

NO 2 F



RÉMY COINTREAU

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

"Blue like the colour of our planet,
our oceans and the sky, which we strive
to protect over time, as they nurture
our terroirs and our people."

The Earth is blue like an orange
Never an error the words don't lie
They don't give you any more to sing
In the turn of kisses to understand
The crazy and the loves
She her kiss of alliance
All the secrets all the smiles
And what clothing of indulgence
To believe her completely naked.

The wasps bloom green
The dawn passes round the neck
A necklace of windows
Of wings covering the leaves
You have all the solar joys
All the Sun above the Earth
Above the paths of your beauty.

Paul Eluard

Translated by O.A. Ramos



RÉMY COINTREAU



F O R E W O R D

The challenging health situation of the 2020/2021 financial year has not dampened the Corporate Social Responsibility (CSR) ambitions of Rémy Cointreau – quite the contrary. CSR is a long-standing priority for the Group and its exceptional brands, which pushed ahead with initiatives to promote biodiversity, the preservation of terroirs, the circular economy, and partner communities. The Group's brands also played their part in managing the health crisis, notably by actively participating in the production of hand sanitizer.

As in the previous year, the Group demonstrated its structural strength. Resilient to the unforeseen collapse in demand, it proved to be highly adaptable when the Chinese and US markets recovered. Despite the impact of the pandemic, it ended the year with positive organic growth in sales and significant growth in earnings. This performance would not have been possible without the exceptional commitment of the teams, which demonstrated their agility and imagination to start inventing the world of tomorrow with a head start.



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01 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 wine and spirits, and undertakes to preserve their eternal modernity. The Group's portfolio includes 14 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 1830 employees and on its distribution subsidiaries established in the Group's strategic markets. Rémy Cointreau is listed on Euronext Paris.



MARC HÉRIARD DUBREUIL

"The spectacular recovery in the second half-year has enabled us to emerge stronger from the pandemic crisis and to look towards the future with confidence."

A WORD FROM THE CHAIRMAN

The Rémy Cointreau Group has proved extremely resilient despite the public health crisis of 2020/2021, reflecting its clients' loyalty to its wine and spirit brands, the relevance of its strategy, and the agility of its teams. Rémy Cointreau most definitely came through this crisis even stronger, which confirms our ambition to become the leader in exceptional spirits.

As evidenced by its financial and non-financial results, 2020/2021 was a year marked by resilience and a source of genuine satisfaction for the Rémy Cointreau Group. After a challenging start to the year — a sharp drop in sales due to the collapse of air traffic and on-trade consumption — the second half of the year posted a spectacular recovery, which enabled us to end the year with positive organic sales growth and a return to the record profitability of the 2018/2019 financial year.

This rebound was mainly driven by the rapid business recovery in China from the summer of 2020, and by the US, its core market, which benefited from an acceleration of underlying trends on the back of the pandemic. The year was shaped around the rise in off-trade mixology and consumption, outstanding performance of the high-end ranges, strong development in online sales, and the growing interest in corporate social responsibility. These trends, which are central to the Group's strategy, enabled it to effectively address the upheaval caused by the pandemic. They also enabled us to emerge from this crisis even stronger and look toward the future with confidence.

It was also important for Rémy Cointreau, whatever the circumstances, to continue to fulfil its social obligations with regard to its employees, its stakeholders and the planet, in line with its commitments to the Global Compact.

In addition to financial performance, the Group continued to take action in accordance with its values and resources. First and foremost, it took care of its teams, protecting them

as much as possible from the virus through various concrete actions, but also by ensuring full pay, without using state aid. Rémy Cointreau then played an active role in the collective effort to make hand sanitizer, driven by the generosity and enthusiasm of the teams at the various production sites. A number of sponsorship initiatives aimed at helping and supporting the bartender community and hospitality industry were also set up in the various global markets.

Lastly, from an environmental perspective, the Group continued its actions to promote sustainable agriculture and implemented new initiatives to reduce its carbon footprint. These efforts were rewarded on several occasions in 2020/2021. In May 2020, our Bruichladdich distillery obtained "B-Corp" certification, which recognizes its social and environmental performance.

In December 2020, Rémy Cointreau was ranked as the most "responsible" French company in the agri-food sector in the study published by *Le Point* magazine, and the Carbon Disclosure Project (CDP) granted it "Leadership" status (rating A-) in the area of climate change. While these results reflect the merit of the Group's commitment, above all they encourage us to continue and expand our actions.

I would like to thank our shareholders for the trust they have placed in Rémy Cointreau, which for some, was established many years ago.

At the end of 2020/2021, our 2030 targets for achieving profitable and responsible growth are confirmed and resolutely ambitious for the years to come.

INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER

ÉRIC VALLAT

"The pandemic has accelerated the development of pre-existing trends, allowing us to gain years in terms of investments and education."



How would you characterise the year 2020/2021 and how did Rémy Cointreau perform in the context of the Covid-19 pandemic?

Well, it was a year full of surprises. For the first time in our more than 300-year history, all of our bottling factories across the world had to close for a few weeks, and we all had to learn to work remotely. But more importantly, a significant part of our business literally came to a halt with the closure of the hospitality industry and the collapse in international tourism. At the same time, we benefited from a significant pick-up

in at-home consumption and mixology, combined with favourable uptrading trends. This was particularly true in the United States and in the United Kingdom, but also in Australia. Moreover, the Chinese market recovered in the summer of 2020 and enjoyed strong consumption trends during its two key events: the Mid-Autumn Festival and the Chinese New Year. On the whole, I would never have imagined at the beginning of the fiscal year that our business would prove to be so resilient: organic growth of nearly 2% in our revenues and 13% in our current operating profit is a great achievement. We owe it to the strength of our brands and the loyalty of our clients, but also to the passion and energy of our teams, which have been incredibly agile in this challenging context.

Talking about your teams, what protective measures did you take during the pandemic?

The protection and health of our teams have always been at the forefront of our decisions (with working from home becoming a widespread practice as far as possible). Given the very low visibility in March/April 2020, we had to implement some cost-cutting measures at the very start of the pandemic, including compensation cuts, a hiring freeze, and reduced non-strategic investments. Both senior management (including our President, board members and executive committee) and Group employees participated in the collective effort. This internal solidarity enabled us to protect employment overall, without relying on public subsidies in France or abroad. However, our business strength also gives us responsibilities. We have been supporting our communities in the past twelve months, whether by supplying alcohol to make hand

sanitizer or by providing financial aid to those most affected, starting with our on-trade partners.

What lessons can you draw from these past 12 months?

First, I think we live in a world that will become increasingly unpredictable. As an organisation, we need to be as flexible and agile as possible. Second, in terms of the pandemic, I think it accelerated the development of pre-existing trends, which allowed us to gain years in terms of investments and education: at-home consumption, mixology, uptrading, e-commerce and a direct-to-consumer strategy, together with sustainability values. As a result, we have been gaining market share with our cognacs (as a category and within the category) as well as with Cointreau, while our single malt whiskies also performed strongly.

In other words, while the pandemic is clearly a dramatic situation at a human scale, as a Group we have been propelled into a new, long-term paradigm that offers increased business opportunities for Rémy Cointreau. We are optimistic, bold and ambitious for our brands worldwide. And we are increasingly focused on our teams and on the way we communicate, since the crisis has proven once again that people are at the heart of our success and our ongoing transformation.

