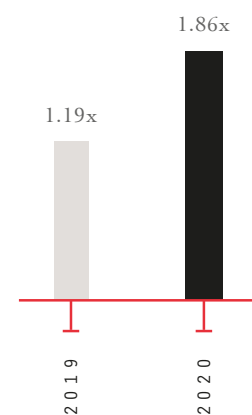
Net financial debt



Capital expenditure



Ratio of net debt/ EBITDA



_...AND NON-FINANCIAL DATA

For the period 1 April 2019 to 31 March 2020

45.5%

Percentage of women managers (44% in 2019)

41 years

Average age of Group employees (40 years in 2019)

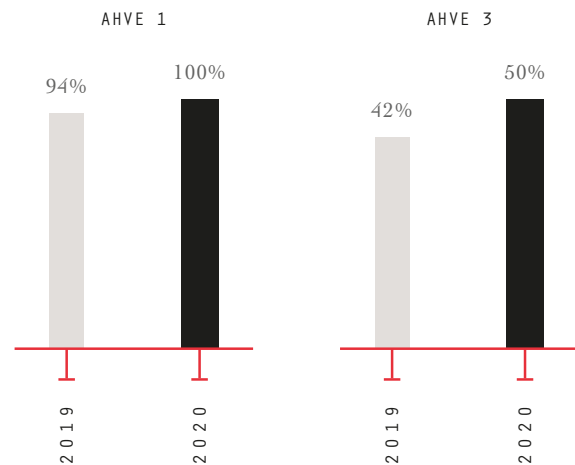
31,677

Number of hours of training (26,615 in 2019)

2.3%

Absenteeism rate (hours of absence per hours worked) (2.0% in 2019)

Percentage of AFC cooperative members' land using an environmental approach



Responsible sourcing

86.0%

percentage of suppliers having joined SEDEX* (93% in 2019)

Ethifinance rating

1st

out of 230 (3rd out of 230 in 2019)

* SEDEX: Supplier Ethical Data Exchange.





_HIGHLIGHTS OF THE YEAR

Impact of the Covid-19 pandemic on the Group

The 2019/2020 year-end was harshly penalised by Covid-19, which the WHO declared a pandemic on 11 March 2020. Asia was affected first, in January 2020, followed by Europe, and finally the Americas, with the closure of on-trade outlets (bars, restaurants, nightclubs, etc.). The collapse of global air traffic also weighed down airport spirits sales.

Launch of Rémy Martin's new "Team Up for Excellence" campaign

In October 2019, Rémy Martin launched its new global campaign "Team up for excellence". The campaign's philosophy is that, behind each success, there is a collective effort. Rémy Martin is thus the sum of the combined talents of our cellar masters, distillers and wine growers. This campaign also reiterates what makes the Rémy Martin brand so unique: its *eaux-de-vie*, which are sourced exclusively from Grande Champagne and Petite Champagne, the two best areas of the Cognac AOC. After 5, 10 or 30 years, these *eaux-de-vie* give rise to blends with incomparable flavours.

Launch of the Louis XIII e-boutique in the United Kingdom

After the opening of stores in Cognac, Beijing, Xian and London, Louis XIII launched its first e-boutique in the United Kingdom. This e-flagship gives clients online access to the classic Louis XIII line and its limited editions. It also sells accessories (like the crystal glasses unique to the brand) and personalises decanters and glasses. Lastly, the website puts clients in direct contact with a Louis XIII Private Client Director, and offers a concierge service to provide advice and answers clients' questions.

Acquisition of Maison de Cognac JR Brillet

The Rémy Cointreau Group announced the acquisition of Maison de Cognac J.R. Brillet on 30 April 2020. With this acquisition, the House of Rémy Martin will incorporate some 50 hectares of vineyards in Grande Champagne and Petite Champagne, and welcome the J.R. Brillet cognac brand within its portfolio. Belle de Brillet, which offers great growth potential in the high-end liqueurs segment, will join the Group's Liqueurs & Spirits division.

Rémy Cointreau ranked number 1 in the Gaia Rating

On 15 October 2019, Rémy Cointreau was awarded first place in the Gaia Rating by EthiFinance rating agency, in the category of businesses with revenue exceeding €500 million. This rating rewards French companies with the highest ESG (environmental, social and governance) performance scores.

ABOUT THE GROUP

_MAJOR MILESTONES IN THE GROUP’S HISTORY

The Rémy Cointreau Group, whose charentaise origins date back to 1724, is the result of the merger in 1990 of the holding companies of the Hériard Dubreuil and Cointreau families,

which controlled E. Rémy Martin & C° SA and Cointreau & Cie SA respectively. It is also the result of successive alliances between companies operating in the same Wines and Spirits business segment.

_KEY DATES AND EVENTS

1703	Creation of Mount Gay Rum in Barbados	2001	Vin & Sprit joins the Maxxium network as its fourth partner
1724	Establishment of The House of Rémy Martin Cognac	2005	<ul style="list-style-type: none">Initial public offering of Dynasty Fine Wines Group on the Hong Kong Stock ExchangeDisposal of Bols’ Polish operations to CEDC
1849	Creation of Cointreau & Cie by the Cointreau brothers	2006	<ul style="list-style-type: none">Disposal of the Dutch and Italian Liqueurs & Spirits operationsDecision by Rémy Cointreau to resume full control over its distribution by March 2009
1881	Creation of the Bruichladdich Distillery in Islay	2008	Creation of a proprietary distribution structure
1888	Creation of the Metaxa brand	2009	<ul style="list-style-type: none">30 March: Rémy Cointreau exits the Maxxium distribution joint venture1 April: Rémy Cointreau controls 80% of its distribution
1924	Acquisition by André Renaud of E. Rémy Martin & C° SA	2011	8 July: Rémy Cointreau sells its Champagne division to EPI
1965	André Hériard Dubreuil takes over from his-father-in-law, André Renaud	2012	<ul style="list-style-type: none">3 September: acquisition of the Bruichladdich Distillery, which produces single malt whiskies on the Isle of Islay in Scotland20 November: François Hériard Dubreuil becomes Chairman of the Rémy Cointreau Group18 December: acquisition of the cognac company Larsen
1966	Creation of Rémy Martin’s international distribution network	2013	30 August: disposal of Larsen to the Finnish Altia group
1980	Creation by Rémy Martin of the French-Chinese joint venture Dynasty Winery in partnership with the city of Tianjin (China)	2015	27 October: disposal of Izarra to Spirited Brands 2016
1985	Acquisition by the Rémy Martin Group of Piper-Heidsieck Champagne	2016	1 December: set-up of a joint venture for the activities of Passoa
1986	Creation of the Passoa brand	2017	<ul style="list-style-type: none">5 January: acquisition of The Domaine des Hautes Glaces distillery, which produces single malt whiskies in the French Alps6 January: acquisition of the Westland distillery, which produces single malt whiskies in the state of Washington, US1 October: Marc Hériard Dubreuil becomes Chairman of the Rémy Cointreau Group
1988	Acquisition by the Rémy Martin Group of Charles Heidsieck Champagne	2019	1 April: Rémy Cointreau sells its distribution subsidiaries in the Czech Republic and Slovakia
1989	Acquisition by the Rémy Martin Group of Mount Gay Rum	2020	30 April: Rémy Cointreau acquires the Cognac house J.R. Brillet
1990	Transfer by Pavis SA of Rémy Martin shares to Cointreau & Cie SA		
1991	Adoption by the Group of the corporate name of Rémy Cointreau		
1998	Dominique Hériard Dubreuil becomes Chairman of the Rémy Cointreau Group		
1999	Establishment of the Maxxium distribution joint venture with three partners: the Rémy Cointreau Group, the Edrington Group and Jim Beam Brands Worldwide (Fortune Brands)		
2000	Acquisition of Bols Royal Distilleries including, in particular, the Bols and Metaxa brands		



GOVERNANCE THAT ENSURES
CONTINUITY AND TRANSMISSION

THE BOARD OF DIRECTORS

The Rémy Cointreau Group is administered by a Board of Directors which, since September 2004, has adopted a governance structure that separates the roles of Chairman of the Board of Directors and Chief Executive Officer. Competence and experience in the financial arena, the luxury goods sector and the management of large international companies are the selection criteria

for Board members. The presence of several members who are permanent residents in various other countries also lends a welcome international and cultural dimension to the Board's work, either because they have performed a role outside of France during their career, or because they hold or have held one or more appointments in non-French companies.



From left to right, back row: Mrs Caroline Bois Hériard Dubreuil (non-voting member), Mr Emmanuel de Geuser, Mr Olivier Jolivet, Mrs Laure Hériard Dubreuil, Mr Marc Hériard Dubreuil, Mrs Dominique Hériard Dubreuil, Mr François Hériard Dubreuil, Mrs Gisèle Durand, Mr Bruno Pavlovsky, Mr Elie Hériard Dubreuil (non-voting member), Mr Jacques-Etienne de T'Serclaes. Front row: Mrs Hélène Dubrule, Mrs Guylaine Saucier, Mrs Marie-Amélie Jacquet.

Composition of the Board of Directors at 31 March 2020

The Board's membership is organised in order to achieve a balance between experience, skills, independence and ethical behaviour, while respecting in overall terms the balanced representation of women and men on the Board of Directors.

12

Board members

2

non-voting members

6

independent Board members (excluding non-voting members)

50%

independent Board members (excluding non-voting members)

60 years

average age of Board members

7.7

average length of service on the Board

50%

women (excluding non-voting members)

50%

men (excluding non-voting members)

2

nationalities represented

Committees of the Board of Directors

Audit-Finance Committee

4 members / 75% independent
Guylaine Saucier*,
François Hériard Dubreuil,
Emmanuel de Geuser*,
Jacques-Etienne de T'Serclaes*

Nomination and Remuneration Committee

4 members / 50% independent
Bruno Pavlovsky*,
Dominique Hériard Dubreuil,
Orpar SA, Gisèle Durand,
Olivier Jolivet*

Corporate Social Responsibility Committee

3 members / 67% independent
Dominique Hériard Dubreuil,
Hélène Dubrule*,
Olivier Jolivet*

* Independent Board member.

CHANGE IN EXECUTIVE COMMITTEE DURING THE FINANCIAL YEAR

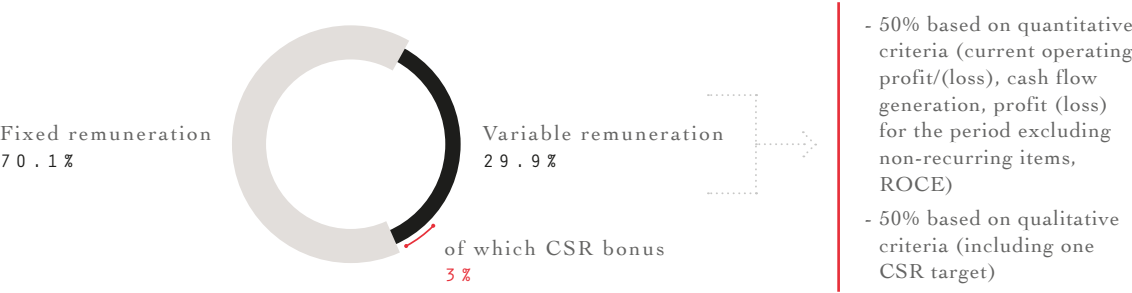
Éric Vallat was appointed Chief Executive Officer of the Group on 1 December 2019, following the departure of Valérie Chapoulaud-Floquet. The Executive Committee he

heads includes 10 directors of seven different nationalities from a range of backgrounds: spirits, cosmetics, fashion and accessories, and high-end tableware.



From left to right, back row: Simon Coughlin (CEO Whisky Division), Laurent Venot (CEO EMEA), Marc-Henri Bernard (Senior Vice President Human Resources), Luca Marotta (CFO), Patrick Marchand (Senior Vice President Operations), David Ennes (Senior Vice President Asia-Pacific and Global Travel Retail). Front row: Jean-Denis Voin (CEO Liqueurs & Spirits), Valérie Alexandre (Strategic Planning Director), Éric Vallat (Group CEO), Ian McLernon (CEO Americas), Philippe Farnier (CEO House of Rémy Martin).

Composition of remuneration of senior management (excluding LTIP)

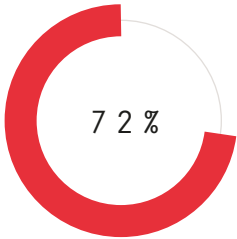


A PORTFOLIO
OF EXCEPTIONAL SPIRITS

	HOUSE OF RÉMY MARTIN						LIQUEURS & SPIRITS					
	COGNAC		LIQUEUR		WHISKY		GIN		RUM		BROWN SPIRITS	
UPPER LUXURY												
LUXURY												
ULTRA PREMIUM												
PREMIUM												

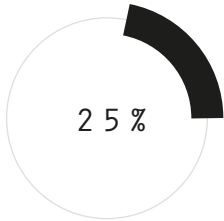
Net sales by division

The House of Rémy Martin:
Rémy Martin and Louis XIII



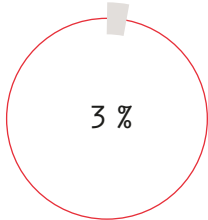
€735.5m
Net sales

Liqueurs & Spirits:
Cointreau, Metaxa,
Mount Gay, St-Rémy,
The Botanist and single
malt whiskies



€261.9m
Net sales

Partner Brands:
Third-party brands
distributed by the Group



€27.5m
Net sales

The French family-controlled Rémy Cointreau Group boasts a portfolio of exceptional world-renowned spirits: Rémy Martin and Louis XIII cognacs, Cointreau liqueur, Greek Metaxa spirit, Mount Gay rum, St-Rémy brandy, The Botanist gin, and the single malt whiskies Bruichladdich, Port-Charlotte, Octomore, Westland and Domaine des Hautes Glaces.

During the 2019/2020 financial year, the Group's net sales totalled €1,024.8 million, an organic decrease of 11.2% (of which Group brands accounted for 6.3%), in a complex economic and health environment. The Group's current operating profit totalled €215.1 million with a current operating margin of 21.0%.

The Rémy Cointreau Group's internal organisation is based on nine brand divisions and four sales divisions (Americas, Europe, Middle- East, Africa, Asia-Pacific and Global Travel Retail). All these divisions receive support from the holding company. Depending on the spirit category, production process and geographic sales distribution, the Group's brands are allocated to one of the following two divisions: "The House of Rémy Martin" or "Liqueurs & Spirits".

Brands which Rémy Cointreau distributes through its network on behalf of third parties form a separate category, "Partner Brands".

_HOUSE OF RÉMY MARTIN BRANDS

The House of Rémy Martin produces a range of cognacs under the Rémy Martin and Louis XIII brands. These cognacs are made exclusively from *eaux-de-vie* sourced in Grande Champagne and Petite Champagne, the two leading crus of the Cognac appellation, which offer the greatest ageing potential (more than 100 years, for some Grande Champagne *eaux-de-vie*).

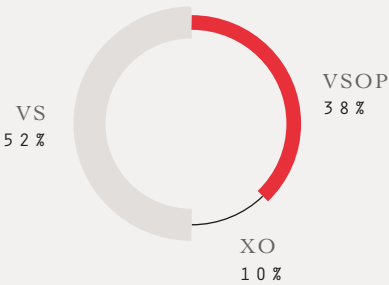
The House of Rémy Martin is thus positioned in the high-end segment, with four flagship products:

- VSOP Fine Champagne;
- The "intermediate" quality products 1738 Accord Royal and CLUB;
- XO Excellence Fine Champagne;
- Louis XIII Grande Champagne.

_COMPETITIVE POSITIONING

Four Cognac brands share around 85% of the world market by volume and nearly 90% by value (source: IWSR): Hennessy (LVMH), Martell (Pernod Ricard), Rémy Martin (Rémy Cointreau), and Courvoisier (Suntory). Rémy Martin's market share of cognac shipments for all qualities combined is 12% by volume (source: BNIC March 2020). Rémy Martin makes 99% of its shipments in the QS (Qualité Supérieure) segment, which accounts for 48% of the total cognac market (source: BNIC March 2020). In this superior quality segment, Rémy Cointreau has a market share of 24% by volume (source: BNIC).

Global cognac shipments by quality (Source: BNIC)



_COGNAC APPELLATION D'ORIGINE CONTRÔLÉE AND "FINE CHAMPAGNE"

Cognac is an *appellation d'origine contrôlée* (AOC) brandy (*eaux-de-vie* distilled from grapes) that comes from vineyards in the Cognac region (south-west France). The appellation covers six crus: Grande Champagne, Petite Champagne, Borderies, Fins Bois, Bons Bois and Bois Ordinaires. "Fine Champagne", which refers to a cognac made exclusively from the first two crus, Grande Champagne (at least 50%) and Petite Champagne make up a separate *appellation d'origine contrôlée* within the Cognac AOC.

Rémy Martin only selects its *eaux-de-vie* from the "Fine Champagne" (Grande Champagne and Petite Champagne) AOC, whose quality is best suited to the production of its superior quality cognacs with their longer ageing potential.

Cognac is a blend of *eaux-de-vie* of different vintages (after ageing in oak barrels). Accordingly, there are several quality levels classified in accordance with legal standards (BNIC) based on the youngest *eau-de-vie* used:

- VS ("Very Special"), which by law must be aged for a minimum of two years;
- QS (*Qualité Supérieure*), covering all the VSOP and QSS labels;
- VSOP ("Very Superior Old Pale"), which by law must be aged for a minimum of four years;
- QSS (*Qualité Supérieure Supérieure*), which by law must be aged for a minimum of ten years;
- XO ("Extra Old"), which is included in the QSS category.

_THE HOUSE OF RÉMY MARTIN AND THE SOURCING OF EAUX-DE-VIE

All House of Rémy Martin cognacs are produced in and around the town of Cognac, on a site that includes ageing and fermentation cellars, laboratories, a packaging complex, offices, and a visitor and reception centre.

The House also owns wine estates (235 hectares of vines eligible for the Cognac appellation), as well as a new distillery in Juillac, which opened in November 2018. However, the stock of Cognac *eaux-de-vie* has been built up largely as a result of exclusive partnerships with Grande and Petite Champagne producers. This partnership policy, introduced in 1966, has enabled the Group to manage its long-term supplies and meet the quality standards required by the House of Rémy Martin.

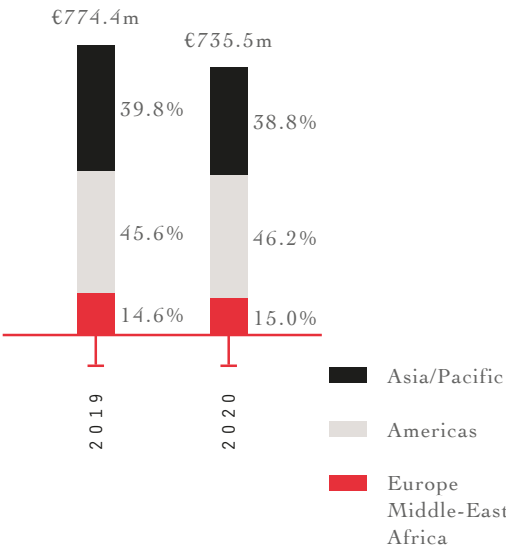
The partnership mainly consists of a cooperative, Alliance Fine Champagne (AFC), whose members manage around 60% of the Grande Champagne and Petite Champagne vineyards, via different types of collective and individual long-term agreements.

From an accounting point of view, the commitments made by the House of Rémy Martin through the AFC are fully recognised in the consolidated statement of financial position of the Rémy Cointreau Group, once the *eaux-de-vie* covered by these agreements have been produced and have passed quality control. Any contractual commitments not yet produced are disclosed in off-balance sheet commitments.

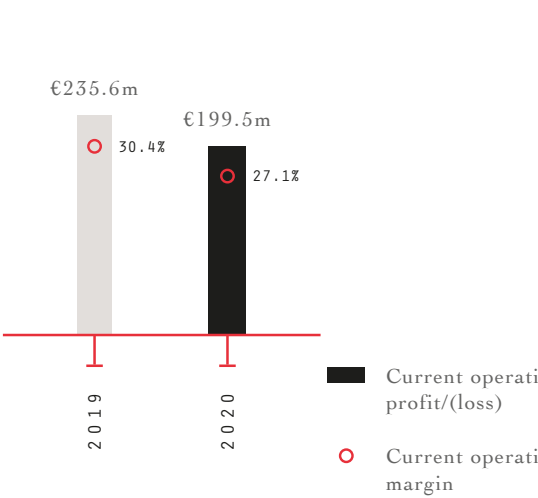
_HOUSE OF RÉMY MARTIN KEY FIGURES

In 2019/2020, the House of Rémy Martin accounted for 72% of the Group's total net sales and 99% of its international sales. The Americas (46%) and Asia-Pacific (39%) are the division's top contributing regions, but Europe/Middle East/Africa (15%) also offers medium-term growth potential.

Net sales (in €m) and breakdown by geographic area (in %)



Current operating profit/(loss) (in €m) and current operating margin (in %)



LIQUEURS & SPIRITS

_LIQUEURS & SPIRITS BRANDS

The Liqueurs & Spirits division is made up of ten spirit brands in categories such as liqueurs, brandy, gin, single malt whisky and rum. Within each category, the spirits have particular characteristics, the main one being that all the brands are produced in their country of origin, often with know-how passed down through generations:

- Cointreau, an orange-peel liqueur;
- Metaxa, a Greek brown spirit produced from a blend of wine distillates and aged Muscat wine;
- Mount Gay, a rum from Barbados;

- St-Rémy, a French brandy;
- The Botanist, a gin from Islay (Scotland);
- Bruichladdich, Port Charlotte and Octomore, three brands of single malt Scotch whisky from the Isle of Islay (Scotland);
- Domaine des Hautes Glaces and its range of single malt whiskies produced in the heart of the French Alps;
- Westland and its range of single malt whiskies produced in the state of Washington, US.

_COMPETITIVE POSITIONING

The Liqueurs & Spirits brands operate in a market characterised by a large number of players (of various sizes),

with numerous international brands coexisting alongside local brands.



_LIQUEURS & SPIRITS: SOURCING AND PRODUCTION SITES

The Group's Liqueurs & Spirits brands do not have significant sourcing or production constraints. Consequently, the Group purchases the necessary ingredients (barley, oranges, aromatics, sugar cane, etc.) for the *eaux-de-vie* distillation process, utilising the specific know-how of each brand. The Group's master distillers and blenders then take care of the ageing and blending of the *eaux-de-vie* as required.

The Rémy Cointreau Group also sub-contracts part of its bottling operations to other companies located abroad, in particular Greece for the production of Metaxa, for all markets. Sub-contracting represents 15% of the total volume of Group brands.

Brandons and St Lucy (Barbados)



Mount Gay rum is produced at the distillery of the same name, located close to Mount Gay in the north of the island of Barbados, in the parish of St Lucy. The storage cellars in which the casks of rum are aged are also located at this historic site. Since January 2015, an additional 134 hectares of agricultural land at this site have been devoted to the farming of sugar cane. Mount Gay Distilleries' head office and bottling facilities are located in Brandons, close to the port of Bridgetown in the south of the island.

Isle of Islay (Scotland)



The Bruichladdich Distillery is located on the Isle of Islay in Scotland, one of the world's most iconic locations for the production of single malt Scotch whiskies.

The production operation (distilling, ageing, bottling) is carried out on the island, on a historic site created in 1881. In March 2018, the acquisition of around 15 hectares of agricultural land was signed. This agricultural land adjoins the distillery, and will mainly be devoted to growing barley and trialling different varieties.

Angers (France)



The production of the Cointreau liqueur and the St-Rémy brandy range is located in St-Barthélémy d'Anjou (on the outskirts of Angers).

This site also carries out bottling operations for other Group brands. It comprises distilling facilities, fermentation cellars, laboratories, a packaging complex, offices, and a visitor and reception centre.

Trièves (France)



The Domaine des Hautes Glaces, located in the heart of the Trièves region of the Alps, is a mountain farm distillery which combines French know-how (distilling with traditional Charente stills) and ingredients from local producers.