On that basis, what are the prospects for the coming fiscal year?

All things being equal, we are reasonably optimistic for 2021/2022, as our two key markets – the United States and China – continue to enjoy strong demand for our spirits. In addition, we are starting the year with very low inventories worldwide, and particularly in the US, where demand exceeded our supply last year! We also hope the hospitality industry will gradually recover and that duty-free sales will show

an improvement from the very low levels currently. In that more positive context, we will strongly invest in our brands to further strengthen their desirability and leverage consumption trends, which we believe are increasingly favourable to us.

To what extent did the pandemic alter your 2030 strategic plan and its targets?

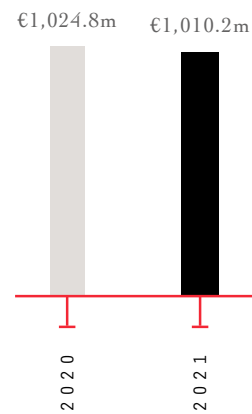
It did not alter our strategic plan at all. In fact, it strengthened our confidence in our strategic decisions, such as the value strategy of our brown spirits, the development of a direct-to-consumer and e-commerce strategy, and the Group's transformation to ensure more responsible growth. We are confident that we will achieve a 72% gross margin and a 33% current operating margin by 2030, while obtaining 100% responsible and sustainable farming certifications across all our terroirs and agricultural ingredients. We also believe that we will significantly reduce our carbon footprint, with the goal of being carbon neutral by 2050.

KEY FIGURES

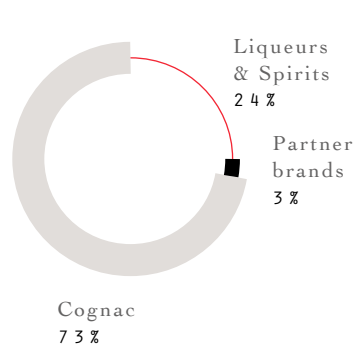
_FINANCIAL DATA

For the period 1 April 2020 to 31 March 2021

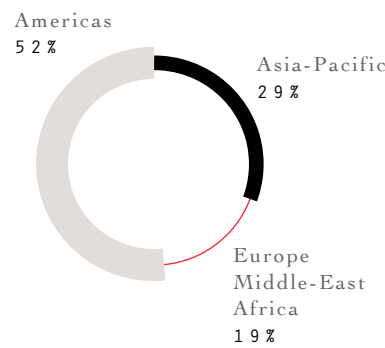
Net sales



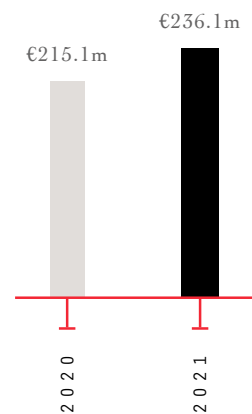
Net sales by division



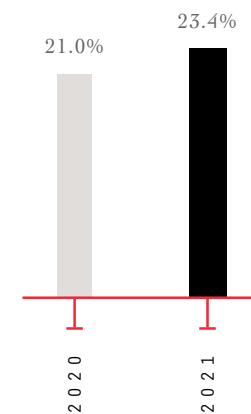
Net sales by geographic area



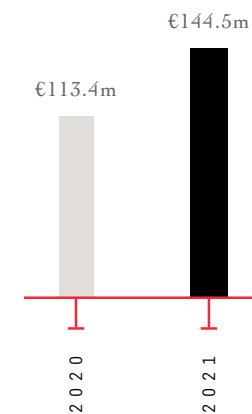
Current operating profit/(loss)



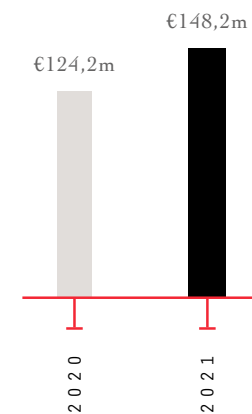
Current operating margin



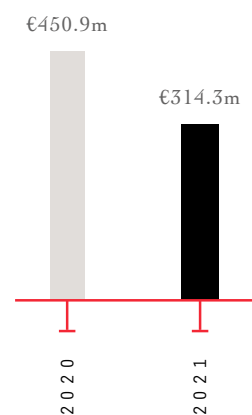
Profit/(loss) for the period



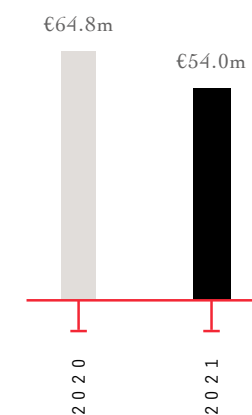
Net profit/(loss) excluding non-recurring items



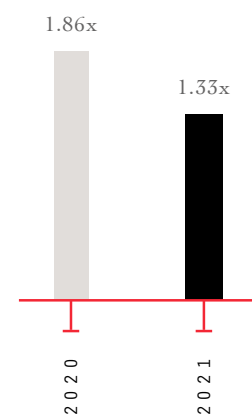
Net financial debt



Capital expenditure



Ratio of net debt/EBITDA



_...AND NON-FINANCIAL DATA

For the period 1 April 2020 to 31 March 2021

95%

Volume of solid waste recovered (93% in 2020)

86%

Global percentage of renewable electricity (82% in 2020)

83/100

Gender equality index (83/100 in 2020)

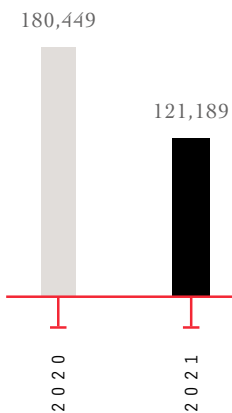
13.6%

Group turnover (13,8% in 2020)

Percentage of land managed using responsible and sustainable practices (%)



Group carbon footprint Assessment (In teq CO₂)



Climate rating 2021



Climate Disclosure Project (CDP)

A- leadership status



Included in the "Vérité 40" index

with an A rating



ACTING AS A RESPONSIBLE STAKEHOLDER IN LIGHT OF AN UNPRECEDENTED PANDEMIC

In response to the unprecedented health crisis triggered by the Covid-19 epidemic, Rémy Cointreau adopted a responsible and mindful attitude toward all its stakeholders. The Group rolled out many initiatives while protecting its profitable and responsible development model.



Partners and communities supported throughout the crisis

Rémy Cointreau implemented measures to support populations affected by the situation, and in particular the hospitality sector, an industry hard hit by the Covid-19 crisis:

- **all our sites** – from the United States to Greece, including Barbados, Scotland and France – joined forces without delay to donate neutral alcohol to local health organisations to enable them to produce hand sanitizer;
- **China** donated ¥1 million to purchase protective medical equipment;
- **in the United States**, the Cointreau brand donated \$200,000 to the US Bartenders' Guild National Charity Foundation, and then launched a Super Bowl advertisement campaign. As such, Cointreau called on the audience to send Love Letters to their favourite restaurants and bars on social media;
- **the American single malt Westland** organised fundraising campaigns for the local restaurant and bar industry. The teams took part in a monthly sports challenge: the employee with the most kilometres recorded on foot or by bike at the end of each month selects a charity which then receives a donation from Westland;

Well-protected employees

The Group's top priority was to protect the health and safety of its employees:

- **implementation of strict health protocols** at the various sites, in accordance with the recommendations of the local health authorities;
- **rapid deployment of best practices across the Group**: adaptation of working and interaction methods, remote working, health kits, maintaining links between employees and with management through routine e-conferences;
- **maintaining full remuneration for all Group employees**, including during the periods when industrial sites were closed;
- **no use of state aid** (partial unemployment).



- **in Barbados**, the collection of non-perishable food and health products was organised in the summer of 2020. In total, more than 1,000 food and health products were collected and delivered to the parish of Saint-Lucy in August 2020.

These local support initiatives have revealed the commitment of employees to their communities and a mindset deeply embedded in the Group's values.

Resilient financial Indicators: a new paradigm?

In a context marked by the Covid-19 pandemic, organic sales growth amounted to +1.8% in 2020/2021, proving genuine resilience. It is difficult to accurately assess the impact of Covid-19 on the Group's annual performance. We can nevertheless estimate that:

- it deprived the Group of a few growth points, notably due to the collapse of **Travel Retail**, which affected the Group's sales throughout the financial year. Excluding Travel Retail, the Group's organic growth would have reached +10%;
- the closure of a large part of the **on-trade** channel (bars, restaurants, clubs, etc.) was offset by a transfer effect to **home consumption** (notably in the United States, the UK and Australia), thanks to the **rise of mixology**;

- **a new paradigm?** In addition to the boom in mixology and home consumption, other trends already observed before the pandemic have also accelerated in recent months: the outperformance of high-end ranges, the strong growth of online sales and the growing interest in corporate social and environmental responsibility;

- **the Group's two principal markets**, the United States and China, delivered strong double-digit growth in 2020/2021.

Net improvement of non-financial indicators

The pandemic did not slow down the Group's sustainable development efforts. It even helped to improve certain indicators monitored by the Group, even if this is temporary for some:

- **nearly 4,000 tonnes of CO₂ equivalent** were eliminated through the sharp reduction in business travel and teleworking;
- **the frequency rate of workplace accidents fell to 3.5%** (compared to an average of 10% over the last five years), despite high productivity rates in the second half of the year;
- **the number of training hours** amounted to around 20,000 hours, proving sound resilience given the circumstances (23,000 hours on average over the last five years).

A B O U T T H E G R O U P

_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 Exchange• Disposal 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 operations• Decision 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 venture• 1 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 Scotland• 20 November: François Hériard Dubreuil becomes Chairman of the Rémy Cointreau Group• 18 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 Passoã
1986	Creation of the Passoã 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 Alps• 6 January: acquisition of the Westland distillery, which produces single malt whiskies in the state of Washington, US• 1 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	<ul style="list-style-type: none">• 30 April: Rémy Cointreau acquires the Cognac house J.R. Brillet• 16 October: Rémy Cointreau acquires the House of Champagne J. de Telmont
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		





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

GOVERNANCE THAT ENSURES CONTINUITY AND TRANSMISSION

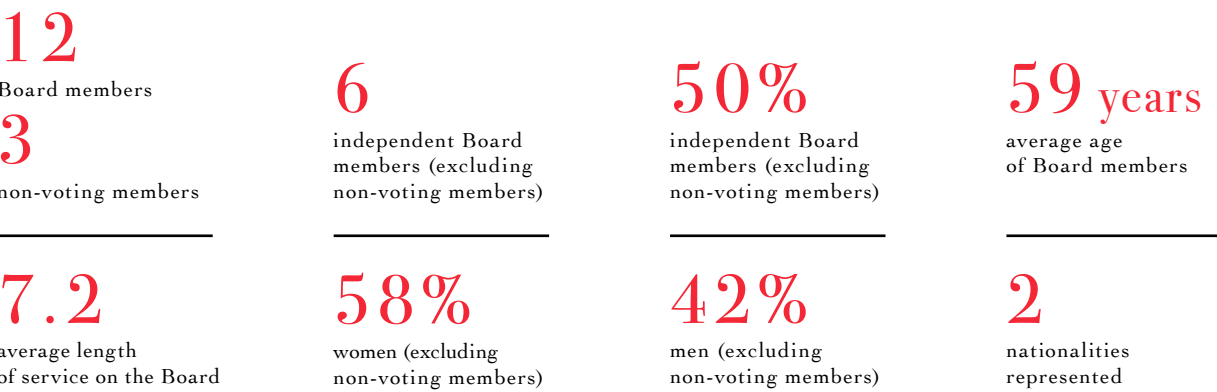
_THE BOARD OF DIRECTORS

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.

Composition of the Board of Directors at 31 March 2021

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.



Composition of the Board of Directors’ committees at 31 March 2021

Audit-Finance Committee 4 members / 75% independent <u>Guyline Saucier</u> *, Caroline Bois, Emmanuel de Geuser**, Jacques-Étienne de T'Serclaes**	Nomination and Remuneration Committee 4 members / 50% independent Bruno Pavlovsky*, Dominique Hériard Dubreuil, Olivier Jolivet**, Gisèle Durand (Orpar)	Corporate Social Responsibility Committee 3 members / 67% independent <u>Dominique Hériard Dubreuil</u> *, Hélène Dubrule**, Olivier Jolivet**
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* Chairman of the Committee | ** Independence (in line with Afep-Medef recommendations).



_EXECUTIVE COMMITTEE



Simon Coughlin
(CEO Whisky
Division)



Élisabeth Tona
(CEO Liqueurs
& Spirits)



Philippe Farnier
(CEO House
of Rémy Martin
and CSR)



Marc-Henri Bernard
(Human Resources
Director)



Éric Vallat
(Group CEO)



Luca Marotta
Chief Financial
Officer)



Ian McLernon
(CEO,
Americas)



Nicolas Beckers
(CEO, Greater
China)



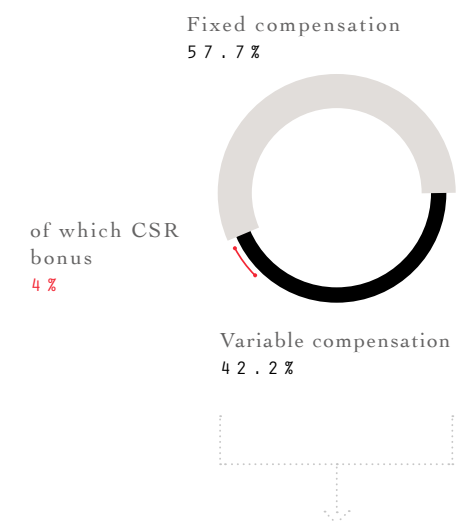
Laurent Venot
(CEO, EMEA)



Patrick Marchand
(Operations
Director)

Appointed Group Chief Executive Officer on 1 December 2019, Éric Vallat set up a team of nine directors of four different nationalities from a range of backgrounds: spirits, cosmetics, fashion and accessories, and tableware. The role of this Executive Committee is to implement the Group's strategy for 2030, which aims to continue the Group's transformation, to build a more sustainable, profitable and responsible business model, based on four strategic levers: enhancing the value per case, moving towards a client-centric business model, accelerate the development of the flagship brands of Liqueurs & Spirits, and implement the "2025 Sustainable Exception" plan for more responsible growth.