The supplies of barley, rye and spelt (organically grown) come exclusively from growers in the Alps.

Seattle (USA)



Westland Distillery (US), located in South Downtown Seattle in the state of Washington, gets its malt from producers in the terroirs of the Pacific North-West.

Samos (Greece)



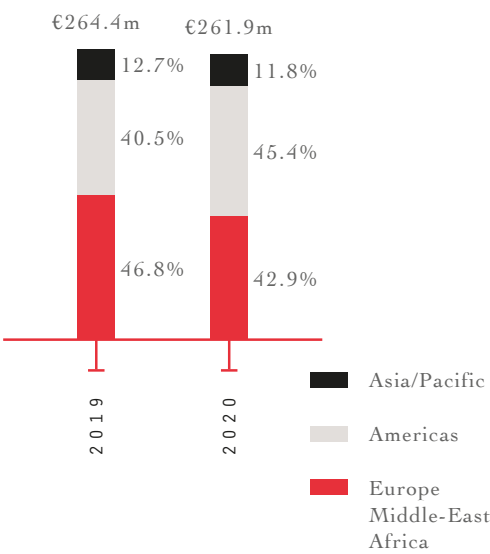
As part of its "terroir" policy, the House of Metaxa acquired a 1.2 hectare wine property on the island of Samos, located at the heart of the island's muscat vineyards.

Muscat wine is an essential component in Metaxa's signature taste.

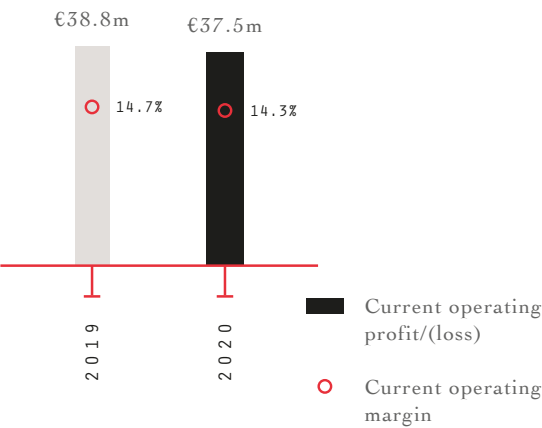
_ LIQUEURS & SPIRITS KEY FIGURES

In 2019/2020, the Liqueurs & Spirits division accounted for 25% of the Group’s total net sales. The Americas (45%) and Europe/Middle-East/Africa (43%) are the top contributing regions in the division.

Net sales (in €m) and breakdown by geographic area (in %)



Current operating profit/(loss) (in €m) and current operating margin (in %)



Partner Brands

In 2019/2020, Partner Brands accounted for 3% of the Group’s total net sales.

This category includes brands belonging to other operators in the Wines & Spirits sector. These are distributed by Rémy Cointreau under global agreements or agreements limited to a particular country or region.

Following the non-renewal of many distribution agreements in recent years (as part of the Group’s move upmarket), the brands still distributed (as of 31 March 2020) are Passoã liqueur and certain spirits of the William Grant & Sons Group.



STRATEGY AND OBJECTIVES

AN UNCHANGED AMBITION: TO BECOME THE GLOBAL LEADER IN EXCEPTIONAL SPIRITS

The spirits market features an extensive number of co-existing local and international brands in a particularly competitive environment.

Against this background, Rémy Cointreau has, for many years, implemented a value creation strategy aimed at developing its upmarket brands in the high-end segments of the global markets, which offer high growth and earnings potential. Over the past 15 years, the implementation of this strategy has led the Group to dispose of brands and other assets deemed less suited to its value creation strategy and to resume full control of its distribution in key markets (exit from Maxxium in April 2009).

With its own distribution network in Asia, the US and in some European countries, Rémy Cointreau controls around 80% of its net sales. The Group is therefore able to implement a pricing and distribution strategy consistent with its high-end positioning.

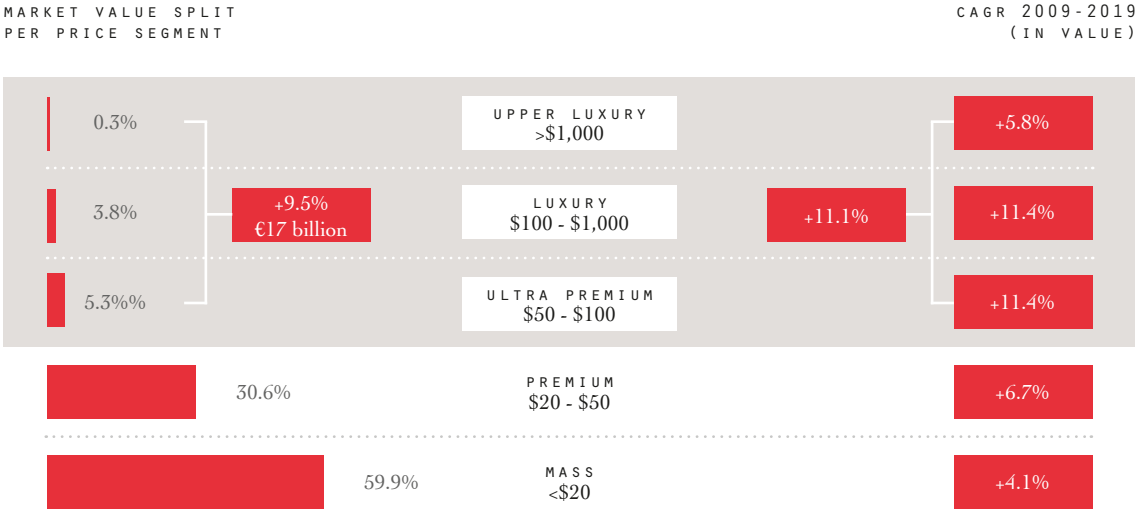
Since 2015, the Group has accelerated its strategy of moving upmarket so as to differentiate itself and emphasise its uniqueness: ultimately, the Group's ambition is to become the world leader in exceptional spirits.

EXCEPTIONAL SPIRITS ENJOY AN ATTRACTIVE DYNAMIC

The Rémy Cointreau Group's positioning in the high-end segment of exceptional spirits is a very appropriate place to be: exceptional spirits are enjoying an attractive dynamic (+11% growth per year on average, compared with +5% for the spirits market as a whole over

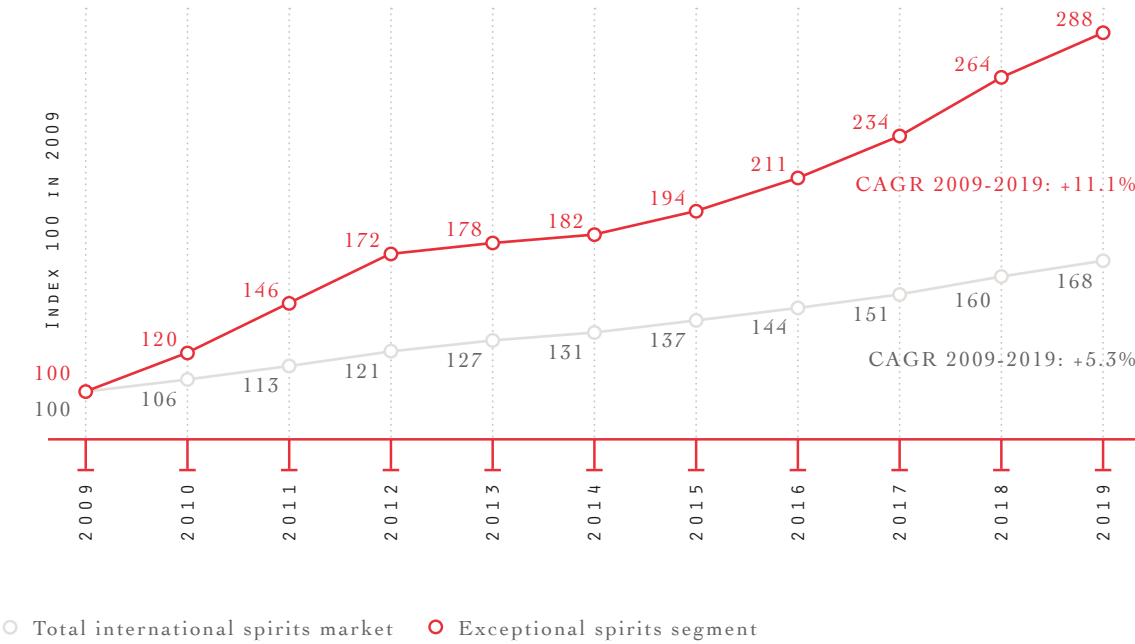
the last 10 years), driven by a move towards the high-end of the market and an increasingly discerning clientele in terms of the quality, production, know-how and history of the spirits they consume.

Exceptional spirits: a fast-growing segment



Source: IWSR, Rémy Cointreau, international spirits market estimated at around USD 20 billion.

The exceptional spirits segment has structurally outperformed the global spirits market since 2009



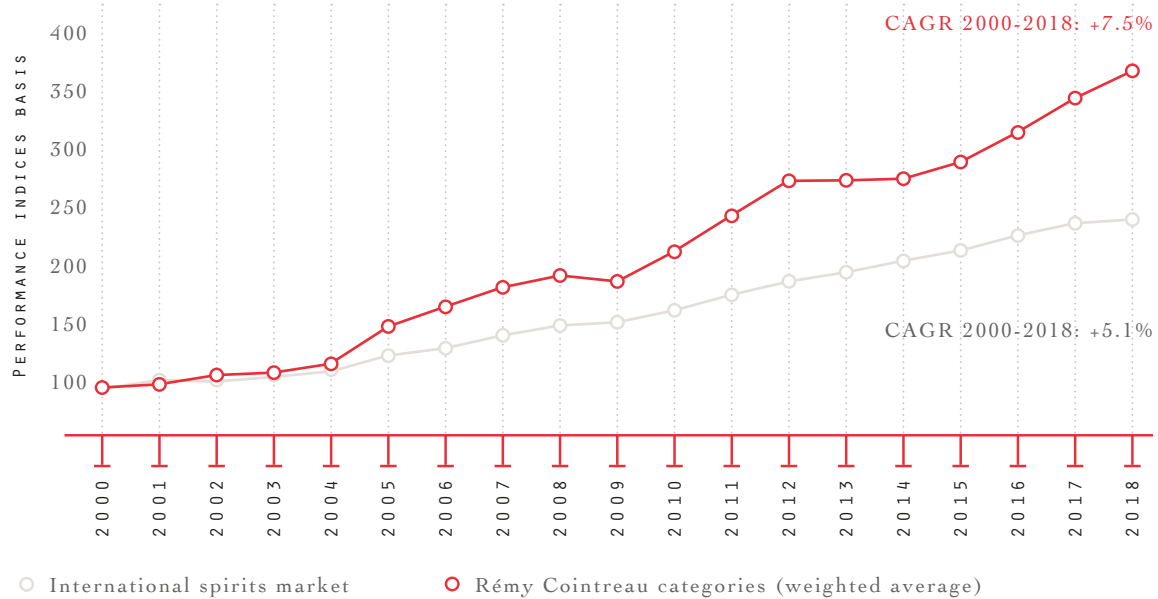
Source: IWSR, Rémy Cointreau.



_ POSITIONED IN FAST-GROWING CATEGORIES OF SPIRITS

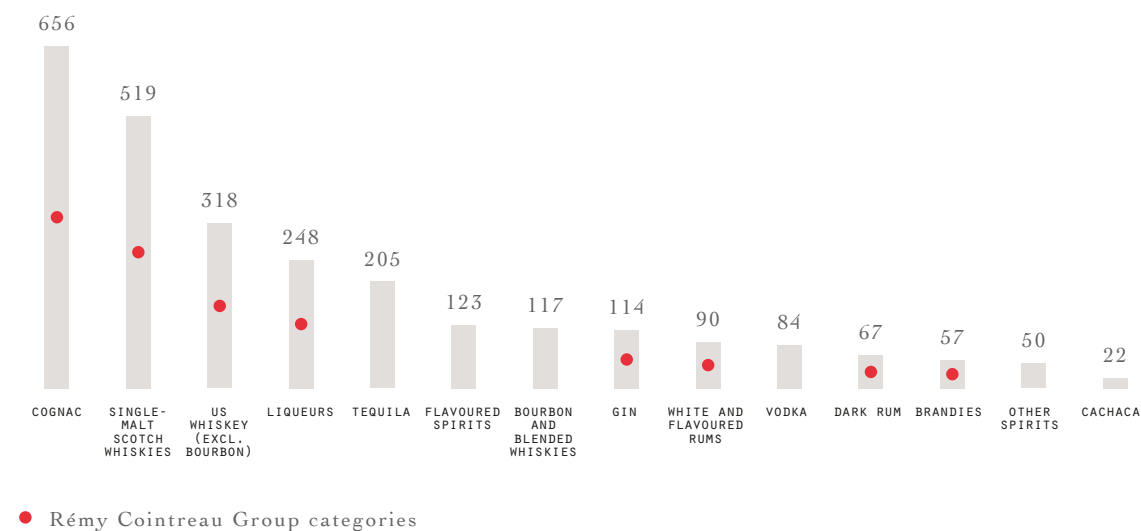
In addition, Rémy Cointreau Group brands belong to categories of spirits (such as cognac, single malt whisky, dark rum or gin) that have significantly outperformed the market in recent years (+7.5% per year on average during the period 2000-2018, compared with 5.1% for the market) and that retain a strong consumer appeal.

Rémy Cointreau Group categories structurally outperformed market growth



Correspondingly, these categories offer very attractive valuation levels ("value per case"): cognac, single malt whisky and liqueurs are the categories of spirits with the highest value per case on the market.

Value per case by category of spirits (in €)

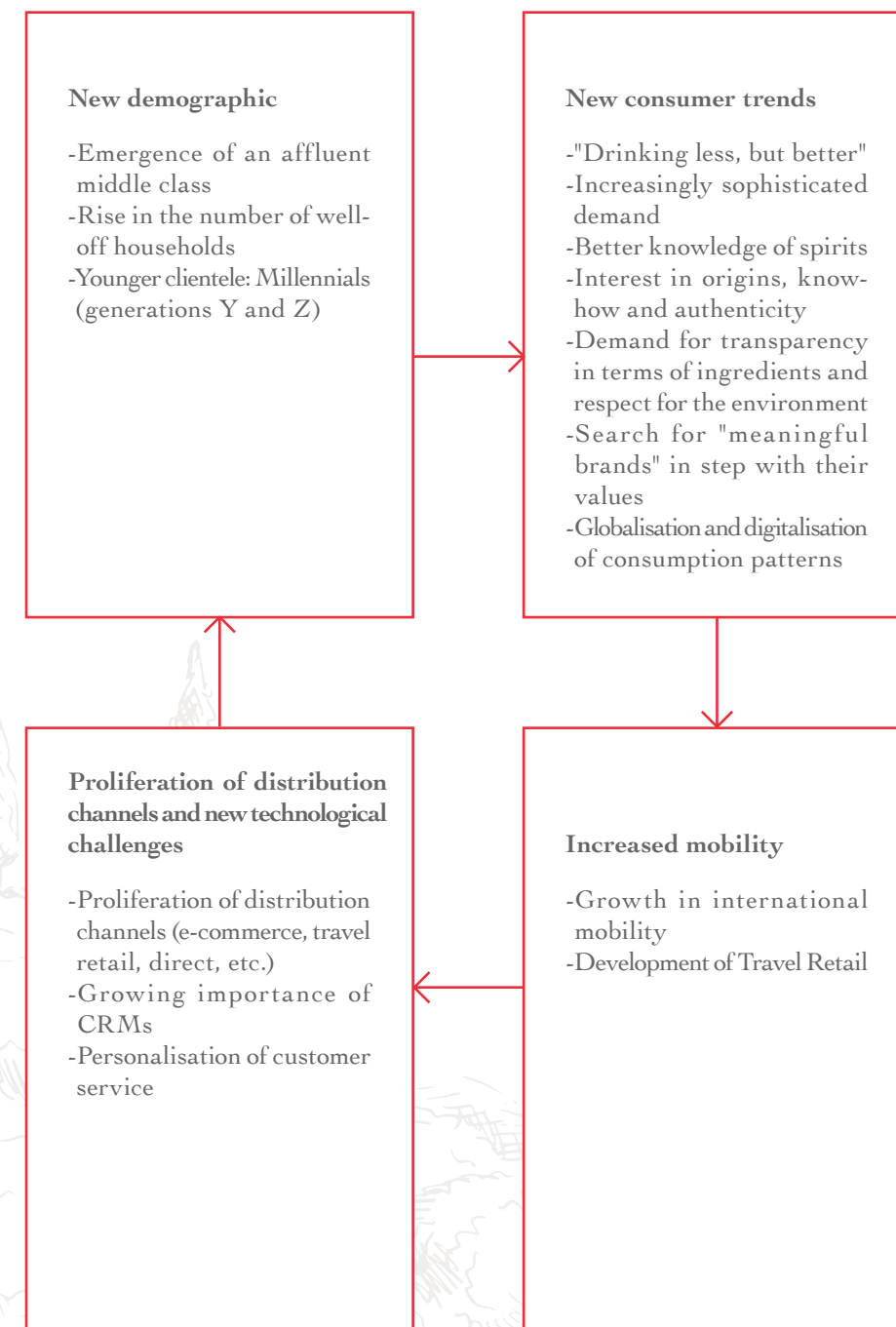


Source: IWSR, Rémy Cointreau.

_ A NEW GENERATION OF CLIENTS

Clients of high-end spirits have changed in recent years. Younger, more connected and from affluent backgrounds, these globetrotting millennials from generations Y and Z want to know about the origins of the spirits, their history, how they are made and what makes them different. At the same time, there

is a growing demand for transparency about the quality of the products. Our clients are also looking for a more convenient way of buying our spirits (growth of e-commerce), as well as more services, an enhanced shopping experience and a tailor-made offering.



A DISTRIBUTION NETWORK :
LOCAL KNOW - HOW ,
AN INTERNATIONAL PRESENCE

_DISTRIBUTION
AND ADMINISTRATION

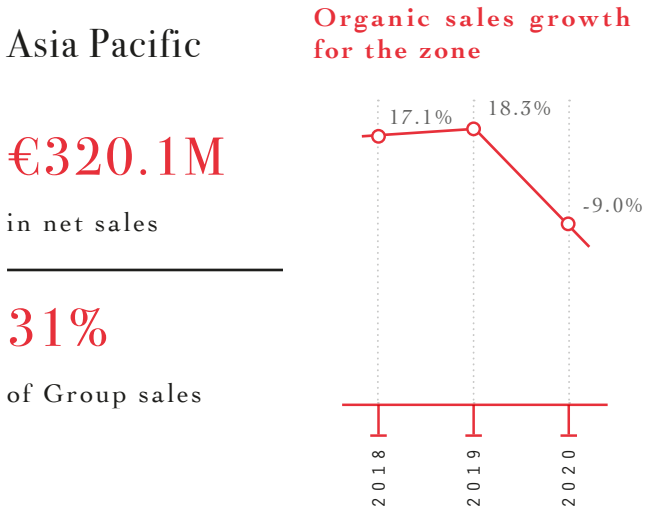
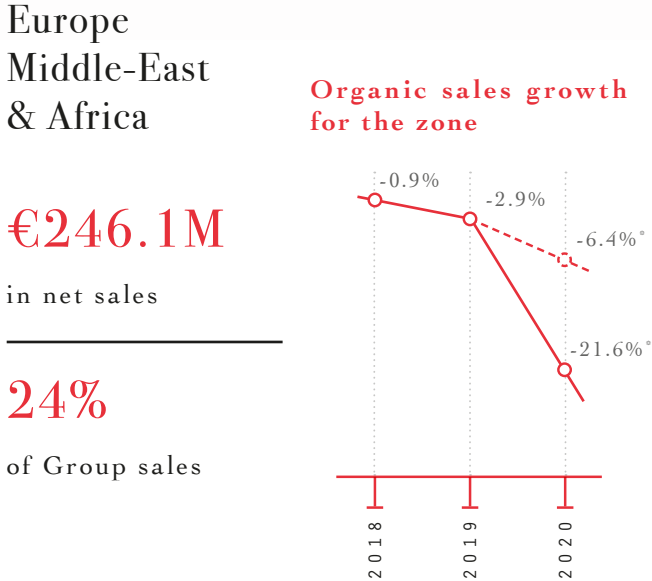
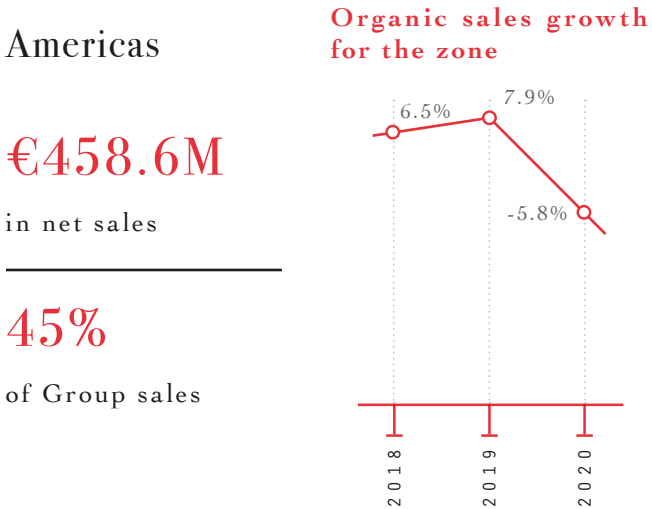
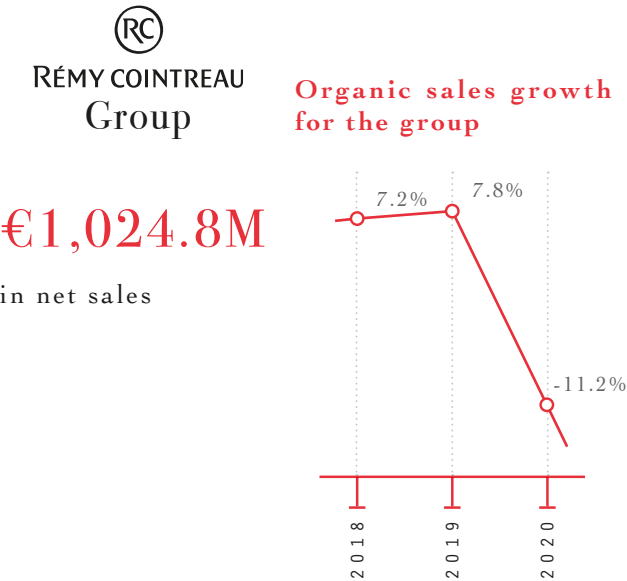
The Group has premises and commercial or administrative offices in many countries, including the USA (primarily New York), China (Shanghai and Hong Kong), Singapore, Russia and the United Kingdom (London and Glasgow). The Group does not own any premises in these countries and therefore uses leasing contracts.

Moreover, the headquarters of Rémy Cointreau, which includes most of the Group's central services, is based in rented premises at 21 boulevard Haussmann, Paris.

Rémy Cointreau began building its distribution network across all continents at the end of the 1950s.

Today, the Group has a dozen directly owned subsidiaries (from the United States to China, including the United Kingdom, Belgium, Malaysia and Japan). This distribution network allows the Group to implement a price strategy and to be selective about its sales outlets in a manner consistent with its high-end positioning.

- Group administrative sites ○
- Group production sites ○
- Travel Retail representative offices ✈



* Organic decline largely attributable to the expiration of Partner Brand distribution contracts. Organic decrease of 6.4% for Group Brands.

A NEW STEP IN THE VALUE STRATEGY

_4 STRATEGIC LEVERS



The transformation of Rémy Cointreau's business model since 2015 (acceleration of the upgrading of the brand portfolio towards the high-end and the implementation of an end-client-centric culture) has clearly brought results.

Between 2015 and 2019, the Group delivered average organic growth in sales of 7% per annum and its current operating margin rose by 4.4 points over the period.

Accordingly, the Group will now move on to a new step in its value strategy, which consists in optimising its portfolio strategy to build a more sustainable, profitable and responsible business model. Because such an in-depth transformation takes time, the Group has set its targets at 2030, in other words 10 years.

This timeframe is also consistent with the Group's mindset and raw material procurement planning for some of its brands, such as Rémy Martin XO.



_ 0 1

Enhancing the "value per case"

The "portfolio strategy" consists in assigning a role to each Group brand to maximise the Group's value per case and gross margin. The priority for the most profitable brands will thus be to step up their growth (driven by increased investments), while the less profitable will have profitability improvement targets (by gradually refocusing them on their high-end products).

By increasing its gross margin, the Group will expand its investment capacity behind its priority brands, thus creating a virtuous circle of more sustainable and profitable growth.

_ 0 2

Moving from a client-centric culture to a client-centric business model

During the past five years, the Group has implemented an end-client-centric culture by establishing direct and personalised relationships through human, media and digital investments to enhance brand appeal.

The Group is now seeking to move on to the next step by implementing a genuine client-centric business model. This should translate into a significant increase in the Group's direct sales, whether through digital, own stores or its network of "Private Client Directors". To do this, it must implement or strengthen the tools that will enable it to communicate with, educate, retain and sell directly to its clients.

_ 0 3

Accelerate the development of the liqueurs & spirits priority brands

The Liqueurs & Spirits portfolio still has significant growth prospects due to the fact that its brands are far from their full potential in their existing markets, in particular in terms of retail penetration.

Some brands have accordingly been identified as priorities to contribute to the Group's profitable growth. The expected mix and scale effects should gradually result in an improvement of the division's profitability, despite reinvestments in brand communication and education.

_ 0 4

Launch of the "2025 Sustainable Exception" plan for more responsible growth

After having defined its values (Terroirs, People, Time and Exception) in 2016, the Group is now seeking to reflect them through a genuine responsible growth plan. The key concerns of the "2025 Sustainable Exception" plan are sustainable agriculture in all terroirs involved in crafting the Group's spirits, ecodesign for all the brands' packaging, and a gradual reduction of carbon emissions aligned with the international ambition of "Net Zero Carbon" by 2050.

Moreover, as a family-owned Group, Rémy Cointreau is a people-centric company, which deeply respects the women and the men that comprise it and who, through their know-how and commitment, contribute to the success of the Group and its strategy. Its ambition is to become even more inclusive, whether in terms of the representation of women, ethnic diversity or age within the decision-making bodies.

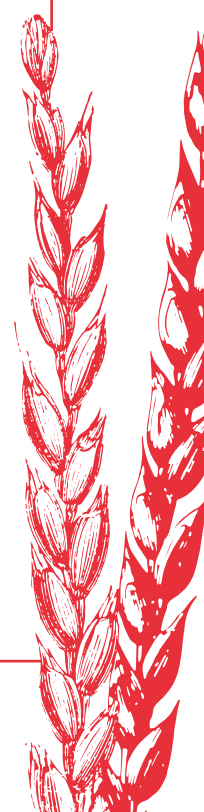
Lastly, thanks to its positioning in the exceptional spirits market, the Group is fully aware of its duty to set an example regarding responsible consumption. Accordingly, the Group promotes occasional consumption to celebrate exceptional moments, with moderation.



A 10-year ambition

The Group has thus set itself five transformation targets for 2030:

- a new business model for the **Louis XIII brand**, featuring significant development of direct sales, breaking with the conventions of the industry;
- an increased proportion of "intermediate" products (1738 Accord Royal, CLUB) and **XO quality** at Rémy Martin;
- an increased contribution from the **Liqueurs & Spirits division** within the Group and a sharp improvement in its profitability;
- superior pricing for all brands within their respective categories;
- development of digital channels to 20% of the Group's sales.



VALUE CREATION

_THE GROUP'S DNA

Terroirs

- Terroirs of exception (Cognac, Islay, Samos, Barbados, etc.)
- Supply agreements that advocate sustainable agriculture
- **86%** of suppliers are SEDEX members

People

- Preservation of ancestral know-how (cellar masters)
- Commitment to employee well-being
- Shared ethical responsibility

Time

- Family-owned company since 1724
- Ageing of certain of our *eaux-de-vie* for more than 100 years
- Engaged governance to support the Group for the long term

_EXCEPTIONAL SPIRITS
THAT TASTE LIKE THEIR
TERROIR...

**High-end positioning
in high-growth segments**

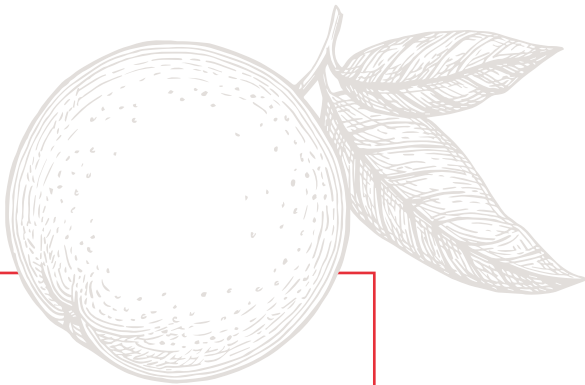
A portfolio of 12 exceptional spirits

**Stronger pricing power behind our spirits
(price/mix gains)**

**Reinforcement of brand recognition and
attractiveness**

SUSTAINABLE
VALUE
CREATION

_...AND CREATE VALUE



Portfolio management optimisation:
- clarification of each brand's mission within the Group
- setting of priorities, maximising the investments behind the most profitable brands

**Sustained, responsible, profitable growth in sales;
maximising of gross margin**

Increase in investment capacity
- brands (media, digital, education)
- distribution network: development of a direct distribution network (boutiques, e-commerce, Private Client Directors, etc.)
- product development that respects the environment (sustainable agriculture, eco-packaging, reduction in carbon emissions)

_SHARED WITH ITS
STAKEHOLDERS

Employees

- Average Group salary: score of **107** compared with international benchmark
- **31,677** hours of training

Government

- **€61m** paid in corporate income tax in 2019/2020 (tax rate: 34%)

Civil society

- **€1m** (over a five-year period) invested by the Rémy Cointreau Foundation to promote and transfer exemplary skills and know-how

Shareholders

- Steady increase in dividends over the past 20 years
- One-time reduction of the ordinary dividend to **€1.00** in 2019/2020 due to the global pandemic and its impact on the Group
- Stock market capitalisation up **€2 billion** over the last five years (at 31 March 2020)

Local communities

- Strong commitment within the communities of Cognac (France), Angers (France), Islay (Scotland) and Barbados

Suppliers

- Alliance Fine Champagne: **2.26%** shareholder of Rémy Cointreau
- Partner training provided by our agronomists (sustainable agriculture)

FINANCIAL AND NON-FINANCIAL TARGETS

With the arrival of **Éric Vallat** as **Chief Executive Officer of Rémy Cointreau**, the Group launched its management reorganisation and set itself ambitious new financial and non-financial targets.

_OUTLOOK FOR THE 2020/2021 FINANCIAL YEAR

Despite the uncertain health, economic, and geopolitical situation, **the Rémy Cointreau Group remains confident that it will come through the current crisis even stronger.**

Thanks to more favourable trends in the consumption of spirits in the United States at the beginning of the financial year, the Group has adjusted its outlook slightly upward for **the first quarter of 2020/2021**: it now expects **net sales to fall by about**

45% organically (compared to an organic decline of 50% to 55% initially). With the second quarter moving toward a limited decline, the Group anticipates **an organic decline of 45% to 50% in current operating profit for the first half of 2020/2021.**

Nonetheless, the second half of 2020/2021 should benefit from a **strong recovery** driven by China and the United States.

_NEW MEDIUM-TERM OUTLOOK

In the medium term, Rémy Cointreau is reasserting its ambition to become the world leader in exceptional spirits, for which the growth outlook is still attractive, particularly in a world of more responsible consumption.

To achieve this, Rémy Cointreau will pursue its **value strategy** and its construction of a **corporate model** in which **growth is both profitable and responsible.**

The Group has thus set ambitious financial and non-financial targets

By 2030, improved portfolio management should enable it to attain a **gross margin of 72%** and a **current operating margin of 33%**.

Simultaneously, the Group will deploy its "2025 Sustainable Exception" plan, which

aims in particular for sustainable agriculture across all land on which its spirits depend, as well as a **25% reduction in carbon emissions (scopes 1 & 2, in absolute terms)** and **30% (scope 3, in relative terms)** by 2025. This is the first step toward the Group's "Net Zero Carbon" ambition for 2050.

Financial targets for 2030

72%	33%
Gross margin	Current Operating Margin

"2025 Sustainable Exception" Plan

100%	sustainable agriculture
25%	30%
reduction in carbon emissions (scopes 1 & 2, in absolute terms)	reduction in carbon emissions (scope 3, in relative terms)

"Net Zero Carbon" by 2050



THE GROUP'S MAIN CHALLENGES AND RISKS






THE GROUP'S MAIN NON-FINANCIAL CHALLENGES

Terroirs, People and Time. The Rémy Cointreau Group's CSR ambition is built around the three key pillars of our signature:

- **protecting our terroir** through sustainable agriculture;
- **making a commitment to people** to protect their ancestral know-how, ensure their well-being within the Group and teach them about the ethics that are so vital for the Group's credibility. At the same time, pledging to protect all stakeholders, both internal and external, through a policy of responsible consumption;
- **recognising the value of time**, protecting the atmosphere (through our carbon footprint) and water supply as essential resources for our businesses.

Following a materiality assessment in 2016/2017, 10 key Sustainable Development Goals were selected (out of the 17 identified by the United Nations). Based on these SDGs, we have now identified the 10 major challenges facing the Group, the risks associated with these challenges, and the indicators that will enable us to monitor their development in the future. In some cases, the Group has already committed itself by setting targets for improvement.

The targets cover SDGs 6, 8, 12, 13 and 15, which are used as CSR performance criteria to calculate the Executive Committee's variable remuneration.

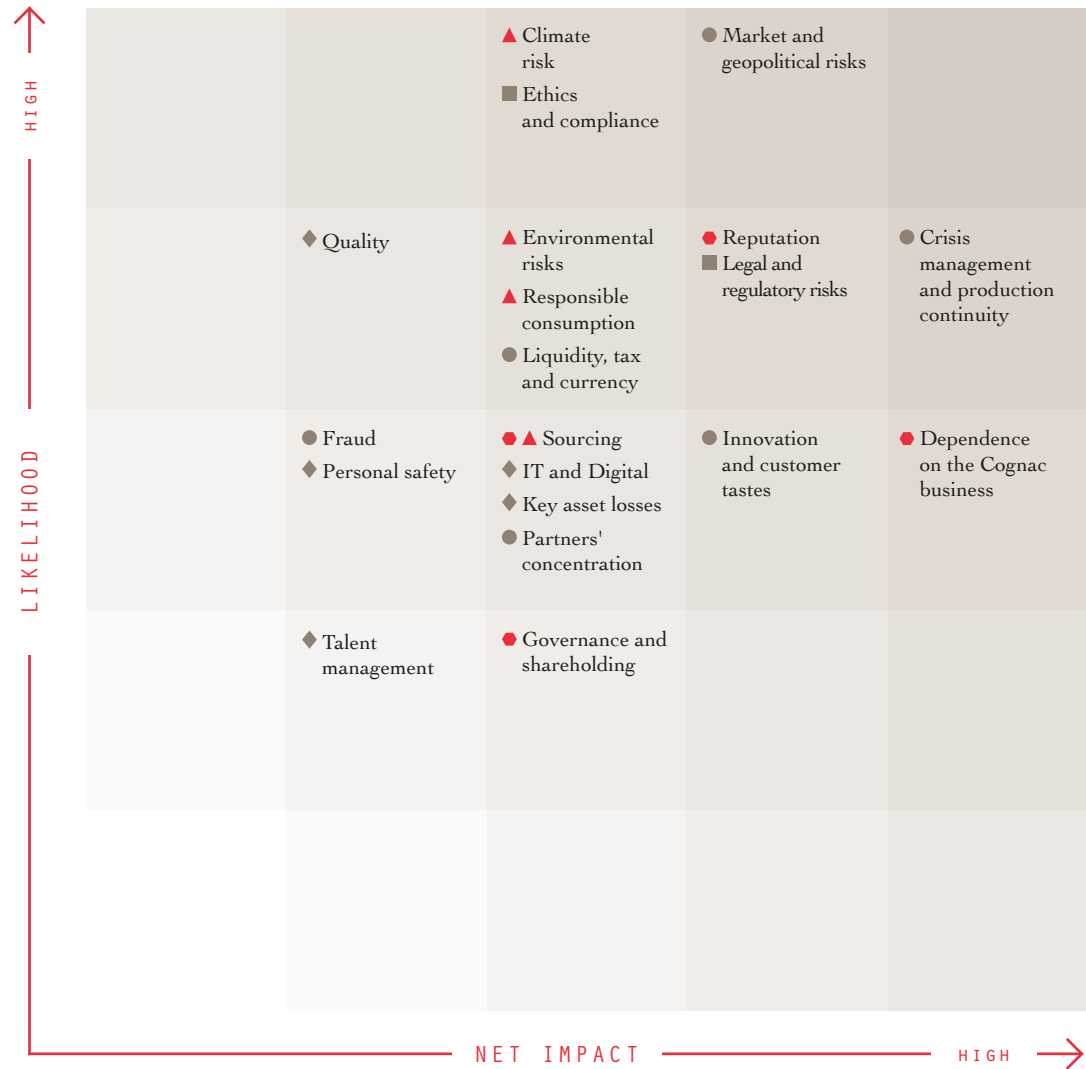
SDGS		CHALLENGES	RISKS RELATING TO THE CHALLENGE	RISK INDICATORS (QUANTIFIED TARGETS/ PROGRESS PLAN)	CHALLENGES RELATED TO THE REMUNERATION OF A MEMBER OF THE EXECUTIVE COMMITTEE
 6 CLEAN WATER AND SANITATION	Clean water and sanitation	Water management	Water availability/ Water quality	Water consumption	Operations Director
 8 DECENT WORK AND ECONOMIC GROWTH	Decent work and economic growth	Employee well-being	Absenteeism, turnover, workplace accidents, occupational health, work-related alcohol consumption	Turnover and absenteeism	Human Resources Director
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible consumption and production	Circular economy and reduction of raw material consumption	Company's reputation among customers	EPI (Environmental Performance Index of packaging)	CEO Liqueurs & Spirits
 13 ACTION FOR CLIMATE	Climate action	Contribution to the global effort (2°C limit) and sustainability of the business	Changes in regulatory and fiscal framework (carbon tax)	CO ₂ emissions: significant emissions, by brand, focus on transport/ reduction of CO ₂ emissions	CEOs of the Americas, EMEA and Asia Pacific regions
 15 LIFE ON LAND	Life on land	Sustainable agriculture: adapting the terroir and protecting biodiversity	Sustainable production of our agricultural raw materials	Percentage of sustainably managed land	CEO House of Rémy Martin and CEO Whisky Business Unit

The remaining members of the Executive Committee are also linked to these targets, with their variable "CSR" component corresponding to the average achievements of the Executive Committee members directly concerned.

THE GROUP'S MAIN STRATEGIC AND FINANCIAL RISKS

The Group has set up a system to anticipate and manage its risks. This system is constantly updated to take into account any regulatory, legislative, economic, societal, geopolitical and competition changes.

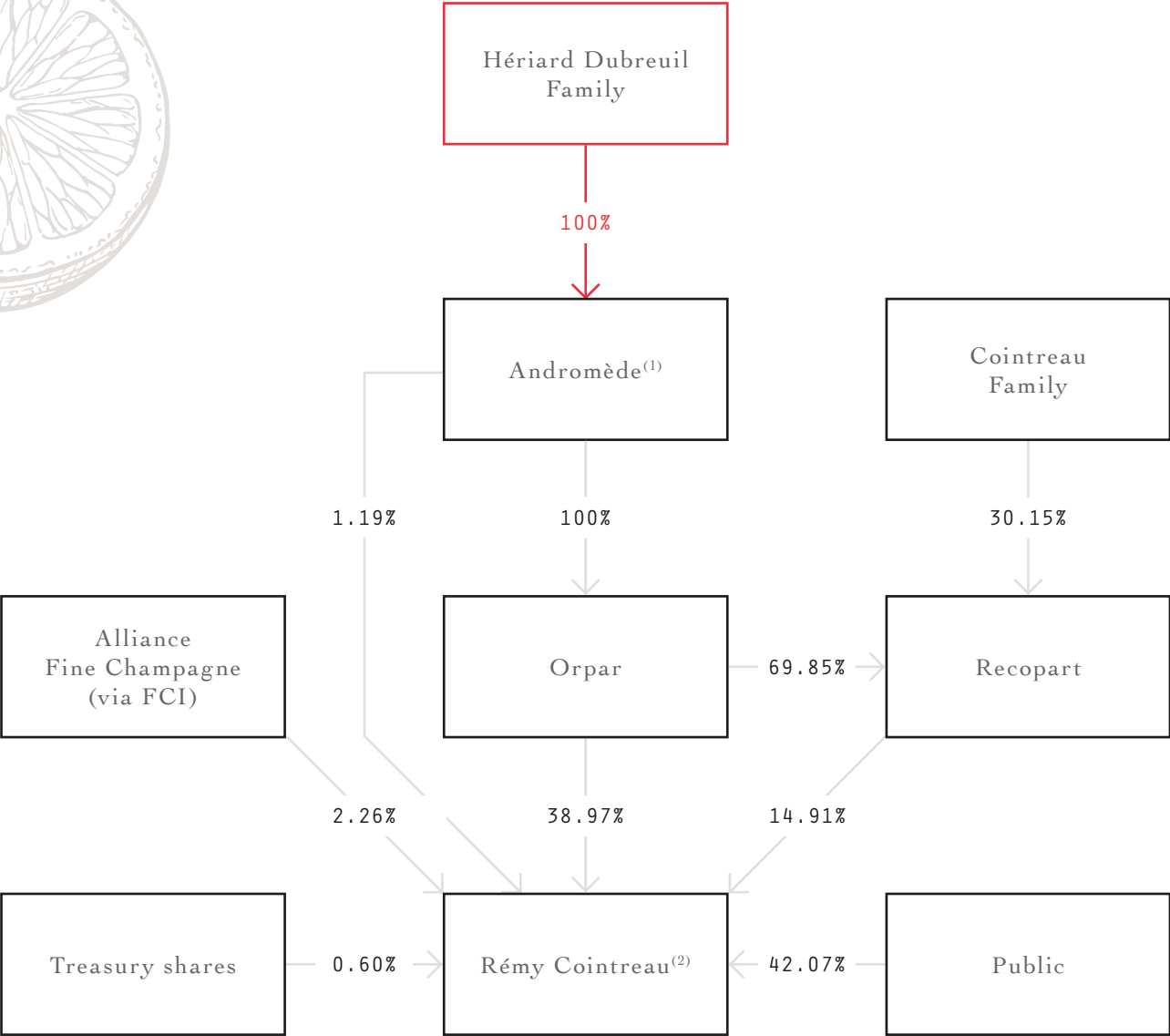
The main risk factors to which the Group is exposed given its business model are presented in this table (more details can be found in chapter 2 of this document).



Legend: Ethical and regulatory risks (square), CSR risks (triangle), Market risks (circle), Strategy risks (diamond), Operational and industrial risks (diamond).

COMPANY
OWNERSHIP

At 31 March 2020
(% equity interest)



(1) Rémy Cointreau is consolidated within the Andromède Group.
(2) Only Rémy Cointreau shares are traded on the stock market.

SHARE PERFORMANCE
AND DIVIDENDS

THE GROUP'S STRATEGY HAS BOOSTED
THE SHARE PRICE OVER THE PAST FIVE YEARS

Rémy Cointreau shares have risen by 45% over the past five years, reflected in an increase of nearly €2 billion in the market capitalisation. This value creation confirms

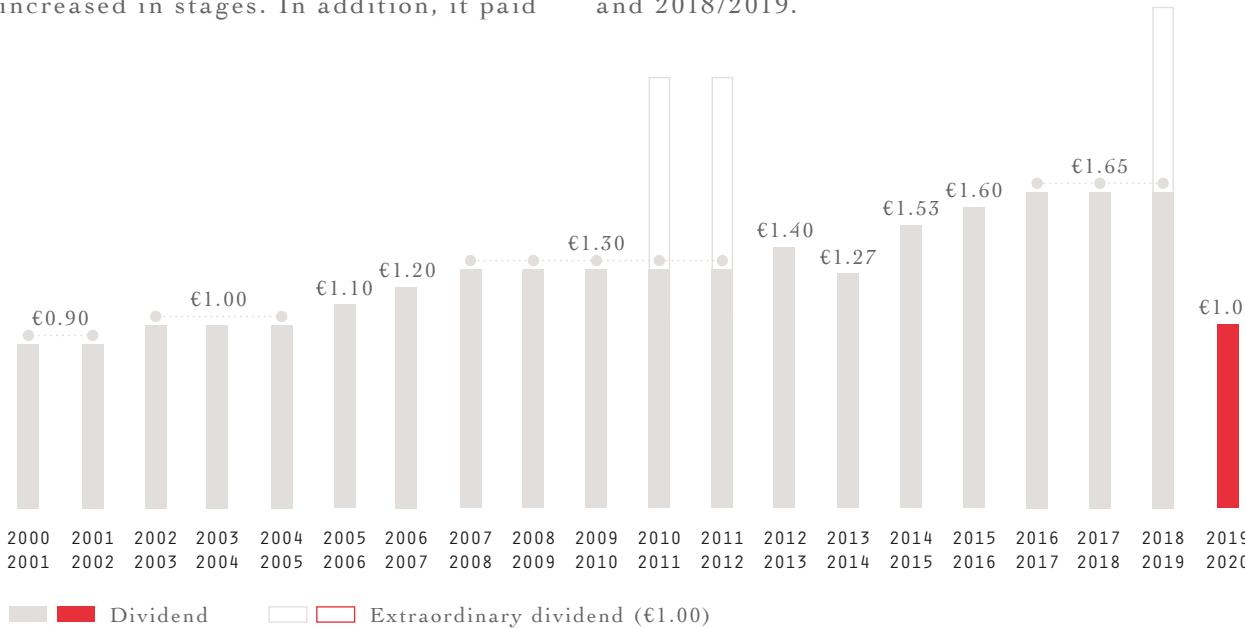
the relevance of the strategy put in place by the Executive Committee and implemented by the Group's employees.



REGULAR DIVIDEND POLICY

Over the past 20 years, the Group has paid an annual dividend which has increased in stages. In addition, it paid

an extraordinary dividend of €1.00 per share in respect of 2010/2011, 2011/2012 and 2018/2019.



A still life composition featuring two crystal glasses of cognac and a mechanical device against a perforated metal background. The background is a dark surface with a grid of white circular holes. In the foreground, two ornate crystal glasses are positioned. The glass on the left is partially filled with a golden liquid. The glass on the right is also partially filled. A mechanical device, possibly a part of a machine or a tool, is visible on the left side, extending towards the glasses. The device has a dark, metallic finish and a cylindrical component. The overall scene is lit with warm, golden light, creating a sophisticated and artistic atmosphere.

02

THE EXCEPTION: "TERROIR, PEOPLE AND TIME"

Exception, the fourth pillar of our manifesto.

The Rémy Cointreau Group's manifesto is based on values connecting our Houses and guiding our decisions: Terroirs, People, Time and Exception.

Over the years, we have delved into the heart of each of these values to appreciate their infinite facets. This year, we explore the fourth of these pillars in all its dimensions: Exception.



_ EXCEPTION

The ambition of Rémy Cointreau is to become The Leader of Exceptional Products. Exception: "what is rare, singular, not abiding to the rules/out of the box". As the French say: "the exception confirms the rule".

Of course, Rémy Cointreau produces Cognac, Whisky, Gin, Rum... but like no other. "The Botanist" derives the taste from the hills of Islay from the distillate of 22 of the Island's own plants and spices.