Composition of remuneration of senior management (excluding LTIP)



- 50% based on quantitative criteria (current operating profit/ (loss), cash flow generation, profit (loss) for the period excluding non-recurring items, ROCE)
- 50% based on qualitative criteria (including one CSR target)

A PORTFOLIO
OF EXCEPTIONAL SPIRITS



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 year, two new Houses were added to this portfolio: Maison Brillet (cognac and liqueurs) and Champagne House J. de Telmont.

During the 2020/2021 financial year, the Group's net sales totalled €1,010.2 million and current operating profit (COP) came to €236.1 million. As such, sales were up by 1.8% and operating profit was up by 12.8% on an organic basis. The current operating margin stood at 23.4%, close to the all-time highs of 2018/2019.

The Rémy Cointreau Group's internal organisation is based on 11 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: "Cognac" 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		LIQUEURS & SPIRITS					BROWN SPIRITS	CHAMPAGNE
	COGNAC	LIQUEUR	WHISKY	GIN	RUM				
UPPER LUXURY									
LUXURY									
ULTRA PREMIUM									
PREMIUM									

Net sales by division



C O G N A C

_COGNAC BRANDS

The Cognac division includes the brands of the House of Rémy Martin (Rémy Martin and Louis XIII) and the House of Brillet. 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*).

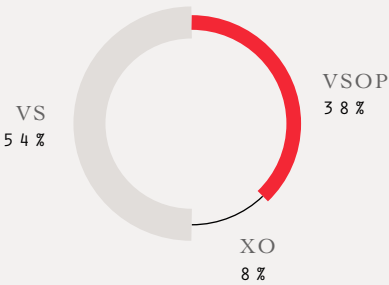
The House of Rémy Martin is positioned in the high-end segment, with four flagship products:

- 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), House of Rémy Martin (Rémy Cointreau), and Courvoisier (Suntory). Rémy Martin's market share of cognac shipments for all qualities combined is 13% by volume (source: BNIC March 2021). Virtually all the shipments of the House of Rémy Martin are for the superior quality segment (VSOP and XO qualities), which accounts for 46% of the total cognac market (BNIC March 2021). Within this superior quality segment (VSOP and XO qualities), Rémy Cointreau now has a market share of 28% by volume (source: BNIC), up four points compared to March 2020.

Global cognac shipments by quality (Source: bnica)



_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.

_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 (238 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.

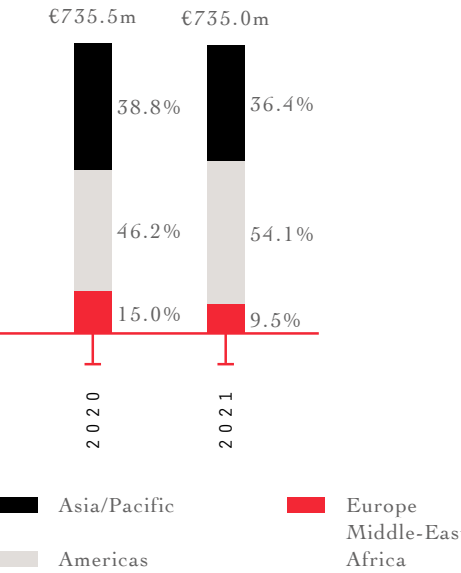
The partnership mainly consists of a cooperative, Alliance Fine Champagne (AFC), whose members manage around 60% of the Grande Champagne and Petite Champagne vineyards, via different types of collective and individual long-term agreements.

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 the off-balance sheet commitments.

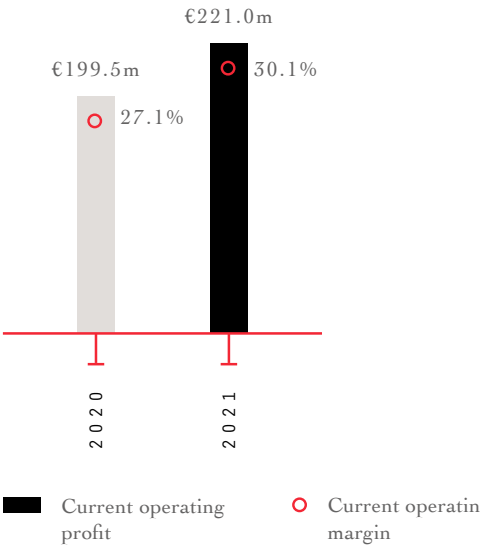
_COGNAC KEY FIGURES

In 2020/2021, the Cognac division accounted for 73% of the Group's total net sales and generated 99% of its international sales. The Americas (54%) and Asia-Pacific (36%) are the division's top contributing regions, but Europe/Middle East/Africa (10%) also offers medium-term growth potential.

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



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





_ LIQUEURS
& SPIRITS BRANDS

The Liqueurs & Spirits division is made up of 12 spirit brands in categories such as liqueurs, brandy, gin, single malt whisky, rum and champagne. Within each category, the wines and 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 and Belle de Brillet, a Williams pear 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 the Isle of 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, U.S.;
- J. de Telmont, a winegrower's champagne located in Damery, France.

_ 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, grapes, 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.

Angers (France)



The production of 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, 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.

Damery (France)



Founded in 1912, the Champagne House J. de Telmont is a century-old family house located in Damery, near Epernay on the hills of the Marne Valley. It is one of the last family-owned vineyards in Champagne and is based on a very demanding environmental commitment. Since 2017, more than a third of the grapes harvested are "AB" certified (organically produced) or are in the process of being converted.

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 Saint-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.

Seattle (USA)



Westland Distillery (U.S.), 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)

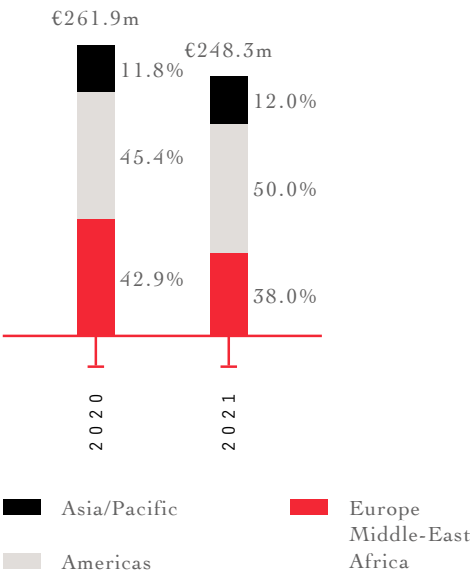


As part of its "terroir" policy, the House of Metaxa acquired a 1.2 hectare wine property on the island of Samos, located at the heart of the island's muscat vineyards. Muscat wine is an essential component in Metaxa's signature taste.