Bruichladdich Distillery initiated a single-malt revolution: it is the first

whisky of Islay to use only Scottish barley and to coin the phrase "We believe terroir matters". As the producer of Port Charlotte and Octomore, the distillery pushes the Islay appellation to its end.

With its freshness, Cointreau captures the aromas of sweet and bitter orange barks and restores their subtlety and balance, without altering their taste. An ideal foundation for cocktails, our "*Triple-Sec*" does not overwhelm other ingredients. To the contrary, it exaggerates flavours and combines them for the ultimate pleasure (taste).





"Domaine des Hautes Glaces" (Domaine of Higher Ice): this whisky with a French savoir-faire is produced by a distillery farm that grows its organic grains and transforms them using local and renewable energies as their main source of energy. **" Exception: what is rare, singular, not abiding to the rules/out of the box."**

Metaxa, a Greek Spirit with a unique recipe, is in a class all its own: its spirits of grapes aged in our wineries ("Muscat of Samos") and the softening of Mediterranean aromatic plants contribute to its silkiness.

Rémy Martin makes only "Cognac Fine Champagne", its spirits coming exclusively from Petite and Grande Champagne: two terroirs (local land terrain) that produce the best *eaux-de-vie* with the strongest ageing potential.

St-Rémy is the only French Brandy that is... truly French: grapes, distillation, ageing, and bottling.

Westland combines single malts that fully express the Pacific Northwest, a result of exploring old grains and flavours derived from local Garryana oak barrels.

Terroir, people and time. Our spirits are the fruit of a rigorous selection of ingredients provided by the best terroirs (local agricultural areas), transformed by time, the know-how of inspired people, and also that of innovators. They arouse our senses. They are Exceptional Products for Moments of Exception.

A foundation that promotes the transmission of expertise and excellence



The Fondation Rémy Cointreau aims to support philanthropic efforts, in France and abroad, to promote and share the knowledge of excellence. With high regard for tradition while also aspiring to innovate, the Fondation Rémy Cointreau supports the artisans of today and tomorrow, who strive to invent and pioneer their practice and products while respecting their heritage. The arts and crafts in question are equally diverse and exceptional. They include leather, ceramics, metal, crystal, textile, architecture, furniture, and many other areas.

Promoting exceptional expertise, the Fondation Rémy Cointreau invests in the tools and equipment essential to the practice of these professions in order to produce work that truly reflects the remarkable skills these artisans have mastered. To secure their ancestral knowledge, **transmission that perpetuates the art lies at the core of the commitment.** The Fondation Rémy Cointreau supports the teaching and training of future craftsmen and -women, as well as any educational efforts aimed at passing on exceptional expertise. As such, the Fondation Rémy Cointreau assists with communication initiatives around the selected professions; **it combines know-how with the process of "knowing how".**

The selection of artisanal projects is based on eight carefully selected criteria: exceptional craftsmanship, mastery of rare expertise, quest for innovation, determination to pass on expertise, aesthetics, continued existence of the profession, heritage, and, lastly, passion and commitment.

— DURING THE COVID-19 HEALTH CRISIS

The Fondation Rémy Cointreau partnered with *Trousse à Projets* in the "100% de f@milles connectées" (100% connected families) project to combat early school dropout.

The foundation's support for this project, aimed at reducing the digital divide, focuses on technical and vocational schools training students in the occupations of the future – in tune with the training of young craftsmen and -women. The foundation thus contributes towards the acquisition by local public educational institutions and school cooperatives of basic equipment and IT services for the benefit of families in need, using the *Trousse à Projets* platform accredited by the French Ministry of National Education.

— THE ARTISANS :

Five of the now 11 artisans supported since the foundation's creation recently joined the Fondation Rémy Cointreau.



Grégoire Scalabre,
ceramic sculptor

Rewarded by *Talents à la carte* at the 2007 Maison&Objet show, Grégoire Scalabre is a ceramic sculptor passionate about architecture and design. With the help of the Fondation Rémy Cointreau, Grégoire was able to purchase an oven to further his research into marble surface processing and mineral ceramic coatings.



Laurel Parker,
artistic binder

A member of *Grands Ateliers de France*, Laurel Parker has spent more than 25 years working in the paper, design and publishing fields. The foundation supported Laurel Parker by purchasing an electric guillotine to save valuable time in the paper-cutting process.



Anaïs Jarnoux,
tapestry maker
& upholsterer

An upholsterer and leather artisan, Anaïs Jarnoux started her own studio in 2017 to promote her expertise through contemporary projects. The Fondation Rémy Cointreau supported Anaïs by helping her to acquire the equipment and raw materials required for her work.



Joël Guillaume,
artist blacksmith

Joël Guillaume is an artist blacksmith who received a gold medal in 2007 as part of the *Concours National des Meilleurs Apprentis de France* (a craftsmen competition in France). The Fondation Rémy Cointreau enabled Joël to acquire a drop hammer in order to work more efficiently and avoid excessive physical fatigue.



Philippe Atienza,
bespoke shoemaker

A bespoke shoemaker, he was awarded in 1991 the title of *Meilleur Ouvrier de France* – the most prestigious award a craftsman can receive in France. Philippe Atienza has been working as a shoemaker since he was 16 years old. To help him save valuable time and recycle a large portion of his offcuts by turning them into leather accessories, the Fondation supported him with the acquisition of a leather splitter.

— GRANDS PRIX DE LA CRÉATION DE LA VILLE DE PARIS – ATELIERS DE PARIS

The Fondation Rémy Cointreau supports the Arts and Crafts category of the *Grands Prix de la Ville de Paris*, which rewards a rising talent and confirmed professional talent for their creativity and innovation every year. Caroline Martin-Rilhac, General Delegate of the Fondation Rémy Cointreau, was a member of the jury for the second year in a row.

— ARTS & CRAFTS DEVELOPMENT AWARDS, EXPERTISE IN TRANSMISSION

The *Prix de Perfectionnement aux métiers d'art, savoir-faire en transmission* are rewarded each year by the City of Paris. The prize money of 10,000 euros enables winners to perfect their training by completing a full-time internship in an artisan's studio for one year. For this 2020 edition, the Fondation Rémy Cointreau, as the sole patron of Ateliers de Paris for the *Prix de Perfectionnement aux métiers d'art*, joined forces with the City of Paris to create five new arts & crafts development awards.

— L'ASSOCIATION DES MAÎTRES D'ART ET LEURS ELÈVES CELEBRATES ITS 25TH ANNIVERSARY :

In 2019, the title "Maître d'Art" created by the French Ministry of Culture celebrated its 25th anniversary. The Fondation Rémy Cointreau was invited to the inauguration of this exceptional event as a partner and patron of the *Association des Maîtres d'Art et leurs Elèves* (AMAE). It supports AMAE in promoting the continued existence and promotion of the arts and crafts, with a view to passing on the knowledge of excellence.

03

THE YEAR OF THE BRANDS IN 2019/2020

The year 2019/2020 was a challenging one, especially in the second half, due to the Covid-19 health crisis. But the effects of this economic downturn were mitigated by our brands' solidity and creativity.

The House of Rémy Martin built on its value strategy while continuing to care for its terroirs and expertise. As such, it continued to pursue High Environmental Value certifications for partner vineyards in Grande and Petite Champagne, and Cellar Master Baptiste Loiseau revived the artisanal manufacturing of tierçons, century-old casks essential to the making of Louis XIII.

The Rémy Martin brand rolled out its new communication campaign "Team up for Excellence" and launched Tercet, a new very high-end quality initially reserved for the United States and China. Louis XIII unveiled the second opus in the Time Collection with 1900 Tribute to City of Lights, a limited-edition decanter that pays tribute to the Paris World's Fair. And, as time is an essential raw material for Louis XIII, the brand created the "One Note Prelude" symphony. This creation around a single note pays tribute to the complexity and good length on the palate of a drop of Louis XIII.

The brands of the Liqueurs & Spirits division also continued to expand in these unprecedented circumstances. Cointreau's "Art of the Mix" campaign continued to bear fruit in the United States, United Kingdom and in Australia, while the Progressive Hebridean Distillers opened their first store in Xiamen, China, to the greatest delight of our Chinese single malt whisky clients! The Botanist's global momentum held steady, while Metaxa continued its international expansion, especially in China and the United States. St-Rémy recorded a good year in its historical markets, Canada and the United States, where the brand benefited from the boom in the brandy Sangria ritual. Lastly, Mount Gay revealed its new range, which will be launched gradually in 2020/2021.





THE HOUSE OF RÉMY MARTIN

For nearly 300 years, the House of Rémy Martin has been cultivating the Charentes terroir to create exceptional products. The House relies on its history, its expertise, and all the relationships built with its partners over the years to meet the challenge of environmental change.

Thirteen years ago, the decision to implement sustainable agriculture was an ambitious and avant-garde one. It has become the backbone of the House's commitment to biodiversity and soil protection in the region.

In 2012, we embarked on the path to High Environmental Value (HVE) certification alongside our Alliance Fine Champagne partners. Together, we are living out our commitment.

Today, the House of Rémy Martin is proud to embrace **sustainable exception**: a long-term and environment-friendly development approach that fosters the creation of exceptional products.

The 2019/2020 financial year took place in a particularly delicate environment, both on account of international geopolitical tension and the health crisis triggered by the Covid-19 epidemic. In these circumstances, the House's performance varied by region, but confirmed Rémy Martin's strength and the relevance of our long-term value strategy.

Upstream, this involves maintaining an ambitious *eaux-de-vie* purchasing strategy in line with our quality standards, and property investments fundamental to the future: building of a new cellar, a reception area in the heart of the vineyards, along with administrative buildings for employees and to welcome winegrowers into our development centre.

Above all, it is expressed through our CRS policy, which underpins each of our decisions. The roll-out of High Environmental Value certifications to our Alliance Fine Champagne winegrowing partners continued, with 62 "Centaurs of the Environment" awards presented to newly certified partners in 2020. By valuing these partners, we strive to continue to play a leading role and to move the Region forward. The House and the AFC managed to achieve the 2022 target of 50% of certified farming areas two years ahead of schedule. A new ambitious target has been set: 70% of certified areas in 2025, and 100% in 2028. Through HVE certification, the House encourages the principle of continuous improvement of our ecological farming practices with conviction.

Moreover, the House is ramping up the adoption of sustainable consumption and production practices: eco-design rating process applied to each product, reduction in the use of plastic, and the phasing out

of gift boxes for certain on-trade and off-trade references for the Rémy Martin brand. To share this environmental impetus, the House was proud to become a patron of the Palace of Versailles in September 2019 by helping to create a walking tour to discover the gardens' Admirable Trees, and contributing to the upkeep of 35 major trees cherished in the collective memory.

Downstream, the long-term value strategy requires maintaining strong investments to enhance brand awareness and the luxury positioning of our House and the two brands comprising it – Rémy Martin and Louis XIII – with the strong determination to remain as close as possible to the client.

For nearly 300 years, the House of Rémy Martin has been cultivating the Charentes terroir to create exceptional products.

€735.5M

Revenues of the House
of Rémy Martin

27.1%

Current operating margin
of the House of Rémy Martin



TEAM UP FOR EXCELLENCE

Baptiste Loiseau
Cellar Master

Julien Georget
Wine Estates Manager

Laura Mornet
Winegrower Advisor

Behind every individual success
is a collective story.



THE "TEAM UP FOR EXCELLENCE"
COMMUNICATION CAMPAIGN, WHICH PAYS
TRIBUTE TO COLLECTIVE SUCCESS AND FULLY
ESPOUSES THE BRAND'S VALUES AND EXPERTISE.

_ RÉMY MARTIN

The 2019/2020 financial year was marked by the launch of the "Team up for Excellence" communication campaign, which pays tribute to collective success and fully espouses the brand's values and expertise. The development of cognac relies on a series of stages that involve the contribution of multiple talents orchestrated by our Cellar Master, Baptiste Loiseau: harvesting, fermentation, distillation, ageing, and of course blending. This campaign also reflects the history of the House of Rémy Martin. A family affair, one of complicit duos and united generosity: André Hériard Dubreuil and André Renaud; Baptiste Loiseau and Pierrette Trichet, to name but a few. It also underscores the quality of our products, as this House has maintained exacting standards since 1724. "Team up for Excellence" was unveiled during an exceptional launch event at the Palace of Versailles in October, gathering 100 guests (influencers, celebrities and journalists) from 16 countries.

Rémy Martin's Exception is also reflected in product innovations: first, the launch of a new limited edition XO in partnership with the creative artist blacksmith Steaven Richard who, like Rémy Martin, has received the Living Heritage (EPV) label. This edition was distributed in a limited number of the most selective channels in our markets and in Travel Retail. Above all, the year saw the launch of the first creation for the world market by Baptiste Loiseau, the House's Cellar Master, launched exclusively in the United States and China: Tercet. It is a unique and innovative cognac; an ode to the combined expertise of three "craftsmen": the cellar master, the winegrower and the master distiller. The worldwide distribution will be done gradually, in an adapted way.

In continuation with the spirit of its "Team up" campaign, Rémy Martin has partnered with French two-Michelin star chef Jean-François Piège to create a series of original pairings revealing the aromatic elegance of Rémy Martin XO, Club and Accord Royal 1738. In the United States in December 2019, followed by Singapore and Taiwan in January 2020, the chef and Rémy Martin presented the fruit of their collaboration through four-hand dinners highlighting the dishes and Rémy Martin cocktails.

In the United States, Rémy Martin continued its partnerships with the world of music by implementing the sixth edition of the "Producer Series" programme with singer and producer Jermaine Dupri to reveal the young talents of tomorrow. This programme was adapted in South Africa for the first time with star Riky Rick.

In China, the "Rémy Martin House" once again made its mark in Shenzhen and Shanghai with immersive features combining luxury and modernity, traditional and hi-tech expertise, in a bid to capture new customers and boost brand awareness. Lastly, the brand expanded considerably in E-retail, in particular in China for the Club and XO qualities, with double-digit growth rates. E-retail connects the brand both with millennials in major cities and customers in the most remote regions.

_LOUIS XIII

Innovation is also a key concern for Louis XIII and its customers. That is how the second opus in the collection was born: Time Collection. Following on from the 1874 decanter – The Origin, Louis XIII presented Time Collection 1900 Tribute to City of Lights, a limited-edition decanter that pays tribute to the Paris World Fair.

Making plans a century ahead also means thinking about the heritage we are preparing for future generations.

It was on that very occasion that the Louis XIII decanter was presented and recognised. A champagne gold decoration and an artistic collaboration with Monnaie de Paris and the Cristallerie of Saint-Louis come together in this rare second edition.

Our clients also serve as inspiration for our innovation efforts. Life offers all of us a thousand and one opportunities to celebrate special occasions with family, friends and loved ones. With that in mind, Louis XIII has created The Gift Collection, a gift box designed to celebrate, thank or honour the person of your choice. A wide selection of high-end objects, designed by the most inspiring French houses, supplements the Louis XIII decanter and its four crystal glasses.

Being at the heart of our clients' lives also means having a presence in the most beautiful places of the world. Whether in London, at Harrods, in Xi'an or Beijing, at SKP, or even in Singapore, our own Louis XIII stores and pop-ups are expanding and offering experiences that hold wide appeal. Louis XIII bookcases are emerging in the most beautiful palaces of the world. Set up in smoking rooms, bars and restaurants, these custom-designed bookcases comprise 8 to 12 glass cases, each containing a decanter, crystal glasses and a pipette. To top it all off, clients can have their name engraved on the case they own and enjoy their decanter with friends whenever they wish.



The latest "most beautiful place" is within easy reach, since you can now order a Louis XIII decanter or experience from our first online store, the e-Louis XIII store – it's just a click away.

Time is the raw material essential to all Louis XIII undertakings, especially its activations. That was especially true this year with the One Note Prelude symphony, a musical composition inspired by G-sharp, the note produced when you clink two Louis XIII glasses in a toast. This creation around a single note pays tribute to the complexity and good length on the palate of a drop of Louis XIII, whose aromas unfold into perpetuity. This activation allows Louis XIII to "own" the moment of the toast – a celebratory occasion par excellence.

Making plans a century ahead also means thinking about the heritage we are preparing for future generations. The tierçon, an essential element in the creation of Louis XIII, is a century-old, fragile cask. One of them must sometimes be sacrificed to repair another. The most recent tierçon created dates back to 1917. As part of his visionary approach, the cellar master decided to revive the artisanal manufacturing of these casks. A future-oriented project, like a gift that Baptiste Loiseau prepares for his successors: from the acorn to a drop of Louis XIII, several centuries will pass. At Louis XIII, time is our raw material. Join us in thinking of the future!



LIQUEURS AND SPIRITS

Despite the challenging environment of the 2019/2020 financial year, the Liqueurs & Spirits division continued to grow by strengthening its positions in most markets.

To mark its 170th anniversary, the Cointreau brand confirmed its leading role in cocktail culture, especially in the United States, where the "Art of the Mix" campaign has proven successful. Supported by the "St-Rémy & Friends" new digital communication and the promotion of the XO quality, St-Rémy brandy recorded strong growth in its traditional markets and made promising inroads in new regions, like China. Meanwhile, Metaxa continued its international growth across the American and Asian continents, spearheaded by Metaxa 12 Stars, and Mount Gay rum prepared for the global launch of a renewed range. While The Botanist gin reached a new milestone with its first media campaign, our five single malts (Bruichladdich,

Port Charlotte, Octomore, Westland and Domaine des Hautes Glaces)

drew full benefit from the **"The appeal of our brands is buoyed by the success of their limited editions"**

The appeal of our brands is buoyed by the success of their limited editions: St-Rémy's Cask Finish Collection, Metaxa Angel's Treasure Single Cask Strength No.1019, the new opus in Mount Gay's Master Blender collection, Bruichladdich's Barley Exploration series of limited editions, Westland's already iconic Garryana, and more. The enthusiasm elicited by these rare bottles also confirms the talent of our cellar masters and their teams, all seeking exception that respects methods, terroirs and ingredients.

€261.9M 14.3%

Revenues of the Liqueurs & Spirits division

Current operating margin of the Liqueurs & Spirits division



_ COINTREAU

The Cointreau brand is building on its ambition to become the leader of cocktail culture. In 2019/2020, this strategy was especially successful in markets across the Americas, which saw strong growth. The "Art of the Mix" campaign and the "Cocktail show" platform were the driving forces behind this momentum. They positioned the brand at the heart of classic cocktails from the *Belle Époque* era: Sidecar, Margarita, Cointreau Fizz and Cosmopolitan.

In 2019, Cointreau also celebrated its 170th anniversary. Born in Angers, France, in 1849, the brand punctuated the year with a series of exceptional events centred on its history, its creativity and the art of mixing. In Paris, a reception gathered nearly 400 people – media, partners, bartenders and Cointreau employees – from 24 countries at the prestigious Pavillon Élysée on the Champs-Élysées. Lastly, the creation of an anniversary limited edition was entrusted to French

designer Vincent Darré, who reinterpreted the iconic bottle by adorning it with three original scenes.

The Cointreau brand continued its sustainable development actions among its partners and suppliers. It is also playing an active role in the fight against citrus greening (also known as yellow dragon disease), which affects orange trees around the world. Lastly, it supports a research programme in collaboration with CIRAD in Guadeloupe, and another with INRA in Corsica, to promote the cultivation of citrus fruits in these regions.

For 2020/2021, the brand wishes to turn the spotlight on one of its great classic cocktails: the Margarita. In addition, the renovation of the Angers tour circuit should make it possible to provide our visitors and all our partners with an immersive, innovative experience.

_ ST - RÉMY

For more than 130 years, St-Rémy has been rooted in the French tradition of brandy making. World leader in French brandy, it is made exclusively from French wine *eaux-de-vie*, blended and aged in small French oak barrels, and bottled in the Loire valley.

In 2019/2020, St-Rémy continued to prioritise value over volume, in particular by promoting its XO quality – the focus of the "St-Rémy & Friends" digital campaign positioning St-Rémy in the pleasure of simple moments with loved ones. The "brandy & cheese" communication platform, which encourages St-Rémy and cheese pairings (two symbols of the French art of living) was also well received, especially in Northern Europe. Lastly, the brand benefited from the boom in the St-Rémy Sangria ritual, especially in North America.

The brand's growth was particularly strong in its two main markets, Canada and the United States, in both the retail and bar categories. The brand also experienced a promising start in the United Kingdom

and China. Lastly, the three new spirits in its limited-edition Cask Finish Collection (Cabernet-Sauvignon, Islay Scotch Whisky and Barbados Dark Rum) have been very successful, especially in Canada, Russia and duty-free retail.

St-Rémy made a strong contribution to the Group's CSR efforts during the year. With a view to reducing packaging waste, the VSOP quality relinquished its box and now comes in a "naked bottle" in most of its markets.

In 2020/2021, St-Rémy will continue to innovate. A new version of the Cask Finish Collection will be launched in the autumn, and a new quality dedicated to the North American markets will be revealed during the summer. Lastly, education will remain a focus of the brand's communication in order to seek out new customers outside of the brandy category.



THE FRENCH ORIGIN OF ITS
EAUX-DE-VIE AND THE QUALITY
OF ITS CREATION MAKE
ST-REMY A COMPLEX BRANDY
UNIQUE IN THE WORLD.

SALES OF METAXA 12 STARS
DOUBLED IN THE UNITED STATES
AND CHINA DURING THE YEAR.

_ METAXA

The year 1888 in Greece saw the birth of Metaxa, an amber-coloured spirit that owes its unique character to incomparable expertise: the art of selecting, ageing and blending wine distillates with remarkable Muscat wines.

During 2019/2020, Metaxa successfully continued down the path of moving upmarket. Whereas the 5 Stars and 7 Stars qualities maintained a strong positioning, Metaxa 12 Stars saw strong growth across all its markets, especially in Travel Retail with the new 1-litre format. Although the brand's core target still lies in Europe (United Kingdom, Germany, Central Europe, etc.), sales of Metaxa 12 Stars doubled in the United States and China, bolstered by its close collaboration with bartenders.

The House of Metaxa has continued to build its brand territory on the idea of exploration, with its global campaign featuring three explorers: Mike Horn, Guillaume Néry and Laura Bingham. At the same time, the brand's actions focused on the art of the cocktail: second edition of Explore Greece in Crete with stars of mixology in July 2019, participation in the major Athens Bar Show with a stand fully dedicated to the brand, and continuation of the training programme for Metaxa bartenders and ambassadors.

In October 2019, Cellar Master Constantinos Raptis presented one of his most exceptional creations: Metaxa Angel's Treasure Single Cask Strength, No. 1019. On this occasion, the House of Metaxa organised a launch event in Athens, bringing together 50 journalists and influencers from Greek and international media outlets, including ELLE, Madame Figaro and GQ. Lastly, Metaxa built on its global expansion with the launch of Metaxa 12 Stars in Singapore and Mexico.

Corporate social responsibility also lies at the heart of Metaxa's strategy, with a special

focus on protecting the terroirs of Samos. In partnership with Paths of Greece, the House of Metaxa created the Muscat Vineyards Path to promote the island's culture, biodiversity and craftsmanship to visitors.

The goal for 2020/2021 is to further strengthen Metaxa 12 Stars' positioning as the brand's flagship product and to help it penetrate new markets. The entire range will be supported by new investments in communication and initiatives within the bartender community.



TRUDIANN BRANKER
IS THE FIRST FEMALE
MASTER BLENDER
IN BARBADOS.

_ MOUNT GAY

Founded more than three centuries ago in Barbados, the Mount Gay distillery benefits from unique expertise in the making of exceptional rums. Underpinned by a strong heritage, it perpetuates ancestral know-how while exploring new refinements in rum distillation and ageing, taking an authentic and responsible approach.

Since April 2019, the new master blender at Mount Gay, Trudiann Branker, is the first woman to hold this position in Barbados. Her first limited edition, Pot Still Rum in the Master Blender collection, was widely commended by the press and on social media. Likewise, the range's new blends and the brand's new graphic design were very well received by distributors and the media.