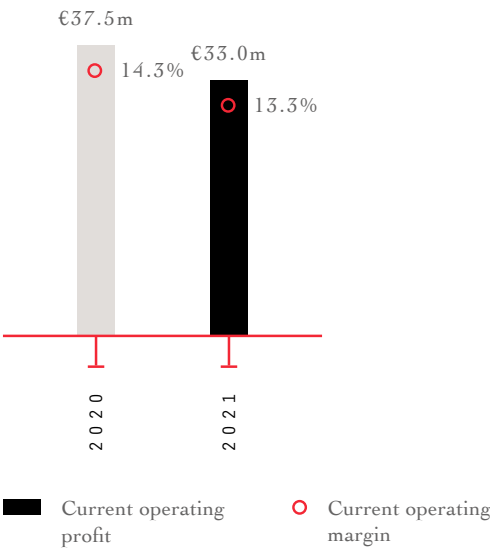
_ LIQUEURS & SPIRITS KEY FIGURES

In 2020/2021, the Liqueurs & Spirits division accounted for 24% of the Group’s total net sales. The Americas (50%) and Europe/Middle-East/Africa (38%) are the top contributing regions in the division. Although smaller (12%), Asia-Pacific represents a significant development opportunity for the division in the coming years.

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



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



Partner Brands

In 2020/2021, 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 2021) 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 sell brands and other assets deemed less suited to its value creation strategy and to take full control of its distribution in key markets (exit from Maxxium in April 2009).

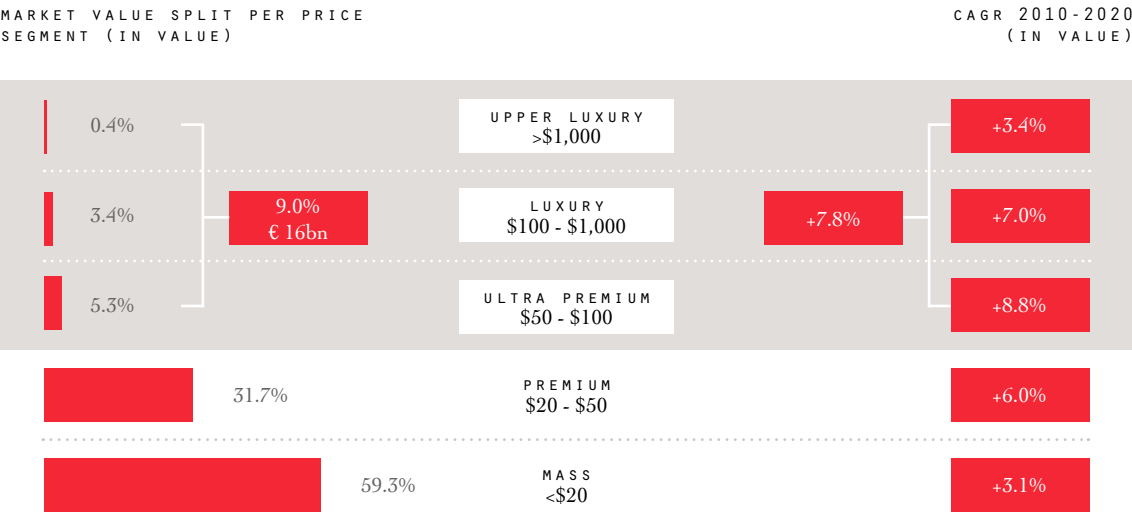
Since 2015, the Group has accelerated its strategy of moving upmarket so as to differentiate itself and emphasise its uniqueness: ultimately, the Group's ambition is to become the world leader in exceptional spirits.

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 (+8% growth per year on average, compared with +4%

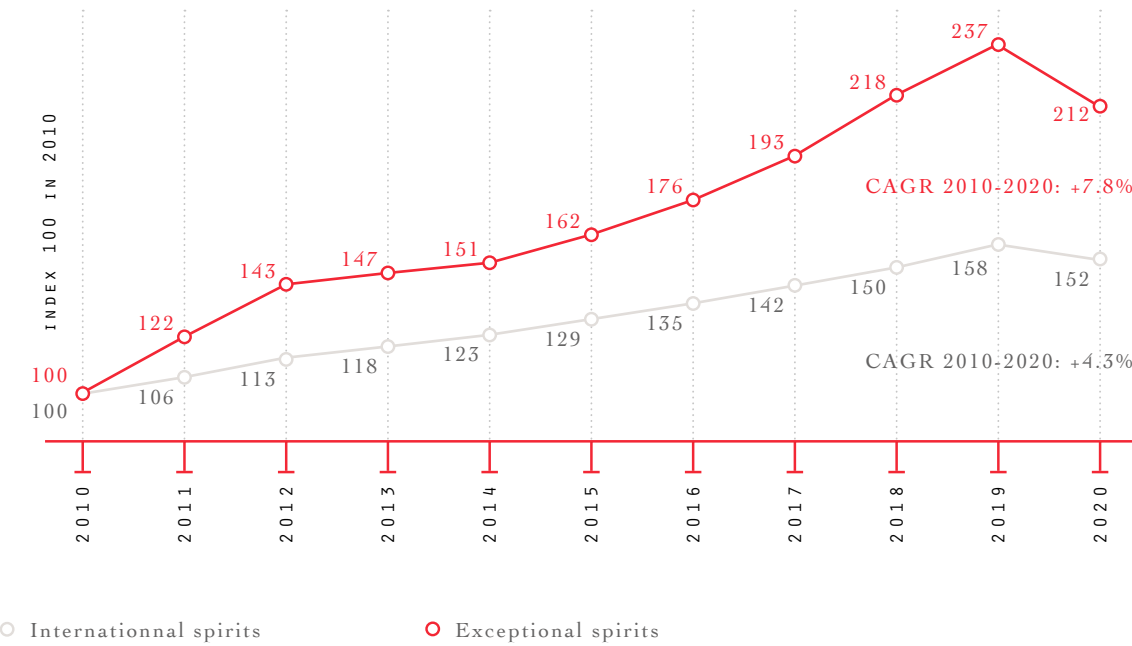
for the spirits market as a whole over the last 10 years), driven by a move towards the high-end of the market and an increasingly discerning clientele in terms of the quality, production, know-how and history of the spirits they consume.

Exceptional spirits: a fast-growing segment



Source: IWSR, Rémy Cointreau, international spirits market estimated at around USD 200 billion.

The exceptional spirits segment has structurally outperformed the global spirits market since 2010



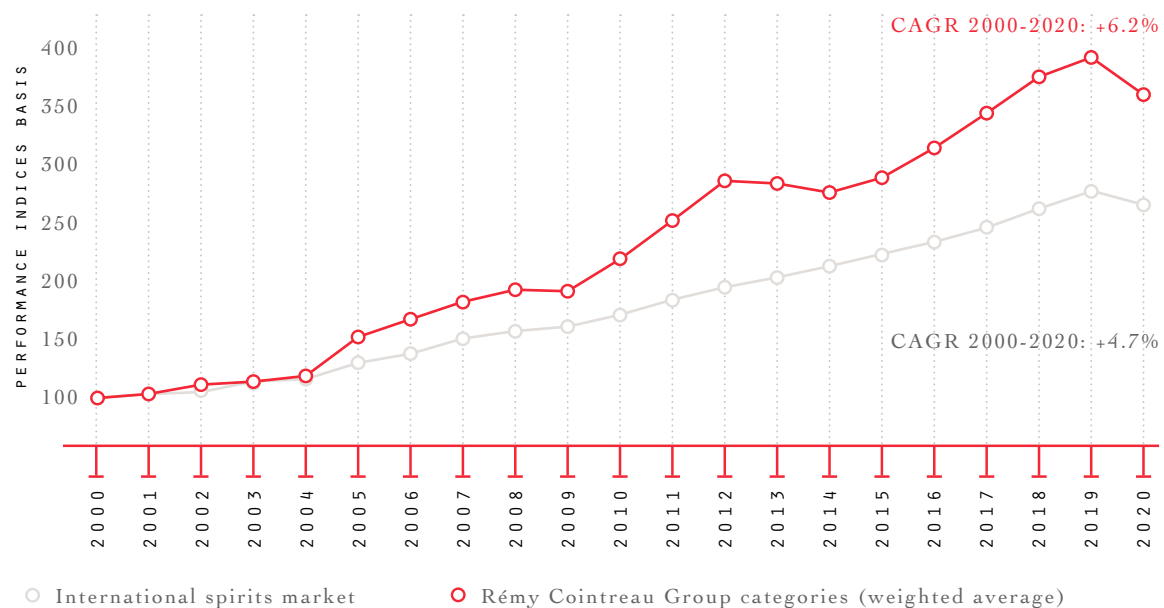
Source: IWSR, Rémy Cointreau.