The installation of solar panels generating 300,000 kWh means the Brandons facility enjoys full electric autonomy, while the fruit tree plantation and installation of new beehives foster biodiversity on the island.

In 2020/2021, Mount Gay intends to maintain its position on the dynamic high-end rum market with the global launch of a renewed range, spearheaded by XO, the promotion of Black Barrel in the art of cocktail-making, and the launch of a new limited edition.

_THE BOTANIST

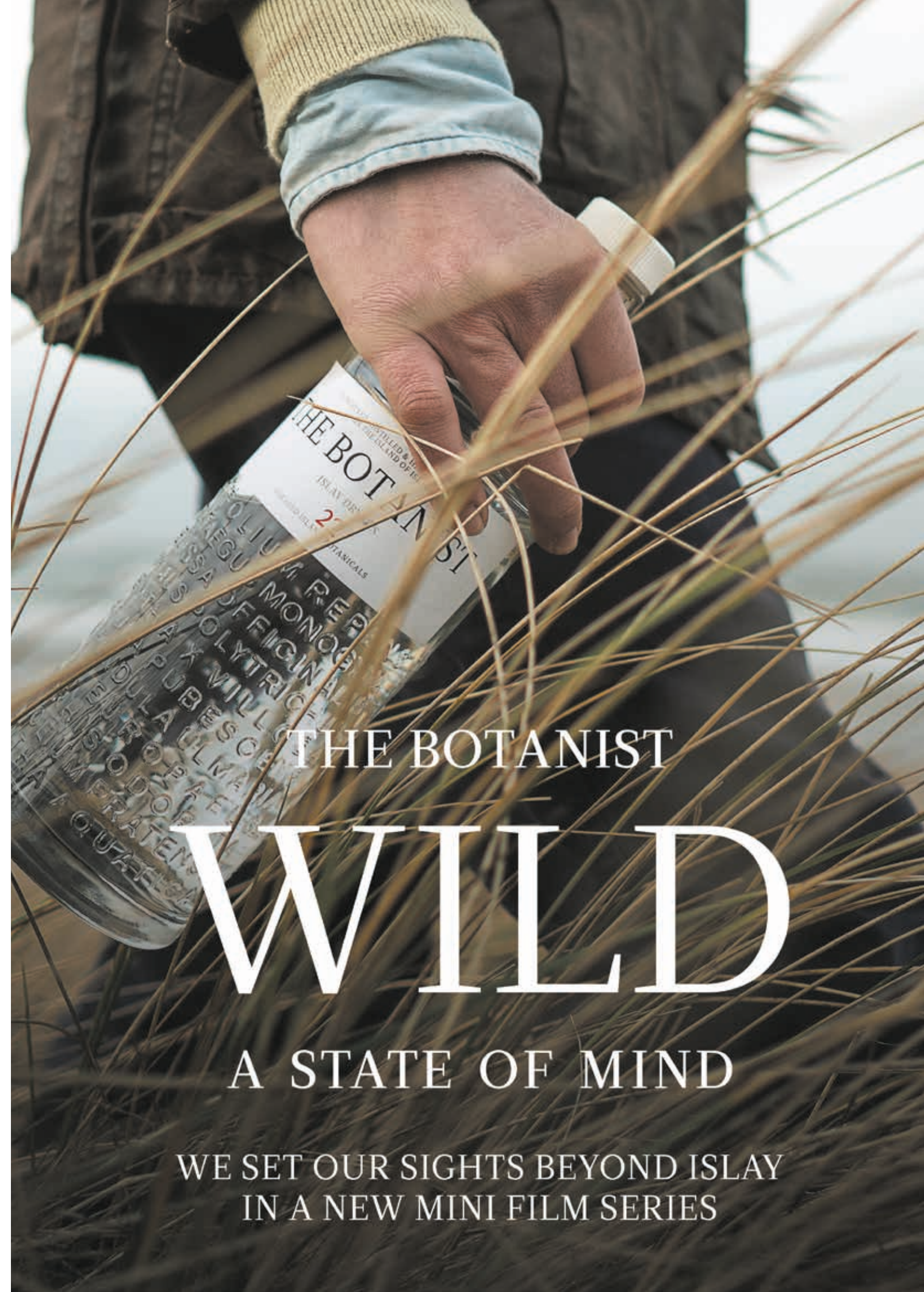
The Botanist's success story continued in 2019/2020.

The brand launched its first media campaign with the mini film series entitled "Wild – A State of Mind", also broadcast on social media.

With the successful launch of its first media campaign, The Botanist has reached yet another milestone. This communication has increased brand awareness, showcased The Botanist's nature-centred values, and captured new customers. The quality of the "Wild – A State of Mind" campaign was also recognised by numerous awards at the 11th annual edition of the Taste Awards in Los Angeles.

The Botanist Foundation (TBF) continues to support local initiatives to preserve the environment on the Island of Islay and across all of Scotland. The most recent action was the funding of a research programme on wild juniper, via the UK Centre for Ecology & Hydrology. At the same time, The Botanist has joined forces with the Botanical Gardens Conservation Trust to encourage initiatives fostering biodiversity in botanical gardens and seed banks around the world.

During 2020/2021, The Botanist expects to continue to broadcast the "Wild – A State of Mind" series, while also continuing to roll out its worldwide distribution, both in the markets and online.



W H I S K I E S

**Authenticity, sincerity, singularity:
the excellence of our single malts is based
on the values of a future-oriented vision,
which ensures their success today and their
continued existence tomorrow.**

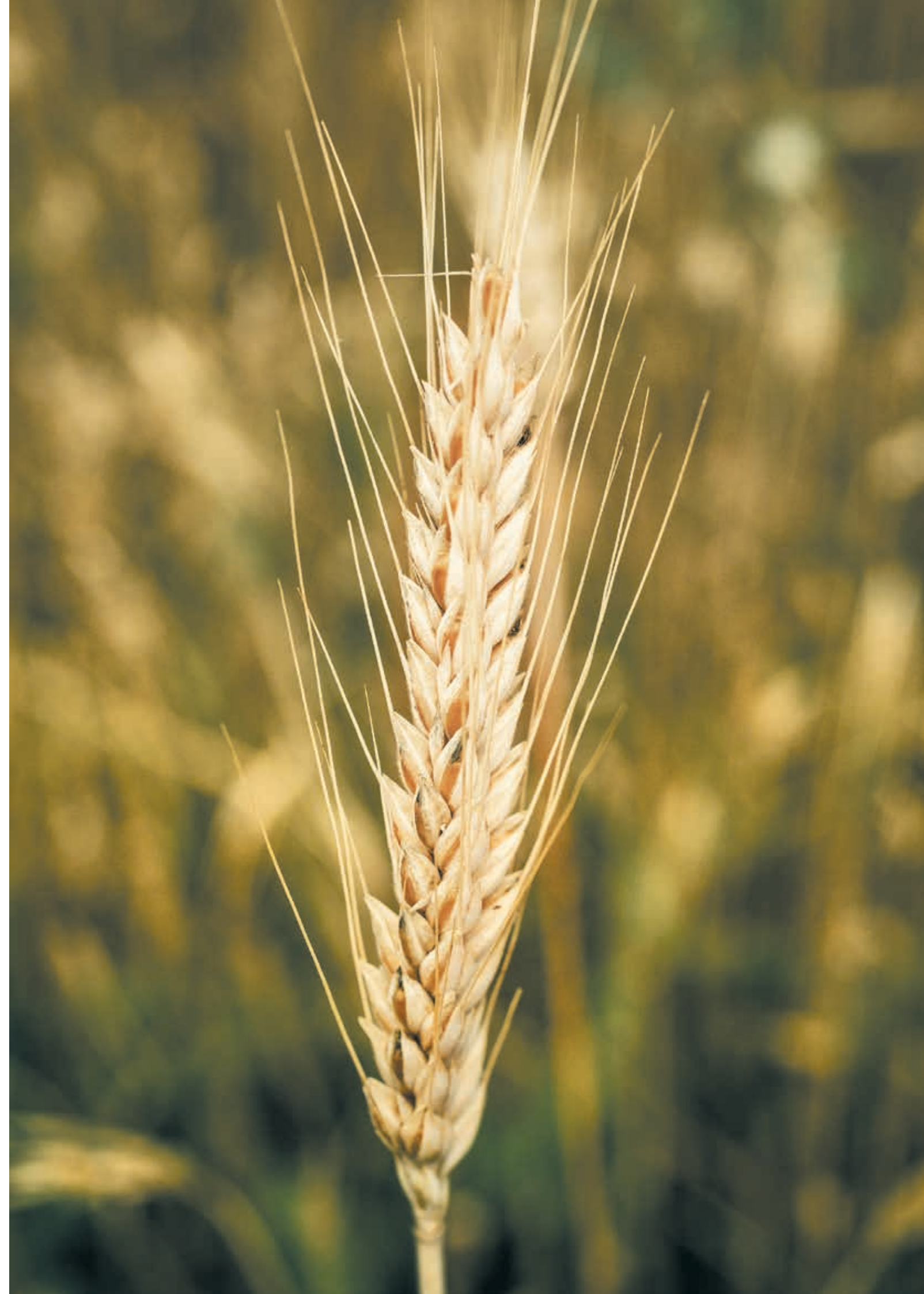
Our whisky division comprises five single malts that share the same values of excellence: Bruichladdich, Port Charlotte and Octomore (in Islay, Scotland), Westland (distillery in Seattle, United States), and Domaine des Hautes Glaces (farm distillery in the French Alps).

The distinctive character of each of these whiskies specifically addresses the growing demand from informed enthusiasts seeking to share in rare, refined and extraordinary experiences. In the United States and China, in particular, the single malt culture is rapidly developing, to the benefit of brands like ours, which enjoy an excellent image of authenticity and high standards. This momentum was undermined at the end of 2019, however, first in Asia and then in the rest of the world, as a result of the Covid-19 crisis.

Awareness of our Scottish whiskies was further spread through educational activities on social networks and through digital campaigns, whereas "pioneer" customers continued to be retained through eagerly awaited limited editions.

Bolstered by exceptional media coverage and unanimous recognition from industry players, Westland Distillery continues to build its reputation and increase its sales.

Lastly, Domaine des Hautes Glaces is gearing for a change in scope with the inauguration of a new distillery in 2020 – one that respects its founder's spirit of craftsmanship and ecological values.





_PROGRESSIVE HEBRIDEAN DISTILLERS

Bruichladdich whiskies continue to boast huge growth potential. Their authentic values and consistent actions reinforce their aspirational strength every year.

After the strong growth seen in recent years, our single malt whiskies from the Isle of Islay (the Bruichladdich, Port Charlotte and Octomore brands) maintained their momentum in 2019/2020. This buoyancy was fuelled by the success of limited editions and rare vintages. During this period, the emerging markets of Asia and the Americas recorded especially promising results, while the online sales strategy continued to open up new development prospects.

For the Bruichladdich brand, the launch of the Barley Exploration series of limited editions continued to expand the brand's distribution network, while new versions of Black Art and Rare Cask attracted new connoisseurs.

The "We are Islay" campaign launched in 2018/2019 continued to drive the growth

of Port Charlotte. The brand was further strengthened by media events, the support of influencers, live digital tastings, a revamped website, and a coordinated social media campaign.

The Octomore 10 series – a new generation of Octomore, the world's most heavily peated single malt whisky - was successfully unveiled through a global launch strategy supported by the brand's first digital communication campaign. The new range of numbered limited editions was also very well received.

During 2019/2020, the Progressive Hebridean Distillers continued their environmental programme, with the aim of "decarbonising" its activities by 2025. A total of 3,500 additional trees were planted, taking the overall number of trees planted on the site to 7,500 in two years.

Lastly, and above all, the distillery received B-Corp certification, a label that recognises all companies that seek via their business model not to be the best in the world, but the best for the world.

The year 2020/2021 will focus on the Bruichladdich brand and its flagship quality, The Classic Laddie. The brand will launch its first media campaign, "No Hidden Measures". Port Charlotte will continue to roll out its "We are Islay" campaign and will take its limited-edition policy even further. Lastly, Octomore will naturally see the launch of the 11 series.

LASTLY, AND ABOVE ALL, THE DISTILLERY RECEIVED B-CORP CERTIFICATION, A LABEL THAT RECOGNISES ALL COMPANIES THAT SEEK VIA THEIR BUSINESS MODEL NOT TO BE THE BEST IN THE WORLD, BUT THE BEST FOR THE WORLD.



_DOMAINE DES HAUTES GLACES

A larger, future-oriented estate is emerging.

Founded more than 10 years ago, the mountain farm distillery Domaine des Hautes Glaces creates exceptional single malt whiskies from the Trièves Mountains at an altitude of 900 metres in the heart of the French Alps. Barley, rye, spelt and dehulled oats used in distillation are grown there organically.

To foster a gradual increase in production, a local production line managed by organic farmers from Trièves has been set up in recent years. In 2019, harvesting took place in 12 neighbouring farms, which contributed the fruits of their labour to the estate.

At the same time, a new distillery and storage area are being built: a larger, future-oriented estate is emerging. The buildings are designed to blend in with the architectural heritage of the Alps, and in accordance with sustainable development guidelines. The new facilities should become operational in the summer of 2020: a beautiful

100-year-old mill recovered in Scotland, a brewery that we renovated with care, oak fermentation vats made by French coopers, and four new stills designed based on original models, to continue to distil Alpine grains under fire wood. **The mountain farm distillery Domaine des Hautes Glaces creates exceptional single malt whiskies from the Trièves Mountains.**

Without taking away from its values and the pioneering spirit that drives the brand's founder, Frédéric Revol, Domaine Des Hautes Glaces will soon delight even more exceptional single malt enthusiasts in Europe, the United States and Asia.



_WESTLAND

The limited edition "Garryana" bottles were sold out within a few weeks.

In 2019/2020, the Westland distillery enjoyed tremendous global demand for single malt whiskies, and in particular increasingly sharp expertise on the part of clients. Demand is even greater for *eaux-de-vie* authentically rooted in their terroir – the main feature of the Westland range.

Bolstered by the sincerity of its founders and the quality of its whiskies, the distillery continues to receive exceptional media coverage and unanimous recognition from all industry players. All three of Westland's key products have scored more than 96 points in the last two years, and the distillery manager was named "2020 Global Distillery Manager of the Year" at the most recent World Whisky Awards.

The most prominent launch of the year was most certainly that of the new limited edition "Garryana". This single malt, partially matured in casks made from a local species of oak, *Quercus Garryana*, sold out within a few weeks.

Hailing from a region that cares deeply about the environment, Westland has extremely high aspirations when it comes to corporate social responsibility. In particular, the distillery has committed to funding a full-time PhD student at Washington State University, who is researching sustainable barley production. Like many of the Group's other sites, the distillery has also been highly active during the coronavirus pandemic, making hand sanitizer for the various medical facilities in the Seattle region.

In the 2020/2021 financial year, the distillery will continue its innovation efforts and launch a brand new whisky made from a new barley varietal. An exciting next chapter in the wonderful Westland adventure.

_AMERICAS

Markets in the Americas continued to show strong momentum, bolstered by the healthy US economy and increased political stability in Latin America. More good news is that value is seen to grow faster than volume in the exceptional spirits category. However, the threat of increased customs duties in the United States and the development of the pandemic on the continent at the end of the year created some uncertainty.

For Rémy Martin Cognac, the new "Team up for Excellence" campaign has enabled Rémy Martin 1738 to achieve another year of solid growth, whereas Rémy Martin VSOP faced some challenges, including the uncertainty surrounding customs duties. Louis XIII continued its momentum, driven by its "Perfect Pour" experience in high-end bars, restaurants and hotels, together with educational efforts around this singular nectar. Its limited editions were in high demand.

Cointreau enjoyed another exceptional year in the United States, Brazil and Puerto Rico, strengthened by the "Art of the Mix" campaign and its positioning at the heart of classic cocktails, in particular the Margarita. The Botanist continued to increase its market share in the booming exceptional gins category.

Lastly, the portfolio of single malt whiskies recorded a remarkable year. The Progressive Hebridean Distillers (Bruichladdich, Port Charlotte and Octomore) benefited from increased brand awareness through new awards and media investments. Westland continued to spearhead the American single malt category.

_ASIA - PACIFIC

In China, Rémy Cointreau benefited from strong growth in the spirits market in 2019, which was subsequently slowed down by the coronavirus pandemic. A new client base keen on luxury products and with expert knowledge of exceptional spirits especially appreciates refined cocktails and single malt whiskies. It was against this backdrop that the Progressive Hebridean Distillers opened their first store in Xiamen, China, giving direct access to its brand portfolio.

Cognac nevertheless remains the spearhead of the Group's growth, driven by the Louis XIII Heritage campaign, together with Rémy Martin's "Team up for Excellence" campaign. The launch of the new Rémy Martin XO 1 litre bottle was also a key event. On the whole, our brands are at the forefront of booming Chinese e-retail platforms.

In Hong Kong, which boasts 12 of the 50 best bars in Asia, cognac, gin and rum are recording growth overall. But political and health events have slowed this trend. In Taiwan, the flourishing cocktail culture boosted our brands, while in Australia, Cointreau recorded a good year thanks to its privileged position at the heart of "classic cocktails"!

_EUROPE, MIDDLE EAST AND AFRICA

The EMEA region had a complex year, marked by changes in distribution partnerships in Germany, Italy, Spain, Slovakia and the Czech Republic, followed by Covid-19 health measures that led to the closing of hotels, bars and restaurants across Europe. Several activations could nevertheless be implemented up until early 2020.

Across France and in London, Cointreau rolled out its "Art of the Mix" campaign on restaurant terraces and in bars, with cocktail tastings organised by the brand's ambassadors. In Istanbul, Amsterdam, Barcelona and Berlin, the liqueur of 350 cocktails forged a partnership with "Soho House" private clubs. In South Africa, the presentation of the "gold" version of the Cointreau bottle was met with great success.

At Rémy Martin, the "Atelier Steaven Richard" limited edition marked the House's celebration of its classification as a Living Heritage Company (EPV). This official distinction rewards French companies for their artisanal expertise and industrial excellence. The limited edition was presented at a major reception in London, in particular.

_TRAVEL RETAIL

This distribution channel plays a key role for the Group, not only in terms of sales, but also because it fosters direct contact between our various brands and our customers, whether in transit or during their travels. By way of events and tastings organised in the major airports, we can thus present our spirits to an enlightened public in excellent conditions.

However, the year 2019/2020 was a particularly complex one, first on account of tensions in Hong Kong, which limited the passage of Chinese tourists in land border duty free shops, and second due to the Covid-19 pandemic, which triggered the collapse of all air traffic and the closing of airport stores worldwide.

Prior to these exceptional circumstances, some brand events met with great success and could be repeated at a later stage. This is particularly true for the Louis XIII pop-up store at Changi Airport in Singapore, which exhibited all the variations of Louis XIII bottles, from the 50 ml Miniatures to the 6-litre Mathusalem. Cointreau's Piano Cocktail also caused a sensation in the airports of Vancouver, Copenhagen, Perth, Singapore and Auckland: the pianist creates cocktails by playing a melody!

CORPORATE SOCIAL RESPONSIBILITY

The story of Rémy Cointreau's social, societal and environmental commitment is reflected in the actions of the Group and its 12 liqueurs and spirits brands. This story is punctuated by major milestones, including the year 2019/2020 – a noteworthy one marked by the Group's quest for excellence.



The story of Rémy Cointreau's social, societal and environmental commitment is reflected in the actions of the Group and its 12 liqueurs and spirits brands. This story is punctuated by major milestones, including the year 2019/2020 – a noteworthy one marked by the Group's quest for excellence.



Some dates are never forgotten. Take 2015, for example, when the Group adopted its new signature "Terroirs, People and Time", marking its irreversible commitment to a cause fully supported by Rémy Cointreau. This year, Rémy Cointreau defined its 2025 targets and affirmed its CSR commitment with the motto **Sustainable Exception**, which highlights the Group's special efforts in developing products of excellence. This "2025 CSR Plan – Sustainable Exception" is based on actions associated with quantified targets and a long-term vision of the Group's ambitions to preserve the planet around its three CSR pillars: preserving the Terroirs, committing to People and respecting the value of Time.

In keeping with the new 2025 targets, this year was also marked by the acceleration of CSR actions led by the Group and its Houses.

The tremendous solidarity of the Group's employees naturally bears mention, with regard to their environment and the populations most affected by the Covid-19 pandemic. All over the world, in every single House, the teams' individual and local commitment has revealed a state of mind steeped in Group values. We have reached new heights in the area of sustainable agriculture, a key component of Rémy Cointreau's strategic vision. In Cognac, for example, all the House of Rémy Martin winegrowing partners are now committed to sustainable agriculture. Bruichladdich has also obtained B-Corp certification, in recognition of its long-standing commitment to preserve the Scottish island's terroir and biodiversity. In terms of reducing carbon emissions,

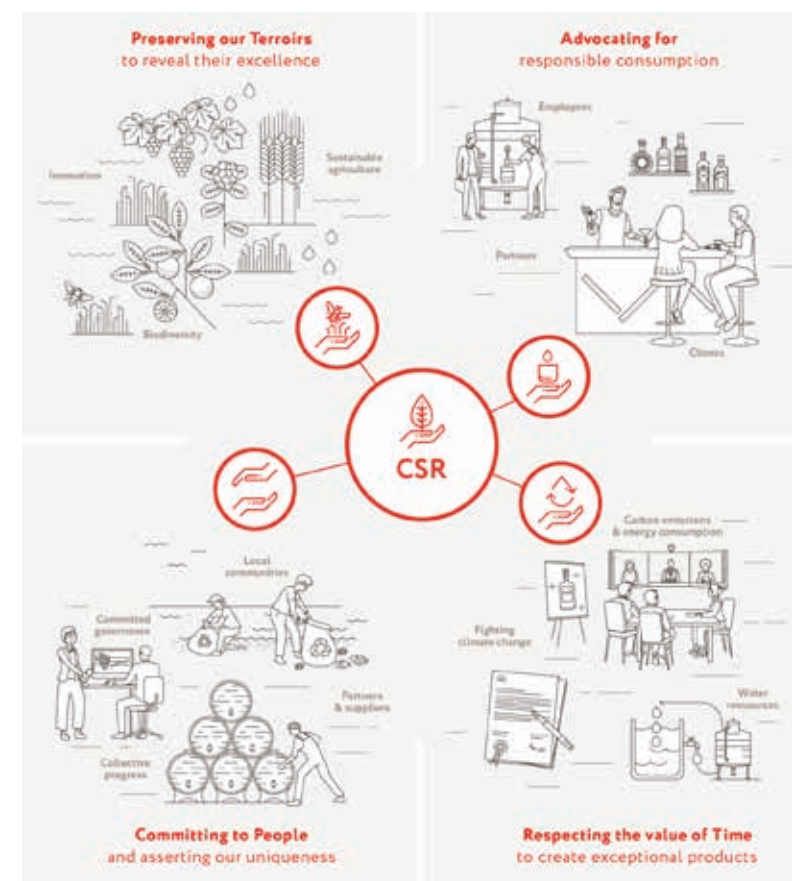
the Group now relies on progressive targets set for 2030 and 2050 to achieve Net Zero Carbon. Anxious to reduce its ecological footprint, Rémy Cointreau has ramped up the development of eco-designed products and packaging. In true recognition of its ethical commitment on the international stage, this year for the first time the Group was awarded first place in the Gaia Rating created by Ethifinance.

It took time for the Group's Houses to mature and create these exceptional spirits in keeping with Rémy Cointreau's values and commitments. All these developments have enabled the Group to define its purpose this year. These few words sum up the story of Rémy Cointreau, and the chapters that remain to be written:

"Rémy Cointreau cares for the terroirs that are essential to its Maisons and cultivates the savoir-faire of its people, so that clients can enjoy exceptional spirits and sensory experiences. Upholding this heritage enables the family company to write its own destiny and to proudly pass on its centuries-old legacy to future generations."