_ POSITIONED IN FAST-GROWING CATEGORIES OF SPIRITS

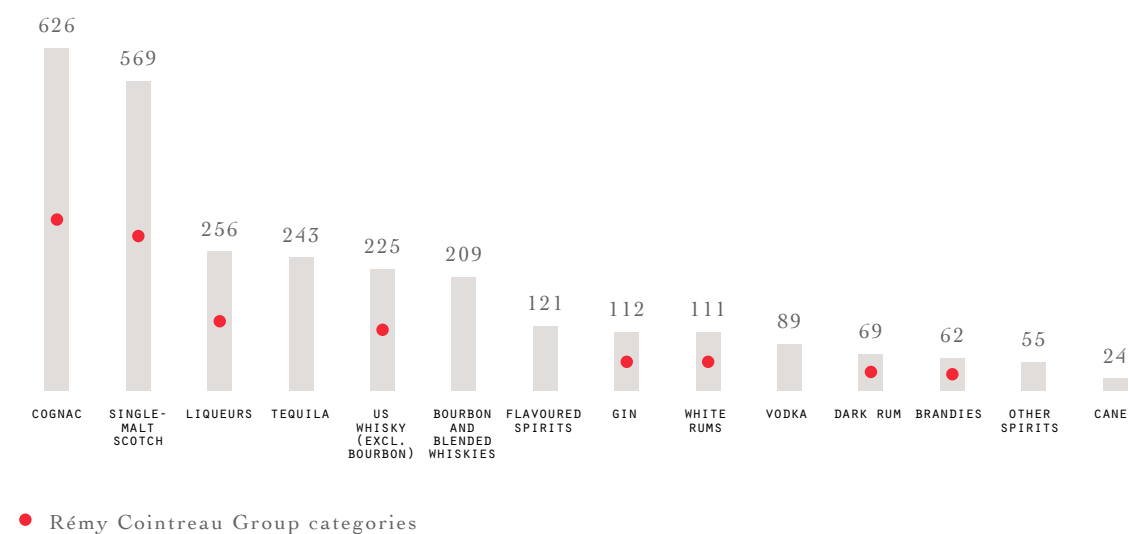
In addition, Rémy Cointreau Group brands belong to categories of spirits (such as cognac, single malt whisky, dark rum or gin) that have benefited from strong momentum (+6.2% per year on average during the 2000/2020 period, and +7.0% at the end of 2019 before the impact of the pandemic). The international spirits market grew +4.7% on average over the last twenty years (+5.2% at the end of 2019).

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. As a result, the average value per case of the Group's brands portfolio was nearly €500, compared to just over €100 for the international spirits market.

Value per case by category of spirits (in euros)

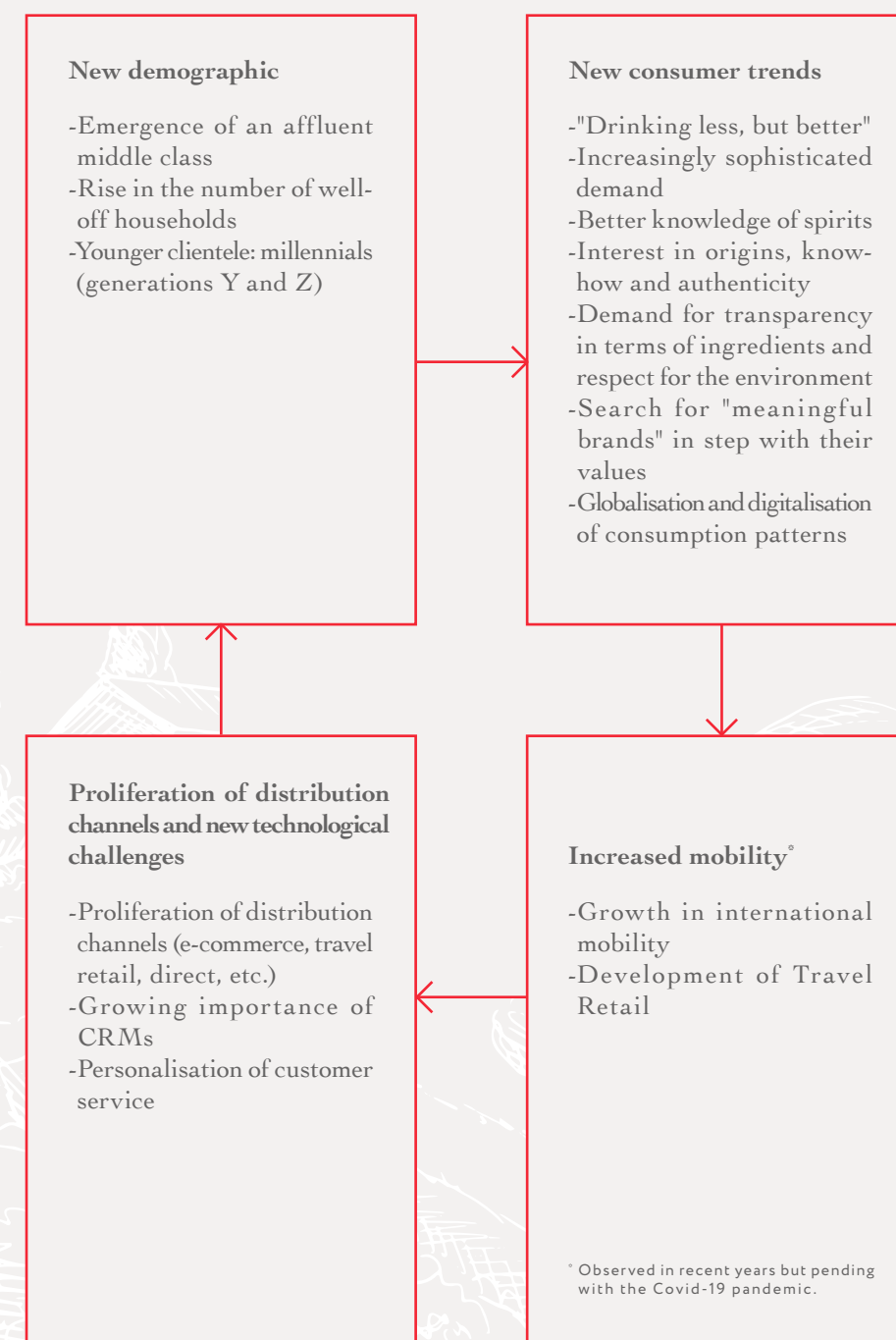


Source: IWSR, Rémy Cointreau.

_ A NEW GENERATION OF CLIENTS

Beyond the changes observed in the context of the Covid-19 pandemic (which have mainly accelerated pre-existing trends), consumers of high-end spirits have changed in recent years. More connected, from the upper middle classes, younger – millennials of generations Y and Z – they seek knowledge of the spirits, history,

savoir-faire and differentiation, while increasingly demanding transparency on product quality. 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

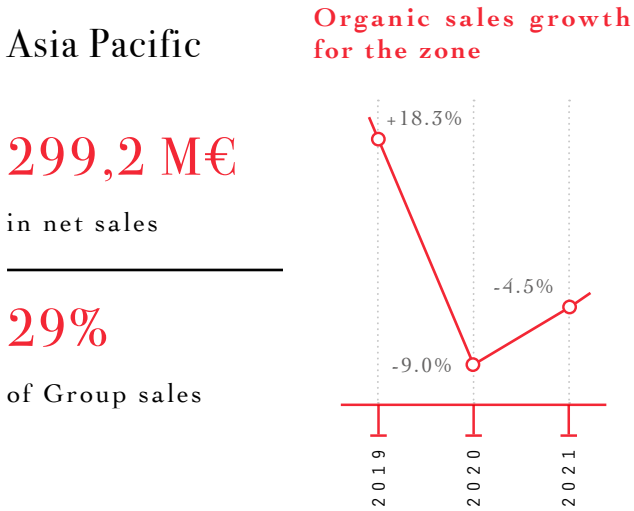
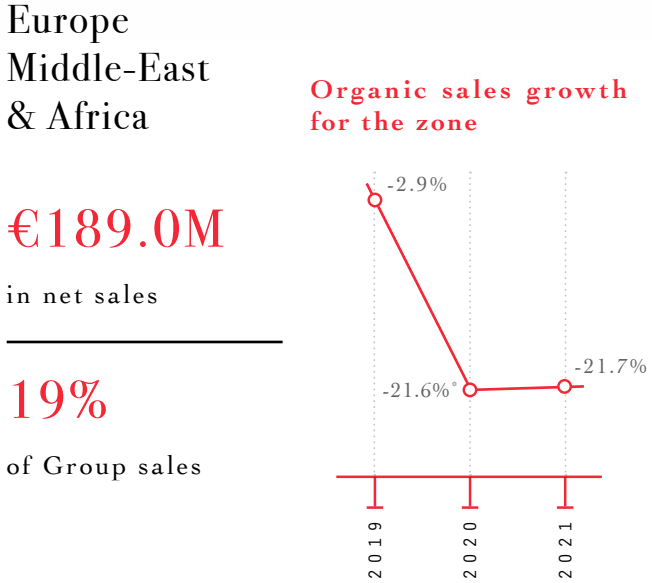
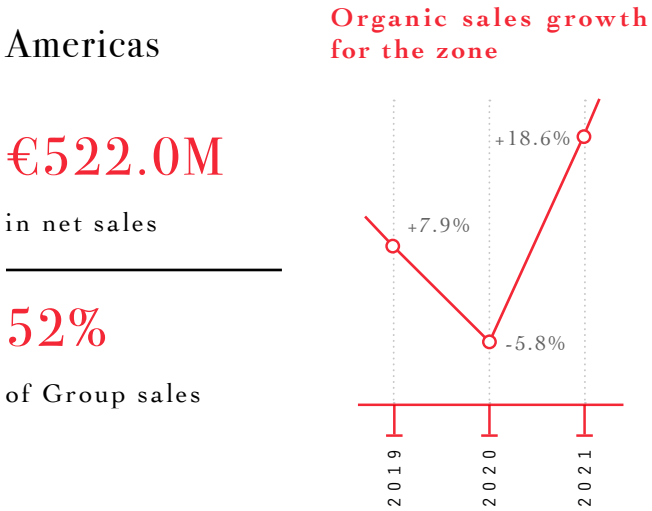
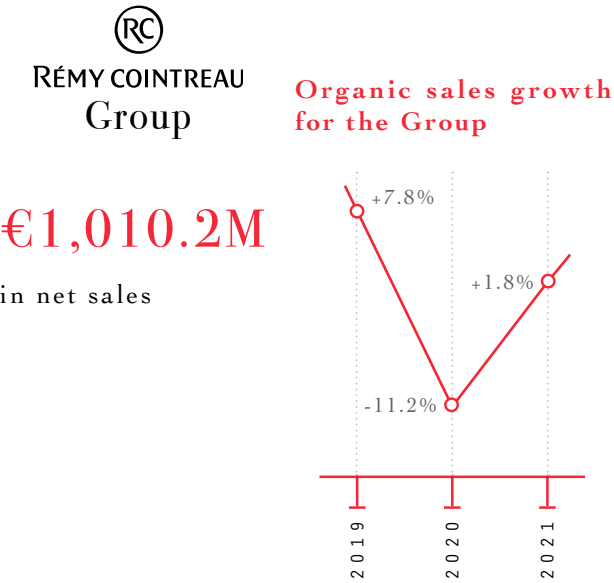
The Group has premises and commercial or administrative offices in many countries, including the USA (primarily New York), China (Shanghai and Hong Kong), Singapore, Russia and the United Kingdom (London and Glasgow). The Group does not own any premises in these countries and therefore uses leasing contracts.

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 expiry of Partner Brand distribution contracts. Organic decrease of 6.4% for Group Brands.

A NEW STEP IN THE VALUE STRATEGY

_FOUR STRATEGIC LEVERS

The transformation of Rémy Cointreau's business model since 2015 (accelerated 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.

Since December 2019 the Group has moved 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. 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 refocussing 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 channels, 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

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. It has the utmost respect for the women and men who 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.

An ambitious and responsible strategy for 2030

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" qualities (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 represent 20% of the Group's sales.

VALUE CREATION

_THE GROUP'S DNA

Terroirs

- Terroirs of exception (Cognac, Islay, Samos, Barbados, etc.)
- 64% of our agricultural raw materials are "responsible and sustainable agriculture" certified
- 100% of our winegrowers within the Cognac AOC are committed to "High Environmental Value" agriculture

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 in the long term

_EXCEPTIONAL SPIRITS
THAT TASTE LIKE THEIR
TERROIR...

High-end positioning
in high-growth segments

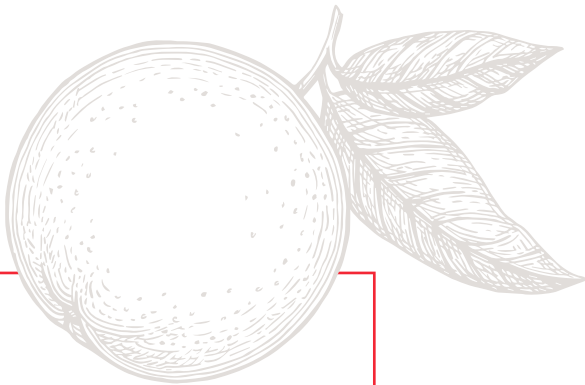
A portfolio of 14 exceptional spirits

Adding value to 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 (stores, 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
- Close to 20,000 hours of training (despite the pandemic)

Government

- €78 million paid in corporate income tax in 2020/2021 (tax rate: 35%)

Civil society

- €1 million (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
- Significant increase in dividends to €1.85 in 2020/2021
- Stock market capitalisation up nearly €5 billion over the last five years (at 31 March 2021)

Local communities

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

Suppliers

- Alliance Fine Champagne: 2.25% shareholder of Rémy Cointreau
- Partner training provided by our agronomists (sustainable agriculture)

FINANCIAL AND
NON-FINANCIAL TARGETS

The 2020/2021 financial year was the first year of the 2030 strategic plan announced in June 2020. Despite the environment marked by the pandemic, the Group was able to implement the pillars of its medium-term strategy and achieve a year full of promises, both in terms of sales and operating profits.