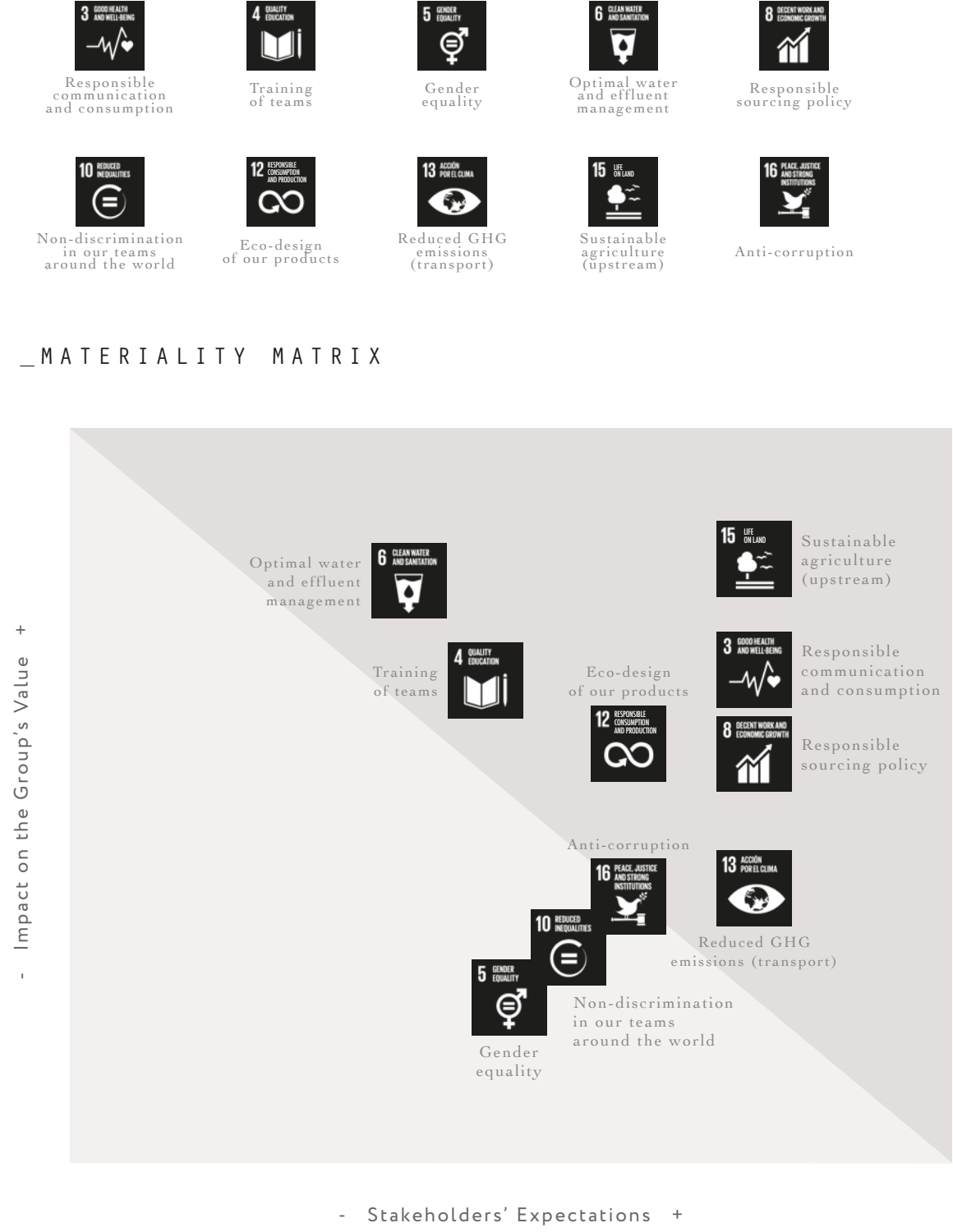
Sustainable Development lies at the heart of Rémy Cointreau's policy and forms the basis of the new CSR charter republished this year. Rémy Cointreau has thus identified four major goals for its CSR strategy:

- **Preserving the terroirs** to reveal their excellence, by encouraging responsible cultivation methods and innovating to maintain their essence and biodiversity;
- **Committing to men and women**, as a way of asserting its uniqueness, with responsible and committed governance, while guaranteeing collective progress internally and with its suppliers and partners, and playing an active role in local communities.
- **Respecting the value of time**, to create exceptional products, while contributing to the fight against global warming, protecting water resources, taking action to reduce the environmental impact of our activities, and striving for carbon neutrality.
- **Maintaining strict standards** around responsible consumption to pay tribute to its exceptional products, by raising awareness among customers, employees and partners of the Group;



"Terroir, People and Time".

Rémy Cointreau's signature reflects the Group's commitment to a sustainable world. This long-standing commitment is demonstrated in the Group's 10 major CSR challenges, selected from the 17 Sustainable Development Goals (SDGs) defined by the United Nations. This year, this commitment was also reflected in the definition of the Group's 2025 challenges, which set out clearly and firmly the course of action for the years to come.



Special attention was paid to the five priority SDGs (SDGs 6, 8, 12, 13 and 15), which for the past three years have been linked to the variable compensation of the Group's senior executives. The CSR Committee, which is formed from the Board of Directors and is responsible for implementing the CSR strategy, monitors this commitment.

The year's successes and events thus remind everyone of Rémy Cointreau's nature: preserving the Terroirs, committing to People and respecting the value of Time, by uniting the Group with its partners in the long term and striving to take exemplary decisions in line with its ambition: becoming the world leader in exceptional spirits.

OF THE 17 SDGS, RÉMY COINTREAU HAS SELECTED THE 10 RELATED TO ITS MAJOR CHALLENGES:

		RÉMY COINTREAU CHALLENGES	TRANSLATION INTO 2025 GOALS
SDG 3	Ensure healthy lives and promote well-being for all at all ages	Responsible consumption (externally)	Qualitative information
SDG 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	In-house training and skills development	80% of employees benefiting from at least 1 training per annum
SDG 5	Achieve gender equality and empower all women and girls	Non-discrimination and in-house social balance	Absolute equality throughout the Group; 90/100 in the gender professional equality index (in France)
SDG 6	Ensure availability and sustainable management of water	Water management (specific case of Barbados site)	Annual monitoring
SDG 8	Quality work and economy / Promote sustained economic growth, full and productive employment, and decent work	Well-being of employees	Qualitative information
		Responsible sourcing	100% of suppliers have Sedex membership
		Local impact (sustainable development of terroirs)	Qualitative information
SDG 10	Reduce inequality within and among countries	Internal societal balance and global consistency	Annual monitoring
SDG 12	Ensure sustainable consumption and production patterns	Circular economy and reduced consumption of raw materials	EPI mapping (packaging's Environmental Performance Index) of the Group's entire product portfolio
		Client information (nutritional labelling)	Qualitative information
SDG 13	Take urgent action to combat climate change and its impacts	Contribution to global efforts (limit of 2°C) and corporate sustainability	- 100% renewable energy consumption, worldwide - 25% reduction in carbon emissions (scopes 1 and 2) in absolute terms - 30% reduction in carbon emissions (scope 3), in intensity
SDG 15	Sustainable land use / Protecting, restoring and promoting the sustainable use of land ecosystems / Sustainable forest management / Preserving biodiversity	Sustainable agriculture	100% of sustainably managed agricultural land (brands' agricultural raw material sourcing)
		Preserving biodiversity	Specific biodiversity conservation actions
SDG 16	Peace and justice: effective and accountable institutions	Business Ethics	100% of employees trained in the ethical charter
		Governance	100% of sites B-Corp certified

As part of the materiality analysis conducted, food wastage, the fight against food insecurity, respect for animal well-being, and the promotion of responsible, fair and sustainable food were not selected as relevant CSR challenges for the Group.



PROTECTING EXCEPTIONAL TERROIRS TO PRESERVE THEIR EXCELLENCE

Our goal of protecting our terroirs to preserve their excellence was reflected this year in key actions around sustainable agriculture.

The House of Rémy Martin addressed a major environmental challenge: leading 50% of its Alliance Fine Champagne partners to obtain High Environmental Value (HVE) certification – the highest level of certification issued by the French Ministry of Agriculture – two years ahead of schedule. 85% of certified farms in the Charente region are partners of Rémy Martin, demonstrating the collective effort driven by the House to develop environment-friendly agriculture in the region. In Cognac and elsewhere, Rémy Cointreau insists on sourcing strategic agricultural and winemaking raw materials from responsible and sustainable agriculture (SDG 15).



_BEING EXEMPLARY MEANS ADOPTING SUSTAINABLE GROWING METHODS

The Rémy Cointreau brands are cultivating terroirs unique in the world with the greatest care. From the Charente vineyards to sugarcane plantations in Barbados, vineyards in Samos, and grains in Islay or Isère... With intelligence, passion and respect, the brands adapt their production methods to each region's characteristics, thus respecting the singularity of the natural environments, the soil, biodiversity, and the climate.



Obtaining certificates of excellence to create exceptional production lines

Founded in Angers by Édouard Cointreau in 1849, the famous eponymous liqueur brand has developed sustainable supply chains to ensure the excellence of its sweet and bitter orange peels. In Spain, Tunisia, Brazil and Morocco, Cointreau has forged international partnerships that enable it to benefit from sustainable, high-quality sourcing.

As part of its "Oranges et Terroir" project and in order to measure the implementation of sustainable agriculture for the production of oranges among its suppliers, Cointreau carried out two agricultural audits this year in line with the French HVE level 1 standard, and, for some suppliers, with the international Global G.A.P. standard. These audits, and more generally this project, enable the Cointreau distillery to monitor and support its partners in the development of their best agricultural practices, in line with SDG 15. This proves that the commitment to sustainable agriculture is gaining ground among all its suppliers; close to half (48%) of the partner areas now benefit from sustainable agriculture certifications. In line with the 2025 objectives, all the oranges used in the distiller's production will be sustainably sourced within 5 years.

In Cognac, the House of Rémy Martin has been cultivating the Charente terroir for nearly 300 years to create exceptional products. Thirteen years ago, deciding to obtain ambitious sustainable agriculture certification backed by the Ministry

of Agriculture was a pioneering move. Today, the House spearheads this High Environmental Value (HVE) certification with practical and measurable commitments around four themes: biodiversity, plant protection strategy, fertilisation management, and preservation of the region's soils and water quality. With the achievement of its 2022 targets two years ahead of schedule, the House of Rémy Martin has set new, even more ambitious environmental targets as part of the Rémy Cointreau Group's 2025 CSR plan:

- **2025 target: 70% of partner land certified with HVE or CEC** (Environmental Certification of the Cognac production line) certification
- **2028 target: 100%**

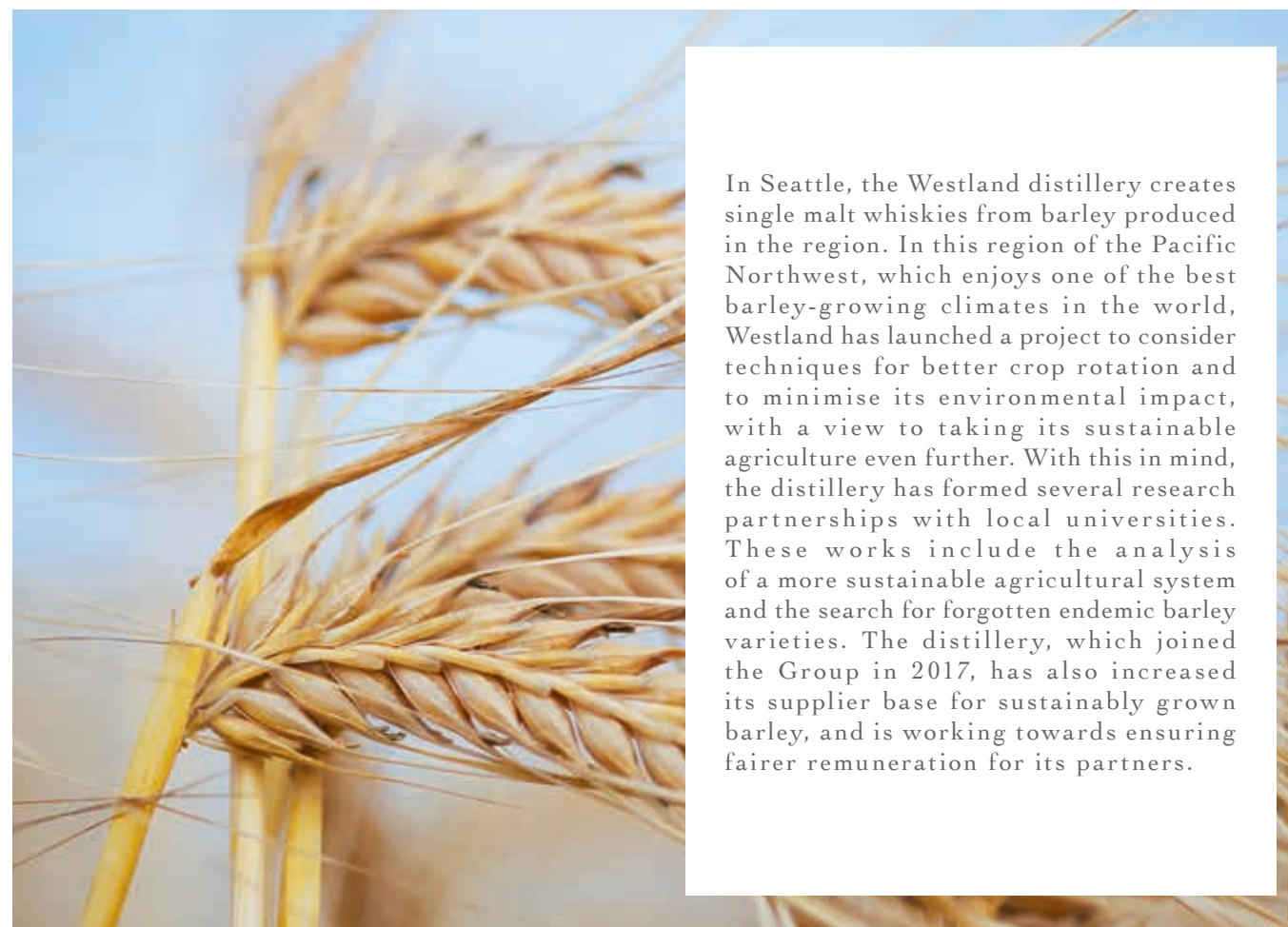
More than ever before, Rémy Martin lays claim to Sustainable Exception through HVE certification. The House has chosen "Option A", the most stringent approach of this certification of excellence. For Rémy Martin and its partners, it represents a long-term and environment-friendly development framework to create its historical products in a consistent manner. On the strength of the House's long-standing and pioneering commitment, and the collective efforts of its Alliance Fine Champagne partners, 85% of HVE-certified winegrowing land in Charente belongs to partners of Rémy Martin.

Trying out new farming methods

In Barbados, the Mount Gay distillery produces one of the best rums in the world for connoisseurs and hedonists. Preserving the island's natural resources is essential. Mount Gay conducts research across all its activities to find the original expertise behind sugarcane production and try out new farming techniques. In 2018, the acquisition of 134 hectares of sugarcane production land accelerated this research and made it possible to test organic farming, crop rotation and permaculture. The rediscovery of local specificities has thus contributed to collective awareness: the distillery aims to convert its entire plantation to organic farming within five years to produce organic rum.

In the heart of the French Alps, the mountain farm distillery Domaine des Hautes Glaces already uses organic grains grown and processed locally. The brand's single malt is one of a kind. This organically produced, certified French whisky is the result

of a local development project where farmers are true partners committed to developing new crops of organic barley, rye, spelt, oats and triticale. The young brand is reviving centuries-old know-how, for example by using a still made by a neighbouring boilermaker and heated by a wood pellet burner. Domaine des Hautes Glaces has chosen to showcase the excellence and particularity of its terroir at each stage of production and processing. Nestled on the slopes of the Obiou river, it has enabled the development of a sustainable rural production line and the conversion of neighbouring farms to organic agriculture.



In Seattle, the Westland distillery creates single malt whiskies from barley produced in the region. In this region of the Pacific Northwest, which enjoys one of the best barley-growing climates in the world, Westland has launched a project to consider techniques for better crop rotation and to minimise its environmental impact, with a view to taking its sustainable agriculture even further. With this in mind, the distillery has formed several research partnerships with local universities. These works include the analysis of a more sustainable agricultural system and the search for forgotten endemic barley varieties. The distillery, which joined the Group in 2017, has also increased its supplier base for sustainably grown barley, and is working towards ensuring fairer remuneration for its partners.

_CULTIVATING BIODIVERSITY IN EACH TERROIR

Natural environments, farmland and forests are becoming increasingly fragile. The cultivation of raw materials, such as grains, vines, sugarcane, oranges and wood can be affected by this vulnerability. For Rémy Cointreau, who wishes to continue to develop exceptional products whose distinctive flavours are associated with the diversity of the terroirs, the preservation of biodiversity is vital.



Promoting biodiversity in all our regions of operation

Rémy Cointreau has renewed its support for the "Act4nature" initiative alongside other major French groups. The mobilisation of businesses in favour of the conservation and restoration of biodiversity is reflected in practical commitments. Rémy Cointreau now incorporates nature (fauna, flora, ecosystems, etc.) into its corporate strategy, with 6 commitments: employee involvement, farming practices, HVE certification in France, and the protection of terroirs, forests and bees.

In the Charente region, Rémy Martin has contributed to biodiversity protection for many years, alongside the French Bird Protection League (LPO). In this respect, the ecological monitoring of a large plot of land on the banks of the Charente helps improve afforestation management and protect the region's biodiversity. Since 2017, this monitoring has highlighted an improvement in species diversity, particularly through the planting of certain tree species (poplars, ash trees, etc.) that filter water and contribute to the preservation of biodiversity.

The Group has also been sponsoring the installation of beehives since 2012. This year, in partnership with the French association *Un toit pour les abeilles* (a roof for bees), Rémy Cointreau worked with a certified organic beekeeper in Charente to distribute jars of honey to its employees and partners.



Protecting and valuing the character and beauty of the terroirs

In Corsica, Cointreau supports the work of the San-Giuliano research platform, which houses a one-of-a-kind collection of 800 citrus fruit varieties. Eager to contribute to this biodiversity, the orange brand participated in the replanting of 1,200 species of citrus fruit in order to study their properties and improve their production.

Since 2018, in Barbados, Mount Gay has been participating in the "We Plantin" national tree replanting project set up by the local government. The goal: planting more than one million trees by the end of 2020 to enhance sustainability and diversity in an effort to combat the effects of climate change. Across the estates, the distillery has planted orchards of bananas, mangoes, carambola and avocado, along with various forgotten varieties.

In Samos, on the heights of Mount Karvounis, the famous Greek brand Metaxa has marked out a 10 km hiking trail in partnership with "Paths of Greece". This themed path around the village of Vourliotes is dedicated to Muscat, one of the wines used in the production of spirits. Dotted with information boards elaborating on the island's archaeology, history and mythology, the trail allows nature lovers to discover the Muscat vineyards and the island's terroir in a different light. This initiative developed by Metaxa strengthens its ties with the inhabitants of the village of Vourliotes and enhances the beauty of the region – the source of its raw materials.

Nothing can dampen the enthusiasm of the men and women of Westland distillery, not even the abundant rainfall of this humid region. Westland pays special attention to *Quercus garryana*, a rare variety of oak found in this terroir only. Essential to the singularity and distinctive character of Westland's products, this oak is the only one used to age its whiskies. To help maintain it in the ecosystem, Westland was involved in the replanting of 750 trees in the region, with the ambition of reintroducing 2,000 more within 5 years. In addition, the brand makes casks using only trees that have fallen naturally to the ground as a result of storms or due to age.

_ INNOVATING TO PRESERVE THE ESSENCE AND DISTINCTIVE CHARACTER OF THE TERROIRS

In Grande and Petite Champagne (Cognac), on the Scottish Island of Islay and in all Rémy Cointreau's areas of operation, the Group's teams attach great importance to learning more about their respective terroirs.

Inspired by a heritage that is passed on, the Group's women and men apply the strictest standards and passion to their work on their terroirs: they test new farming methods on a large scale, raise awareness of good practices among their stakeholders, and innovate to better respect local ecosystems.

Learning about the terroir to cultivate exceptional products

In Islay, Bruichladdich has made barley traceability a mark of distinction: 100% of the barley used in the production of its whiskies is Scottish. Each batch is listed according to its terroir, variety and place of production. This year, the brand launched three vintage single malts that proudly display its commitment to the environment and bear the singular character of their terroir: one is made from organic barley, the other from a forgotten variety of barley, "bere barley", and the third from barley produced specifically on Islay.

The brand also works in close collaboration with its partner farmers. The challenge is significant: growing barley just a few metres from the distillery, the only one on the island, to secure a very high-quality supply and promote the full potential of the Islay terroir. Bottling is carried out on the spot, allowing total control of the entire production chain. Bruichladdich is also testing the cultivation of rye on the island to find an alternative to barley and thus avoid intensive cultivation.

Hundreds of kilometres away, Rémy Martin's teams are trying out new farming practices to protect the soil and limit the use of pesticides. On the Estates, plant cover crops – comprising field beans and oats – are sown in the inter-row sections between the vines to allow natural fertilisation of the soil. If these tests are conclusive, they could provide the region with a new technique for promoting virtuous practices. The preservation of landscape hedges

and the cultivation of floral fallow plants also help boost the return and activity of bees, vital to the proper functioning of natural ecosystems.

Further south, Cointreau has launched an ambitious research project in Corsica on the genetics and aromatic diversity of the Bigarade orange. The results of this study will be known in 2022.



Raising awareness among stakeholders and spreading best practices

Since 2014, Rémy Martin is the only House of Charente to offer winemakers customised training on environmental certification, with the support of the French Chambers of Agriculture and inter-trade associations. This personalised guidance to reach level 3 HVE environmental certification is provided individually to each winegrower and in the form of group workshops. Actively committed to developing more sustainable practices in the region, the Centaur brand thus hopes to accelerate the number of partners mobilised for sustainable agriculture in the region. This year, all winegrowers already HVE-certified have renewed their certification.

"True to the spirit of the House of Rémy Martin, we place emphasis on a personalised approach to training. We are proud to support our winegrowing partners throughout the entire process by organising workshops, visits and meetings, along with practical scenarios, thus helping them to move forward with bringing their farming operations into compliance. This process is often fraught with challenges, and we help make it clearer and more seamless. Playing a key role in this support and in the winegrowers' adoption of the approach is very rewarding for me, and for the whole Cellar Master team." **Valérie Baumann, Consulting Engineer in Viticulture-Oenology, House of Rémy Martin**

The St-Rémy distillery, using supplies sourced only in France, works hard to strengthen the quality of its supplier relationships. In keeping with SDG 15, St-Rémy organised a presentation and awareness meeting with one of its main distillers to inform it of the Group's virtuous practices and CSR approach. To enhance the reliability of its *eaux-de-vie* sourcing, the brandy House is interviewing cooperatives via questionnaires to ascertain their level of commitment and involvement.

Valuing the environmental excellence of its partners: the Centaurs of the Environment

Since 2018, the House's partners that have obtained HVE certification in the past year are rewarded at an annual ceremony, the "Centaurs of the Environment". These awards demonstrate the accelerated mobilisation of our partners in the environmental certification process:

- In 2018: 70 winegrowing partners rewarded.
- In 2019: 88 winegrowing partners rewarded.
- In 2020: 62 winegrowing partners rewarded. This year, despite the health situation, the Minister of Agriculture expressed his congratulations and encouragement to the House and the certified winegrowers in person.

To promote knowledge sharing and help winegrowers to deal with new digital tools, the House of Rémy Martin organised a conference on tomorrow's viticulture, with the contribution of experts. At its Estates, the House has been testing precision viticulture for several years to enable winegrowers to gain a more thorough understanding of the vineyard, thus facilitating decision-making and minimising the environmental impact.

BUILDING THE FUTURE WITH THE WOMEN AND MEN WHO MAKE EXCEPTIONAL PRODUCTS



Committing to People and building the future with them means knowing how to take action for the well-being of all, everywhere in the world.

To combat the Covid-19 pandemic, the Group's employees made an early commitment, equal to their human and financial resources, to help and support players in healthcare. All over the world, donation campaigns were implemented by the brands directly to support local players. The Group's French sites (Cognac, Angers and Trièze) donated neutral alcohol to local health facilities, allowing them to make hand sanitizer. In China, the Group donated 1 million yuan to the purchase of protective medical equipment.

Rémy Cointreau also carried out actions in support of populations made vulnerable by the situation. In the United States, the Group donated \$200,000 in financial support to bartenders deprived of income. The Cointreau brand, which is particularly close to the bartender community, contributed half of this donation.

These local support initiatives have revealed the employees' commitment to their terroirs and a state of mind steeped in the values upheld by the Group.

A lockdown sonnet

During lockdown, our employees wrote poems in French and in English, to celebrate their shared passion for mixology or the values of the Group.

Bodies of creativity who dare
To act as the embroidery needle,
Weaving generations of savoir-faire.
A house is no home without its people.

A deep, nurtured connection to our lands,
Appreciated by those near and far.
A devoted bond created by man,
Forever intertwined with our terroirs.

The intangible core of heritage,
Which cannot be bought or imitated,
A priceless illusion of privilege,
It is from time we originated.

It is within these values lies our strength,
distilling alone for an unknown length.

"The men and women of Rémy Cointreau, in unprecedented times - © 2020 Group"

COMMITTING TO THE HIGHEST LEVEL OF GOVERNANCE TO ASSERT THE GROUP'S RESPONSIBILITY

Of the 10 Sustainable Development Goals (SDGs), Rémy Cointreau attaches special importance to the establishment of effective and accountable institutions up to the highest level of governance. In order to maintain the highest standards and a capacity for effective control,

For responsible governance in keeping with CSR criteria

As part of the governance actions implemented by Rémy Cointreau's CSR Committee, a portion of the variable compensation of senior executives on the Executive Committee is indexed to CSR objectives, in line with the main SDGs adopted:

- **Water management** (SDG 6): Group Chief Operating Officer
- **Well-being of employees** (SDG 8): Director of Human Resources
- **Circular economy and eco-design** (SDG 12): Chief Executive Officer of the liqueurs and spirits division
- **Action to combat climate change, reducing carbon emissions, and the transport of products** (SDG 13): Chief Executive Officers Asia/Pacific, Americas and EMEA
- **Sustainable agriculture** (SDG 15): Chief Executive Officer of the House of Rémy Martin and Chief Executive Officer of the Whisky Business Unit

The other Exco members are also involved in pursuing these targets, as a variable

the Group shares its commitments with its partners and ensures their implementation. In this way, the Group forges a collective destiny alongside its partners and shows its determination to act for change.

portion of their compensation is determined by the average achievement of these goals. Each Comex member is an ambassador of the Group's CSR commitments and their advancement through the work of all Rémy Cointreau employees.

In addition to governance actions, the CSR Committee (whose members are taken from the Board of Directors) aims primarily to oversee the implementation of the Group's CSR policy. it is responsible for ensuring compliance with the UN Global Compact and the CSR charter, assessing the actions implemented as part of the CSR Plan, and monitoring the dashboard of indicators. It also checks the result of CSR reporting verification audits, changes in non-financial ratings, and the outlook in terms of actions (2025 CSR plan). Lastly, Rémy Cointreau's governance must ensure the integration of the Group's CSR approach at all levels of management, from the Board of Directors to the structures overseeing teams of co-workers.



Ensuring ethical business conduct by spreading best practices

For the Group, business ethics is not just a CSR topic; it is the responsibility of everyone, including partners, suppliers and stakeholders. Compliance with the various applicable regulations is more than just a legal requirement. For Rémy Cointreau, it is further proof that respect, honesty, integrity and equality form an integral part of its values. Aware that employees are often the first to identify inappropriate behaviour or actions within the Group, Rémy Cointreau has developed a whistleblower charter this year to recognise that everyone has the right to flag bad practices, abuse or wrongdoing in full confidence, but also to seek help and advice. In so doing, Rémy Cointreau hopes to provide its employees with a framework of trust in which they are free to express themselves.

In order to more generally raise investors' awareness of its CSR commitments, the Group regularly partakes in financial road shows with a special focus on CSR, enabling it to present its entire CSR strategy to SRI investment funds.

Exemplary actions recognised internationally

On the international scene, Rémy Cointreau leads by example in the area of CSR. In acknowledgement of this recognition, Rémy Cointreau was awarded first place in the Gaia Rating, from among 230 companies. Created by Ethifinance, an extra-financial analysis and consulting agency, the Gaia index rewards small and medium-sized companies for their CSR performance and transparency. The Group thus received a score of 90/100 based on an analysis of more than 70 criteria, such as CSR policy, energy management, transparency and governance. For the first time, Rémy Cointreau was placed at the very top of this ranking: a strong signal that

For a transparent and exemplary fiscal policy

Operating in some twenty countries around the world, mainly through subsidiaries, the Group is committed to complying with all tax regulations applicable to all its activities. For the 2019/2020 financial year, the Group's income tax expense amounted to €60.9 million, i.e. an effective tax rate of 34%.

Moreover, Rémy Cointreau contributes to the public finances of its various countries of operation through the payment and collection of taxes and contributions, in particular turnover taxes, customs and excise duties, payroll taxes, property taxes and other local taxes specific to each country.

The Group neither establishes nor encourages any form of tax evasion, and ensures the operational reality and tax validity of its operations by refusing any artificial arrangements. It makes all tax transparency declarations, such as the Country by Country report or declarations of this type requested in its countries of operation.

rewards its long-standing commitment to its employees and partners, and encourages it to go even further.

In further recognition of the Group's strong CSR measures implemented over several years, it was identified as a player with responsible investment practices by Generali Investment - a company that prepares a ranking of ethically responsible companies in the agri-food sector every year. Rémy Cointreau climbed the ranks to fourth position this year.

_CULTIVATING COLLECTIVE INTELLIGENCE

The well-being, equality and fulfilment of each employee are key to collective success. To ensure everyone plays a role in CSR commitment, Rémy Cointreau fosters a sustainable approach to management to support employees in the long term.

Promoting individual well-being to guarantee collective success

The diversity of the Group's professions and its operations across three continents enable each person to discover bridges and grow in step with their professional ambitions and their personal life. Functional and geographic mobility is strongly encouraged by the human resources teams, which help identify talents. Like the Group for which they work, employees are encouraged to enhance their skills and show boldness and ambition in their career choices.

To encourage creativity, the brand's teams met in Paris for Innovation Day – a day of awareness-raising and discussions centred on disruptive innovation, data and the advancement of innovation through CSR.

To enrich the professions, give rise to new skills and develop the talents of its teams, the Group offers training modules freely available online. In France, for example, e-learning modules are provided on IT security, GDPR and compliance. Rémy Martin has launched a new environmental training module on its intranet platform to enable its ambassadors and the Group's sales teams to learn about and receive training on the House's environmental actions and culture.

Rémy Cointreau seeks to continuously improve workstations to ensure its employees' safety and well-being on a daily basis. In Cognac, employees working at the *eaux-de-vie* storage facility receive compulsory training to learn about the management of quantities of *eaux-de-vie* in the process of ageing. In France,

the Group has offered a comprehensive health assessment every two years since 2018, covered in full. Employees can thus check their physical health and better prevent risks.



Guaranteeing non-discrimination and gender equality

With goodwill, humanity and discretion, the Group's human resources teams support each employee with their career path and strive to protect the most vulnerable of them. Taking practical action against gender discrimination, the Group has adopted the gender wage equality index to foster an equality policy in terms of remuneration, mobility and recruitment.

To promote respect and authentic human relationships, this year Rémy Martin hired four workers with disabilities in its bottling lines. Their work environment was adapted to ensure safe and efficient work.

The Group also draws its abundant cultural and ethnic diversity from its various countries of operation. Accordingly, the teams responsible for recruitment strive to establish a diverse pool of talent, all passionate about the brands and whose expertise, creativity and intelligence enhance the Group's multicultural identity and the flavours of its products.

Promoting local employment

Wherever the Group operates, it undertakes to recruit locally and support local employment.

In 2018, research conducted by Mount Gay on its societal impact confirmed the importance of its activity for the development of Barbados, in terms of employment and wealth creation: the distillery supports a total of 475 direct and indirect jobs on the island.

As for Bruichladdich, the brand collaborates with 85 inhabitants of Islay and 18 people work on-site. The distillery is the second-largest manufacturer on the Scottish island and the largest private employer.



Uniting employees by participating in solidarity initiatives

Each Group employee feels strongly about making a simple, sincere contribution to help reduce the carbon footprint of its activities. The We Care Day has become a day of sharing and enthusiasm for the Group's 1,900 employees. All around the world, they have come together for the second year in a row to preserve their living environments.

This day of solidarity has inspired actions to protect the environment and local heritage. At the Cognac facility, We Care Day was held in several historical sites across the region. At the Château de la Mercerie, employees helped to renovate the building and its gardens; at the Abbaye de Châtres, environmental protection activities were organised. In Greece, the Metaxa teams cleaned the beach in Saronida (south of Athens) and collected more than one tonne of waste. Not to mention Asia: in China, employees in Pudong planted trees, while

those in Singapore collected more than 50 bags of waste on the beach. The Africa and Middle-East teams cleaned a beach in Lebanon and collected more than a half-tonne of plastic waste. In London, Stave Ecology Park was fully cleaned and a playground was built there. In the United States, a butterfly garden was developed, whereas teams at the Dallas site cleaned up pollutant waste along White Rock Lake.

This global and annual day also enabled the Group to strengthen relationships between the teams, local communities and the region where they live.

Each Group employee feels strongly about making a simple, sincere contribution to help reduce the carbon footprint of its activities.

ENCOURAGING RESPONSIBLE PRACTICES

The Group encourages its employees and stakeholders to give practical expression to the Group's values in their individual behaviour and their attitudes towards customers. Rémy Cointreau strives to maintain and develop responsible practices by its suppliers, in its regions of operation, and promotes responsible consumption by all.

Ensuring excellent practices by our partners

For Rémy Cointreau, setting an example means driving and embodying a wider movement within its ecosystem to promote responsible practices. In line with SDG 8, which aims to promote responsible sourcing, the Group has been a member of the SEDEX (Supplier Ethical Data Exchange) platform for several years. This international organisation, which encourages ethical and responsible practices in global supply chains, enables Rémy Cointreau and its partners to pool information and simplify sourcing processes with a view to establishing a more responsible approach. Supplier data on labour, hygiene, safety, environment and business ethics standards are available to all, together with audits conducted by other customers on suppliers. Since the Group's membership, the number of its strategic suppliers joining SEDEX has risen continuously, reaching 86% this year.

To ensure excellent practices from start to finish, the Group now requires that these partners' own second-tier suppliers also have SEDEX certification.

The Group has decided to disseminate its vision for responsible sourcing and the management of related risks as widely as possible. Since 2003, it has been a signatory of the United Nations Global Compact, which gathers companies and non-profit organisations. The Group is also a member of the GC Advanced Club (maximum level of reporting within the UN Global Compact), which aims to help signatories to commit and to assess, define, implement, measure and broadcast their social responsibility strategy.

Bruichladdich, first whisky and gin distillery in Europe to obtain B Corporation (B-Corp) certification

Highly involved in its terroir alongside the men and women of Islay, Bruichladdich received international B-Corp certification after several months of audit. This certification rewards the distillery for its ambitious sustainable development programme, and its commitment to foster exemplary and responsible methods in its ecosystem of suppliers, customers and partners. The distillery has incorporated a strong human dimension into its CSR commitment by developing career opportunities for its 80 permanent employees on the island, and also by favouring local suppliers as far as possible.

As part of an ambitious sustainable development plan for the years to come, Bruichladdich has also purchased 15 hectares of land reserved for research and development focused on responsible agriculture.

Getting involved in the regions to support local communities

As ambassadors of Rémy Cointreau's CSR policy, the Group's employees have participated in several solidarity initiatives. By sharing their enthusiasm outside of the Group, they fully contribute to the Group's societal commitments.

In France, more specifically Cognac, the Rémy Martin teams donned their sporting attire at various local solidarity events. Others decided to support the Cognac association *Les Lettres au Service des Maux* (Letters to serve Maux), which supports families in the region with children suffering from multiple disabilities or severe behavioural disorders. Rémy Martin employees also participated in a support initiative for the family of a young girl with a neurobehavioral disorder, in order to finance a portion of her riding therapy.

Support for local employment and vulnerable people also lies at the heart of Rémy Martin's humanitarian action. That is why it continues to support the *Fondation de la deuxième chance* (Second Chance Foundation) to help and guide people wishing to bounce back after a life crisis. The House also plays an active role alongside schools, universities and organisations dedicated to local economic development. Its commitment takes the form of support for regional associations invested in the promotion of sustainable development.

Deeply involved in Charente and having been a partner of the Sustainable Development award in the Cognac region, the House of Rémy Martin has supported the *Fresque du Climat* (Climate Fresco) initiative to raise climate change awareness among the region's inhabitants. This initiative forms a part of the Climate Plan of the Grand Cognac community. In addition, the Group is a member of the CSR committee for the BNIC (Bureau National Interprofessionnel du Cognac).



Maintaining strict standards around responsible consumption

Driven by the conviction that moderate consumption pays tribute to the work of the men and women who create exceptional products, the Group this year launched initiatives to promote responsible consumption. In all the Group's areas of operation, it wanted to demonstrate its commitment to responsible consumption (SDG 3) through practical measures aimed at its customers and employees.

To better inform its customers about its products and raise their awareness of responsible consumption, the Group has signed an important agreement with five major groups of European alcohol manufacturers and several national federations. They have committed to a nutrition labelling protocol for spirits: gradually, a product's calorie content and detailed ingredients will be displayed on containers. The new bottles produced by Rémy Cointreau will include these labels setting out the calorie content and showing the recommended consumption units.

Members of the West Indies Rum & Spirits Producers' Association (WIRPSA), which include the Mount Gay distillery, met in Barbados to work on spreading

messages of prevention surrounding abusive alcohol consumption and its effects. Together, they have committed to raising awareness among local populations to promote responsible consumption. New responsible labels with specific messages will be displayed on bottles, in particular to combat driving under the influence, alcohol consumption by minors, and alcohol consumption during pregnancy. Nutritional information will be available on the brands' respective websites. In addition to this initiative, rum producers adopted a new code of advertising and marketing practices for their products, to promote more responsible consumption on social networks like Facebook and Instagram.

An active player in the promotion of responsible consumption on the Caribbean island, Mount Gay is also combating alcoholism with the local Substance Abuse Foundation (SAF). In particular, an awareness-raising session was organised with SAF among secondary school pupils during the We Care Day in Barbados.





Promoting responsible consumption

In January 2020, for Dry January, Cointreau followers were able to view a series of original cocktail recipes on the brand's Instagram, to be made with the famous Cointreau liqueur, followed by an alcohol-free version. A fun way to promote responsible consumption directly to its customers. To make the Pear Trip recipe by @lefrenchcocktail in its "dry" version:

- Combine 100 ml pear juice and one teaspoon of orange blossom water together in a tall glass with a few ice cubes.
- Mix.
- Serve with caramelised nuts.

The people of Rémy Cointreau are surely our best ambassadors when it comes to talking about our CSR commitments...

<p>“</p> <p>Sustainability means building a stronger legacy for the next generations every day. Thinking about reducing our waste, creating more value while using less resources, and investing in the future.</p> <p>Florian Hériard Dubreuil</p> <p>”</p>	<p>“</p> <p>Living and working in a responsible way means respecting the environment and reducing your impact. I use public transport to commute, and I recycle in our shared office kitchen on a daily basis.</p> <p>Robert Carmichael</p> <p>”</p>	<p>“</p> <p>Even if we are a part of the problem, we can be a part of the solution.</p> <p>Scott Sell</p> <p>”</p>
<p>“</p> <p>Acting sustainably means always being on top, going for excellence at every stage, whether in the quality of our products or in interactions with customers.</p> <p>Erkki van Collie</p> <p>”</p>	<p>“</p> <p>Sustainability is inherited from the past, to be implemented today, for the benefit of the future. The heritage project in China, for example, is a living example of the implementation of sustainability.</p> <p>Sophia Shi</p> <p>”</p>	<p>“</p> <p>Sustainability is acting now for a better tomorrow and being aware, at every level of the company, that small things can make a big impact. This also means combining business targets with a sustainable approach.</p> <p>Xavier Tallot</p> <p>”</p>
<p>“</p> <p>Sustainability has been the essence of Rémy Cointreau for over 300 years. It means being bold about the future and working with passionate people and subjects. I wanted to study CSR in more detail. I then had the opportunity to complete my Cambridge University diploma on Sustainability Leadership.</p> <p>Ana Almeida</p> <p>”</p>	<p>“</p> <p>Being sustainable means taking care of the environment and of people. This also involves having a good management that respects the Group’s rules and prioritises more eco-friendly transport.</p> <p>Christophe Charpentier</p> <p>”</p>	<p>“</p> <p>Sustainability means constantly reviewing and adapting our lifestyle, habits and practices to ensure our children and grandchildren will still be able to do the same in a hundred years. CSR changes the way we manage daily projects and talk to our clients. It must be part of our everyday actions and decisions.</p> <p>Thibault Robert</p> <p>”</p>
<p>“</p> <p>Sustainability is preserving something for use by future generations. Every day, I try to make each journey as efficient as possible and ask myself if modern communication methods could be used instead.</p> <p>Brian Copeland</p> <p>”</p>	<p>“</p> <p>For me, sustainability means that we are able to produce goods without harming our environment. As a result, I print documents only if absolutely necessary, and I travel mainly by train.</p> <p>Carole Quinton</p> <p>”</p>	<p>“</p> <p>Acting sustainably means caring for the future and the well-being of our future generations. Coming from the Nordics, we have the nature close to us and I value it a lot. I hope to do more for the Group and for my area.</p> <p>Michael Nystrom</p> <p>”</p>



SAFEGUARDING THE FUTURE BY COMBATING GLOBAL WARMING

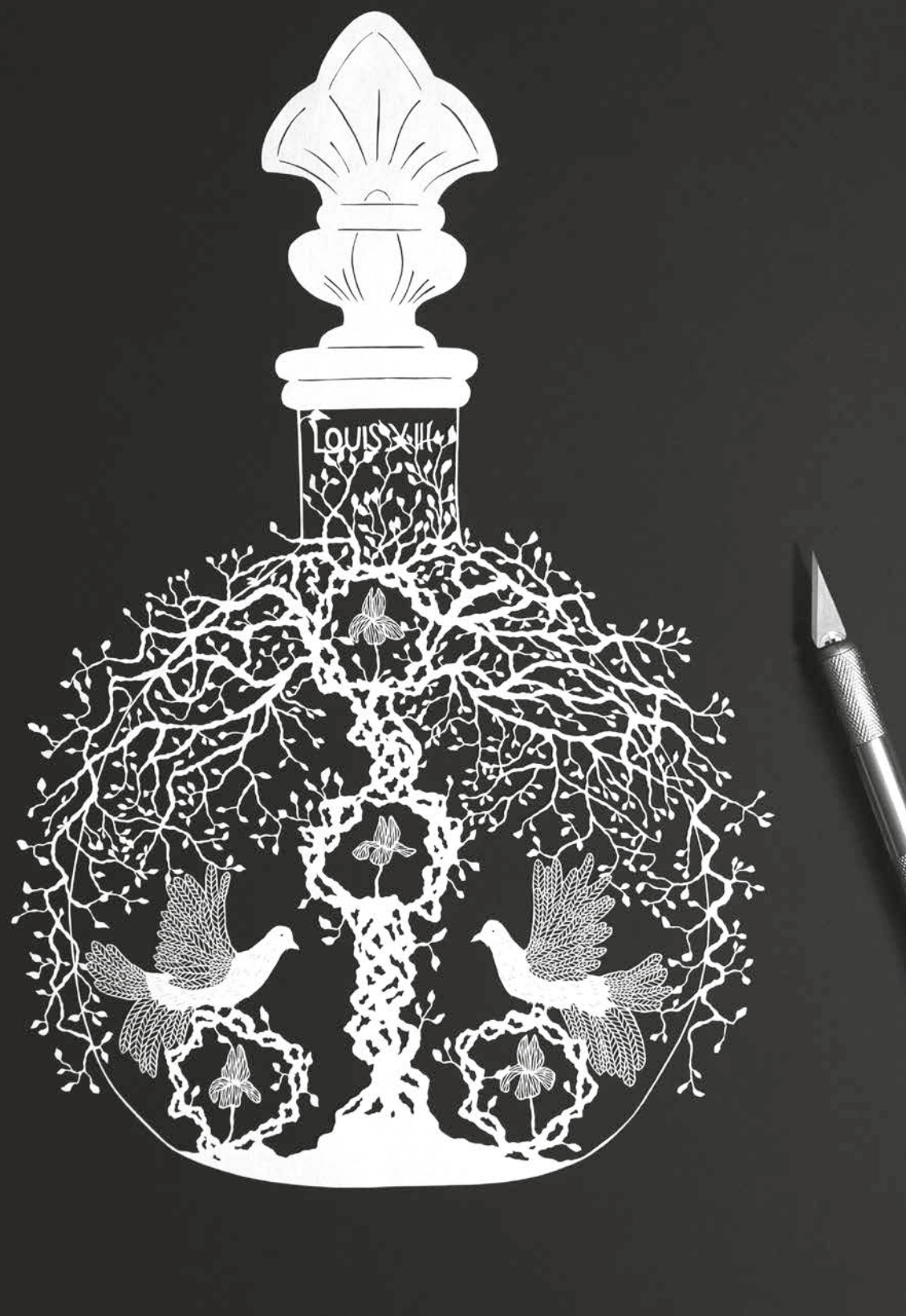
Respecting the value of Time to create exceptional products this year led to the ramp-up of eco-design efforts.

After awareness-raising sessions and the first training efforts in our teams, a tool has been rolled out Group-wide for the first time to assess the impact of eco-friendly packaging design from end to end. Stringent and demanding, this new tool – the IPE index – reflects Rémy Cointreau's attention to the sustainability of its products. Its roll-out echoes the Group's new goals: reducing its carbon emissions by 50% by 2030 in order to achieve the Carbon Neutrality target in 2050.



_COMMITTING TO THE DEVELOPMENT OF SUSTAINABLE PRODUCTS

Rémy Cointreau is truly concerned about combating global warming. The Group's brands have felt the impact of global warming on their terroirs and are committed to ensuring the continued existence of their two most precious assets: their raw materials and their expertise. The attachment that the Group's brands have for the spirits they craft raises awareness of the importance of preserving resources.



"The Group has committed to drastically limiting the footprint of its products' packaging by considering its full lifespan, from production to receipt by consumers, including transport."

Improving the ecological quality of products

Improving the ecological impact of its products is one of the priority goals of Rémy Cointreau's 2025 CSR plan, in line with SDG 12, which aims to establish sustainable consumption and production methods. The Group has committed to drastically limiting the footprint of its products' packaging by considering its full lifespan, from production to receipt by consumers, including transport. The Group has adopted an Environmental Performance Index (EPI), which is now incorporated into all packaging design procedures for the House of Rémy Martin, and for the products of the Cointreau, Metaxa and St-Rémy brands. This tool is based on 14 environmental criteria, including carbon emissions, the depletion of natural resources, water consumption, and aquatic toxicity. The indices obtained have already made it possible to identify avenues of improvement to reduce our environmental impact, based for example on reducing the weight of the different materials making up the packaging, or increasing their recyclability. It is a new approach that addresses the goal of reducing raw material consumption. A real environmental benchmark for the Group, the EPI index guides the men and women who design packaging and prompts them to apply eco-design methods in an increasingly virtuous approach.

Other actions will be considered in line with supplier practices. Contacts were established to involve them in the Group's circular economy targets, giving priority to the use of recycled materials in the manufacturing of packaging. In addition to this new rating method, the "7 R" method has been rolled out, which all teams are now applying to packaging design. The capital letter R in Rémy Cointreau

thus symbolises the seven key criteria that underpin the actions and continuous improvement undertaken in the area of packaging: *Remove, Reuse, Renew, Reduce, Recycle, Replace, Re-engineer*. Together, these criteria underpin a conceptual framework to encourage innovative, effective packaging for the Group's teams.

Limiting plastic waste to reduce our footprint

Rémy Cointreau has always placed its trust in its employees' search for meaning and in their initiatives to limit its environmental impact. Especially sensitive to preserving the environment of its island, Mount Gay has committed alongside the NGO Oceana to a plastic reduction campaign in order to safeguard marine flora and fauna. Taking advantage of its brand name, it communicates Oceana's actions to its customers and seeks to ensure that, in turn, everyone contributes to safeguarding the oceans, thus encouraging its customers to stop using single-use plastics like straws and packaging.

In the heart of Grande and Petite Champagne, the House of Rémy Martin is also committed to a world free from polluting plastics: by 2025, the House hopes to discontinue all packaging that is not recyclable, reusable or biodegradable. This ambitious goal echoes the decision to gradually abolish Cognac VSOP packaging from its on-trade boxes, which are now distributed and sold without any finery other than the curve of the well-known bottle.

TARGETING A NET ZERO CARBON FOOTPRINT IN 2050 BY DRASTICALLY REDUCING GREENHOUSE GAS (GHG) EMISSIONS

To combat global warming even more effectively, Rémy Cointreau has revised its CSR policy to reduce its carbon emissions across all its activities, in order to keep pace with the targets established by the global climate agreement limiting global warming to 2°C (or even 1.5°C) across the planet.

Encouraging virtuous practices

The Group has set itself the target of reducing its carbon emissions by 50% by 2030, and is working towards carbon neutrality in 2050. In keeping with the mapping of related risks, it has established indicators to measure its carbon impact. The goal: minimising the environmental impact of the activities of each of the Group's brands.

This year, the calculation of carbon emissions was extended to scope 3 across all the Group's sites and activities (global production sites).

Rémy Cointreau adapts its actions and practices according to scientific forecasts. The Science Based Targets (SBT) tool has enabled it to quantify the Group's three greatest sources of carbon emissions: packaging, raw materials and transport. It thus offers an opportunity to more easily consider practical actions to reduce environmental impact.

To further limit its energy footprint, Rémy Cointreau's French sites (excluding Domaine des Hautes Glaces) get all their energy from renewable sources, certified by CGOs (Certificate of Guarantee of Origin). In Seattle, the Sustainable Development Goals provide a framework for the Westland to develop its ecological projects. As part of the fight against global warming (SDG 13), Westland gets 90% of its energy from renewable sources.

In Barbados, the Mount Gay distillery has undertaken to reduce its gas emissions by purchasing hybrid vehicles with innovative equipment. Solar panels have also been installed to cover 25% of the site's electricity consumption by 2025.

The French Business Climate Pledge

As part of the European climate agreement, and more generally the global climate agreement, Rémy Cointreau strives to embrace a collective momentum to preserve the planet. In 2017, the Group partnered with 99 other major French companies in the French Business Climate Pledge. This year, at the 2019 *Rencontre des Entrepreneurs de France* (Meeting of French Entrepreneurs), the Group furthered its commitment by asserting the necessity of collectively changing course by ramping up innovation and Research & Development to develop low-carbon solutions and achieve carbon neutrality in France by 2050. Together, 55 signatory companies renewed their commitment to the French Business Climate Pledge and plan to invest €73 billion in low-carbon solutions by 2023. This initiative strongly resonates with Rémy Cointreau's historic commitments to the environment at the French, European and global level.

Optimising and reducing the impact of its transport channels

Rémy Cointreau implements actions to reduce greenhouse gas emissions at various stages of a product's life cycle, especially regarding the transport of its goods. To ensure all partners and suppliers embrace this momentum, the Group has adopted the TK' Blue tool, used to measure, monitor and adapt the impact of carbon emissions and other greenhouse gases caused by transport.

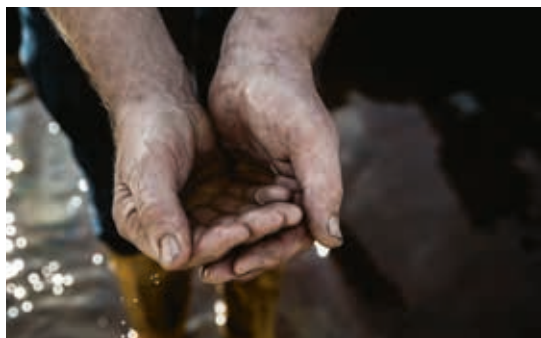
Available to all (Group, carriers, partners, etc.), this platform incorporates changes in practices in real time and measures their environmental impacts. This educational tool enables everyone to get involved at all stages of the transport chain.

To transport its products of excellence from Europe to Asia, Rémy Cointreau is targeting the New Silk Road. This year, tests were conducted to replace some air transport operations by rail transport. This new, more eco-friendly transport mode, which has a reduced environmental impact compared to air transport, already serves two whole continents: from Hamburg to Warsaw, Warsaw to Beijing, and Beijing to Suzhou. This initiative enables the Group to further reduce the carbon footprint of its transport.



_PRESERVING RESOURCES TO SECURE THE FUTURE

Rémy Cointreau and its multi-century brands have a very special relationship with time; it creates the taste of amazement and pride. Taking a long-term approach, the Group's Houses have always paid particular attention to transmission as a way of securing the future. Their commitment to their terroirs drives



Preserving water resources

All around the world, Rémy Cointreau aims to implement mappings to measure the actual water consumption of its production sites by 2025. This year, this type of mapping was carried out at the Angers site for the first time. By implementing these actions worldwide in the future, the Group will limit the impact of its activities on this raw material essential to the development of Rémy Cointreau products.

Faced with the risk of water shortages and droughts in Barbados, Mount Gay is working on developing a water management plan as part of the Group's 2025 CSR goals. As rum manufacturing processes are water-intensive, the distillery limits the use of the island's resources by prioritising the reuse of water already extracted for the distillation, as far as possible. The brand also closely monitors its water use across its infrastructure network to minimise waste. As part of a community-minded and committed approach, Mount Gay has thus established measures to ensure the smart and moderate use of resources.

them to implement ever more exemplary actions, in tune with climate conditions and to protect resources, in particular the scarcest resources, like water. The Group applies the strictest standards to measuring and reducing its environmental impact and its activities.

Promoting best practices among the group's employees

To drive good practices, Rémy Cointreau relies on the collective motivation and intelligence of its women and men. For the first time this year, a week was organised to raise awareness among all employees of the need to reduce their carbon footprint. During this IT Green Week, employees were asked to pay special attention to deleting old emails (a source of server saturation), which can have a very high carbon footprint.

In a bid to reduce carbon emissions, the Group also implements actions related to paperless processes. New tools were rolled out within the supplier accounting department to enable the receipt and processing of supplier invoices via a paperless process. All suppliers were contacted to inform them and raise awareness of these new document transfer methods. Paperless processes also involve a sharp rise in video conferencing, a smart alternative to carbon-intensive business travel.

Providing responsible transmission with the Living Heritage (EPV) label

Guardians of centuries-old traditions, the Maison Rémy Martin and the Angers site are labeled "Living Heritage Company". The only distinction awarded by the French government to honour French companies for artisanal excellence, it recognises our sites' quest for environmental and social excellence. Rémy Martin's wine tourism offer enables transmission and informs the public of the brand's history, heritage and expertise, together with its commitment to responsible consumption.










Ensuring the continued existence of raw materials

In Charente, time is an ally of cognac producers. It is responsible for ageing *eaux-de-vie* and urging the vines to grow. Trees are also raw materials essential to the production of the House's exceptional products. In the historic Grollet estate, the House of Rémy Martin, in partnership with the National Forestry Office (ONF), planted 825 pedunculated oak seedlings to guarantee their continued existence. Although the plot of land is limited to 0.5 hectare, it is an investment in the future: used to make Louis XIII cognac tierçons, the oaks trees will be ready in a century. The House takes a long-term approach to preserve its raw materials.

Moreover, the House has partnered with a leading player in French heritage, the Palace of Versailles, by contributing to the creation of the "Admirable Trees" path in the Palace gardens. This marked and audio-guided path presents the

estate's exceptional essences. Selected from the Estate's 350,000 trees, the thirty "Admirable Trees" chosen by the House stand out for their botanical rarity, their history and their beauty. These trees include a pedunculated oak tree over 350 years old and a very rare double-headed palm tree from Asia. This patronage and the communication surrounding it also pass on these living memories to future generations and support the work of the Palace's gardeners. Embodying the values shared by the House and the Palace – long-term approach, transmission, expertise – this patronage is also aligned with the ecological vision of the entire Rémy Cointreau Group.

TABLE OF PROGRESS INDICATORS ⁽¹⁾ AND MONITORING INDICATORS ⁽²⁾

			2015 2016	2016 2017	2017 2018	2018 2019	2019 2020
EMPLOYEE RELATED RISKS		Employee well-being	Turnover, in % ⁽²⁾ - GRI Standard 401-1		14.8	13.2	13.8
			Absenteeism, in % ⁽²⁾ - GRI Standard 403-2		4.6	3.0	2.3
			Workplace accident frequency rate, in % ⁽²⁾ - GRI Standard 403-2		8.90	13.31	9.13
			Workplace accident severity rate, in % ⁽²⁾ - GRI Standard 403-2		0.07	0.13	0.38
			Average age, in years ⁽²⁾		41	41	40
			Seniority, in years ⁽²⁾		9.4	9.1	8.4
		Non-discrimination and internal social balance	Ratio of male / female managers, in % ⁽¹⁾ - GRI Standard 401-1		43	44	45
			Gender Equality Index, scored out of 100 ⁽¹⁾				83 ^(E)
			Ratio of male / female training, in % ⁽¹⁾ - GRI Standard 404-1		43	43	46
		Internal training / skills development	Percentage of employees completing at least one training course per yearn, in % ⁽²⁾			79	74
Hours of training ⁽²⁾ - GRI Standard 404-1			15 954	18 463	24 243		
ENVIRONMENTAL RISKS		Sustainable agriculture	Percentage of agricultural land managed sustainably, in % ⁽¹⁾		36	52	58
			Percentage HVE certification of vineyards in the Cognac wine-growing cooperative (AFC), in % ⁽¹⁾		23	42	50
		Climate change	CO ₂ emissions (Total Scopes 1, 2 & 3), in tCO ₂ eq ⁽²⁾ - GRI Standard 305-3		145 789	135 528	174 842 ^(A)
			Percentage of significant CO ₂ emissions - product packaging, in % ⁽²⁾			37.0	46.5 ^(A)
			Percentage of significant CO ₂ emissions - downstream product transportation, in % ⁽²⁾			22.7	19.3 ^(A)
			Percentage of significant CO ₂ emissions - raw materials, in % ⁽²⁾			30.6	14.7 ^(A)
			Total energy consumption, in MWh ⁽²⁾ - GRI Standard 302-1		36 235	41 854	39 656
			Renewable electricity consumption, (world) in % ⁽¹⁾			78	77
		Water and wastewater management	Water consumption in m ³ ⁽²⁾ - GRI Standard 303-1		123 729	133 418	174 945 ^(B)
			Volume of liquid waste recovered from distillation, in % ⁽²⁾ - GRI Standard 306-1				41 ^(A)
SOCIETAL RISKS		Circular economy / customer information	Volume of solid waste recovered, in % ⁽²⁾ - GRI Standard 306-2		91	89	92
		Responsible purchasing	Percentage of suppliers who are Sedex members, in % ⁽¹⁾ - GRI Standards 308-1 and 414-1		54	83	89
						92	85
		Business ethics	% of the workforce trained in the code of ethics ⁽¹⁾		80	^(D)	86
			Number of alerts ⁽²⁾			6	5
	Governance	Number of B-Corp certified production sites ⁽¹⁾				1	

(a) Indicator performance change mainly reflects the adjustment to how emissions are calculated (migration from the Bilan Carbone tool to the GHG Protocol tool) and the inclusion of the Islay, Domaine des Hautes Glaces and Westland sites. / (b) Indicator performance mainly reflects the partial inclusion in CSR reporting for the first time of water consumption from the well used at the Barbados site. / (c) Indicator performance change mainly reflects the inclusion in CSR reporting the first time of all water consumption from the well used at the Barbados site. / (d) No indicator due to the frequency of training (every two years). / (e) New indicator 2025 CSR Plan. / (f) Change due mainly to an extension to scope 3 (CO₂ emissions).





05 FINANCE

2019/2020 was a singular year.

It experienced the combined effects of (i) a global pandemic that severely limited consumption of spirits in the on-trade segment and purchases at airports, (ii) the threat of US import tariffs, (iii) a degree of global geopolitical instability, and (iv) the consequences of decisions specific to the Group, such as changes in its European distribution network and its withdrawal from some Partner Brand distribution contracts.



CONSOLIDATED ANNUAL RESULTS 2019 / 2020

2019/2020: a singular year
Profitability that remains high
Ambitious new medium-term targets

In the financial year ending March 2020, Rémy Cointreau posted sales of **€1,024.8 million**, down 9.0% on a reported basis and 11.2% on an organic basis (assuming constant exchange rates and consolidation scope).

Current Operating Profit came in at €215.1 million, down 18.6% on a reported basis and 22.0% on an organic basis after a historically strong financial year 2018/19. The **current operating margin**, while declining, came in at a **satisfactory 21.0%** thanks to a remarkable increase in the gross margin (up 2.8 percentage points on an organic basis) and favourable foreign exchange effects (up 0.4 percentage point). However, profitability was pulled down by continued strategic investment in communication and by structure costs.

Excluding non-recurring items, net profit attributable to the Group came in at **€124.2 million**, down 26.9% on a reported basis.

_HOUSE OF RÉMY MARTIN

Sales at the House of Rémy Martin declined 7.5% on an organic basis in 2019/20 (down 5.0% on a reported basis). Mainland China had another year of very strong growth despite fourth-quarter sales being hit hard by the pandemic. Performance in other markets was more mixed, particularly in Travel Retail, the United States (due to retailers reducing their stocks) and Europe (due to changes in the distribution network). In spite of an unfavourable environment, the upscaling strategy continued to filter through into very positive mix



and price effects (adding 2.6% to sales), partly making up for lower volumes over the period (down 10.1%).

Current Operating Profit totalled €199.5 million, down 15.3% on a reported basis, while the current operating margin came out at 27.1%, compared with 30.4% the previous year. Although the gross margin rose by one percentage point, structure costs and increased communication investment to support the autumn 2019 launch of the new Rémy Martin "Team Up for Excellence" campaign weighed on profitability.

_LIQUEURS & SPIRITS

The Liqueurs & Spirits division was down 3.0% in the year on an organic basis (down 1.0% on a reported basis). Changes in the distribution network in Europe and the impact of the pandemic on the business in the Asia-Pacific region in the fourth quarter masked very strong performance in the United States, buoyed by the success of Cointreau, The Botanist

and the Group's portfolio of single malt whiskies.

Current Operating Profit totalled €37.5 million, down 3.5% on a reported basis, while the current operating margin came in at 14.3% (down 0.4 percentage point), hit by declining volumes and continued strategic investment.

_PARTNER BRANDS

As expected, Partner Brand sales fell sharply in the year (down 68.7% on an organic basis and 68.5% on a reported basis) with the termination of major distribution contracts in the Czech Republic, Slovakia and the United States.

As a result, **Current Operating Profit came in at negative €1.7 million**, compared with positive €4.9 million in the year to 31 March 2019.

_CONSOLIDATED RESULTS

Current Operating Profit came in at €215.1 million, down 18.6% on a reported basis and 22.0% on an organic basis. This decrease was the result of a **17.0% organic decline in Current Operating Profit from Group Brands**, together with the strategic decision to disengage from Partner Brands and the increase in holding costs, mainly due to the organisational changes announced in March 2020.

Current Operating Profit benefited from **favourable foreign exchange** effects worth **€9.1 million** in the year: the average EUR/USD exchange rate improved to 1.11 (from 1.16 at 31 March 2019), while the average collection rate (linked to the Group's hedging policy) over the period came out at 1.16, compared with 1.18 for the period ended 31 March 2019.

Consequently, the **current operating margin** fell **2.5 percentage points to 21.0%** over the full year (down 2.9 percentage points on an organic basis).

Operating profit came in at **€195.5 million** after taking into account a net operating expense of €19.7 million, including an €18.8 million goodwill write-off partially reducing the amount of Westland's intangible assets.

Net financial income/expense showed a net expense of **€28.0 million** over the period, down €4.5 million. This reduction was the result of a further decrease in the cost of gross financial debt and the non-recurrence of the €5.2 million expense stemming from early repayment of the vendor loan by the EPI Group, recognised in the first half of financial year 2018/2019. Conversely, net foreign exchange gains/losses (gains/losses on future foreign currency flows) slightly deteriorated, down €0.7 million.

The **tax expense** totalled **€60.9 million**, giving an effective tax rate of 36.3% (33.9% excluding non-recurring items), significantly higher than the rate in the year to March 2019 (29.0% on a reported basis and 28.5% excluding non-recurring items) due to the geographical breakdown of profit and, in particular, the tangible decline in profits in the Asia-Pacific region over the latter part of the financial year.

After taking into account net proceeds of €6.4 million from the disposal of the Czech Republic and Slovakia subsidiaries, **net profit attributable to the Group** totalled **€113.4 million**, down 28.8% on a reported basis.

Excluding non-recurring items, net profit attributable to the Group came out at **€124.2 million**, down 26.9% on a reported basis, while the net margin came out at **12.1%**. **Excluding non-recurring items, net earnings per share** came in at **€2.49**, down 26.6%.

Net debt stood at €450.9 million, up €107.6 million from the position at the end of March 2019. This was mainly due to lower Group EBITDA and higher capital expenditure and tax cash outflows over the period, as well as a full payment in cash of the dividend for the year 2018/19.

The **net debt/EBITDA ratio** nevertheless remained at a reasonable level (**1.86**, compared with 1.19 at the end of March 2019).

The return on capital employed (ROCE) was **16.5%** for the year ended 31 March 2020, down 5.0 percentage points year-on-year. This was due to the combined effect of the decline in profitability of Group Brands and continued strategic purchases of *eaux-de-vie* adversely affecting capital employed.

As announced on April 16th, 2020, the Group will propose to its General Meeting to grant a **dividend of €1.00 per share for the year 2019/20**, a substantial drop compared to the €2.65 paid last year (which included an exceptional dividend of €1.00). It will also propose an option for the full amount of the dividend to be payable in cash or shares. This reduction is in keeping with the socially responsible measures adopted by the Group since the onset of the ongoing public health crisis.

_POST - CLOSING EVENTS

On 30 April 2020, the Rémy Cointreau Group announced that it had acquired the cognac house J.R. Brillet.

On 19 May 2020, the Bruichladdich distillery was certified a "B Corporation".



_2020 / 2021 AND MEDIUM - TERM OUTLOOK

In an uncertain public health, economic and geopolitical environment, the **Rémy Cointreau Group remains confident of its ability to emerge stronger from the crisis.**

More favourable trends in the consumption of spirits in the United States over the past few weeks mean the Group can slightly upgrade its forecasts for the **first quarter of 2020/2021**: it now expects sales to decline by around 45% on an organic basis (previously 50-55%). Based on what looks set to be a moderate decline in the second quarter, the Group expects **Current Operating Profit to decline by 45-50%, on an organic basis, in the first half of 2020/2021**. However, the second half of 2020/2021 should see a strong recovery, buoyed by China and the United States.

In the medium term, Rémy Cointreau reiterates its aim of becoming the global leader in exceptional spirits, a segment in which the growth outlook remains attractive, particularly in a world of more responsible consumption.

To this end, Rémy Cointreau will be pursuing its **value strategy** and its work to build a **business model** that delivers **profitable and responsible growth**. The Group is therefore setting itself ambitious financial and non-financial targets: improved portfolio management should enable it to deliver a **gross margin of 72%** and a **current operating margin of 33% by 2030**. At the same time, the Group will be rolling out its "**Sustainable Exception 2025**" plan, which aims to achieve **sustainable agriculture** across all land on which its spirits depend, as well as **reductions in its carbon emissions of 25% (across Scopes 1 and 2, in absolute terms) and 30% (across Scope 3, in relative terms) by 2025**. This will be a first step towards achieving the Group's ambition of "**Net Zero carbon**" by 2050.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

_AS OF 31 MARCH, IN €M	2020	2019
Goodwill and other intangible assets	498.2	515.4
IFRS 16 Right-of-use assets	20.8	27.2
Property, plant and equipment	310.1	269.3
Investments in associates	0.9	1.1
Other financial assets	87.3	93.9
Deferred tax liability	23.2	17.5
NON - CURRENT ASSETS	940.6	924.4
Inventories	1 363.9	1 245.5
Trades and other receivables	199.4	271.1
Income tax receivables	10.4	3.3
Derivative financial instruments	5.1	1.8
Cash and cash equivalents	269.4	178.6
CURRENT ASSETS	1 848.2	1 700.2
TOTAL ASSETS	2 788.7	2 624.6
Share capital	80.2	80.2
Share premium	795.1	795.1
Treasury shares	(30.0)	(34.4)
Consolidated reserves and profit for the year	534.4	558.0
Translation differences	22.7	26.2
EQUITY - ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	1 402.5	1 425.1
Non - controlling interests	0.9	1.0
EQUITY	1 403.4	1 426.1
Long-term financial debt	52.0	423.8
Provision for employee benefits	30.3	31.5
Long-term provisions for liabilities and charges	2.2	8.1
Deferred tax liabilities	59.4	62.4
NON - CURRENT LIABILITIES	543.9	525.8
Short-term financial debt and accrued interest	268.3	98.1
Trade and other payables	534.4	543.8
Income tax payables	18.7	18.4
Short-term provisions for liabilities and charges	11.5	2.3
Derivative financial instruments	8.7	10.1
CURRENT LIABILITIES	841.5	672.7
TOTAL EQUITY AND LIABILITIES	2 788.7	2 624.6

CONSOLIDATED INCOME STATEMENT

_AS OF 31 MARCH, IN €M	2020	2019
NET SALES	1 024.8	1 125.9
Cost of sales	(347.9)	(415.1)
GROSS PROFITS	676.9	710.9
Distribution costs	(355.0)	(346.3)
Administrative expenses	(106.8)	(100.7)
Other income from operations	—	0.3
CURRENT OPERATING PROFIT	215.1	264.1
Other operating income/(expense)	(19.7)	1.7
OPERATING PROFIT	195.5	265.8
Finance costs	(12.7)	(13.7)
Other financial income	(15.3)	(18.8)
NET FINANCIAL EXPENSE	(28.0)	(32.5)
PROFIT BEFORE TAX	167.5	233.3
Income tax	(60.9)	(67.7)
Share in profit of associates	0.3	(6.7)
PROFIT FROM CONTINUING OPERATIONS	106.9	159.0
Net profit/(loss) from discontinued operations	6.4	—
NET PROFIT FOR THE YEAR	113.2	159.0
ATTRIBUTABLE TO:		
non controlling interests	(0.1)	(0.2)
owner of the parent company	113.4	159.2
NET EARNINGS PER SHARE - FROM CONTINUING OPERATIONS		
basic	2.15	3.17
diluted	2.04	3.02
NET EARNINGS PER SHARE		
basic	2.28	3.18
diluted	2.17	3.03
NUMBER OF SHARES USED FOR THE CALCULATION		
basic	49 806 712	50 068 992
diluted	52 400 986	52 680 567

R É M Y C O I N T R E A U

21 BOULEVARD HAUSSMANN 75009 PARIS

WWW.REMY-COINTREAU.COM

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