OUTLOOK FOR THE 2021/2022 FINANCIAL YEAR

In a still fragile and uncertain public health, economic and geopolitical environment, the Rémy Cointreau Group has emerged stronger from the Covid-19 crisis.

Thus, for 2021/2022, the Group is confident in its ability to continue to win market share in the exceptional spirits sector. In particular, it expects an excellent start to its financial year, supported by a very favourable basis of comparison, shipment phasing effects, and new, structurally more buoyant consumer trends in the United States.

Being ahead in the roll-out of its 2030 strategic plan and given the favourable environment, the Group has decided to revise up its investments in communication to support its brands through the recovery and boost their medium-term growth potential by developing brand awareness and attractiveness. The expected good growth in current operating profit will also be tempered by currency effects estimated at between -€16 and -€20 million, and a scope effect estimated at -€2 million.

INCREASED CONFIDENCE IN 2030 GUIDANCE

In the medium term, Rémy Cointreau is reasserting its ambition to become the world leader in exceptional spirits, with a growth outlook that 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 business model that delivers both profitable and responsible growth.

Ambitious yet confirmed financial and non-financial targets:

In recent months, in an environment marked by the pandemic, Rémy Cointreau has benefited from an acceleration of pre-existing trends that support the 2030 strategy announced in June 2020: the rise of mixology and consumption at home, the outperformance of high-end spirits, the strong growth of online sales and the growing interest in corporate social and environmental responsibility.

As part of its "2025 Sustainable Exception" plan, the Group aims for sustainable agriculture in all terroirs involved in the production of its spirits, 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 a first step towards the Group's "Net Zero carbon" ambition for 2050.

Financial targets to 2030*

72%

gross margin

33%

current operating margin

* Based on rates and scope for 2019/2020.

"2025 Sustainable Exception" Plan

100%

sustainable agriculture

25%

Reduction in carbon emissions (scopes 1 & 2, in absolute terms)

30%

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 compensation.

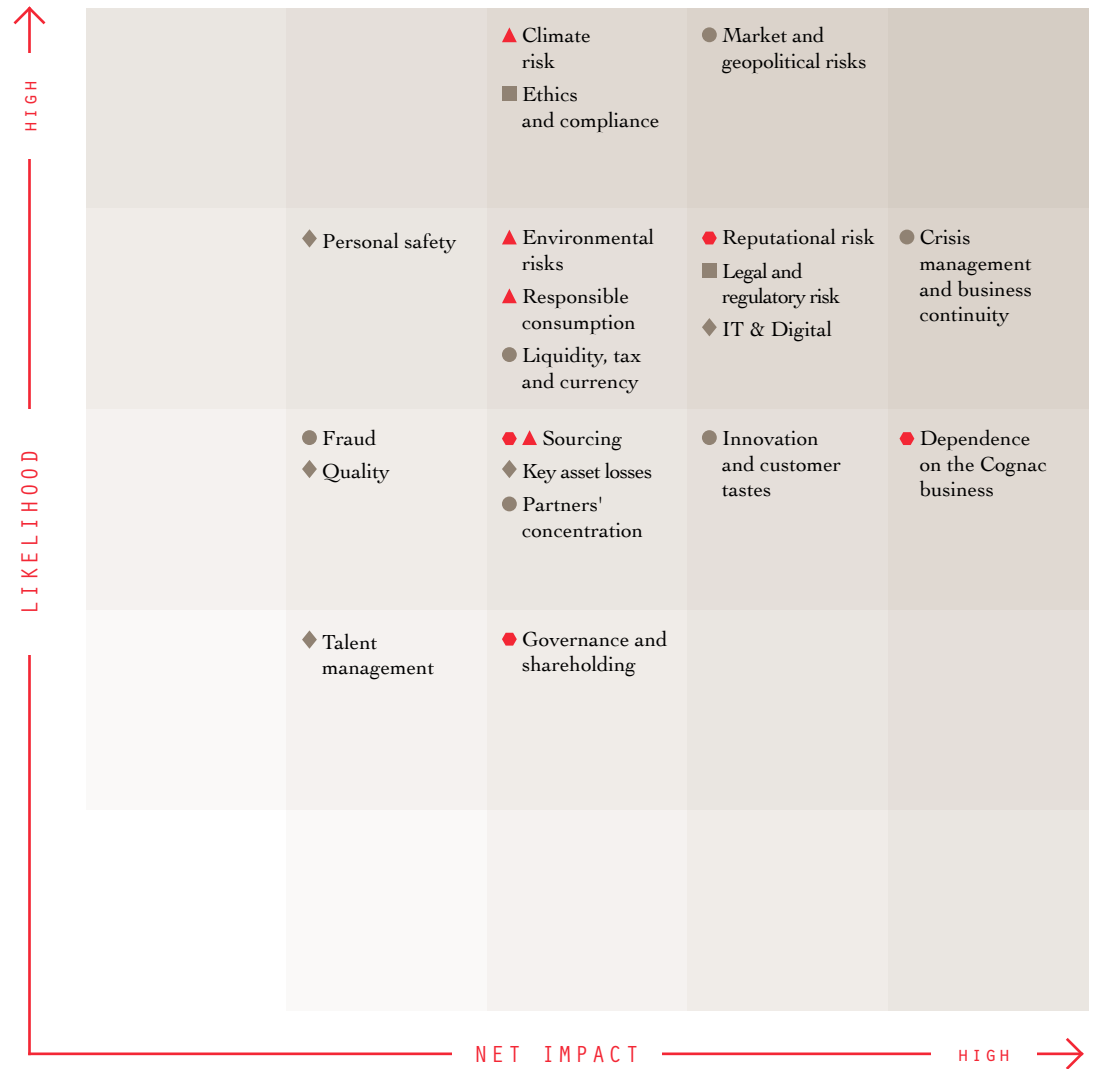
SDGS	CHALLENGES		RISKS RELATING TO THE CHALLENGE	RISK INDICATORS (QUANTIFIED TARGETS/ PROGRESS PLAN)	CHALLENGES RELATED TO THE COMPENSATION OF A MEMBER OF THE EXECUTIVE COMMITTEE
 6 CLEAN WATER AND SANITATION	Clean water and sanitation	Water management	Water availability/ Water quality	Water consumption	CEO of the House of Rémy Martin and CSR
 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	CEO of the Whisky Division
 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 of the House of Rémy Martin and CSR
 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	CEO Liqueurs & Spirits, CEO Greater China, Operations Director
 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 of Maison Rémy Martin and of CSR, CEO of Liqueurs & Spirits and CEO of the Whisky Division

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.

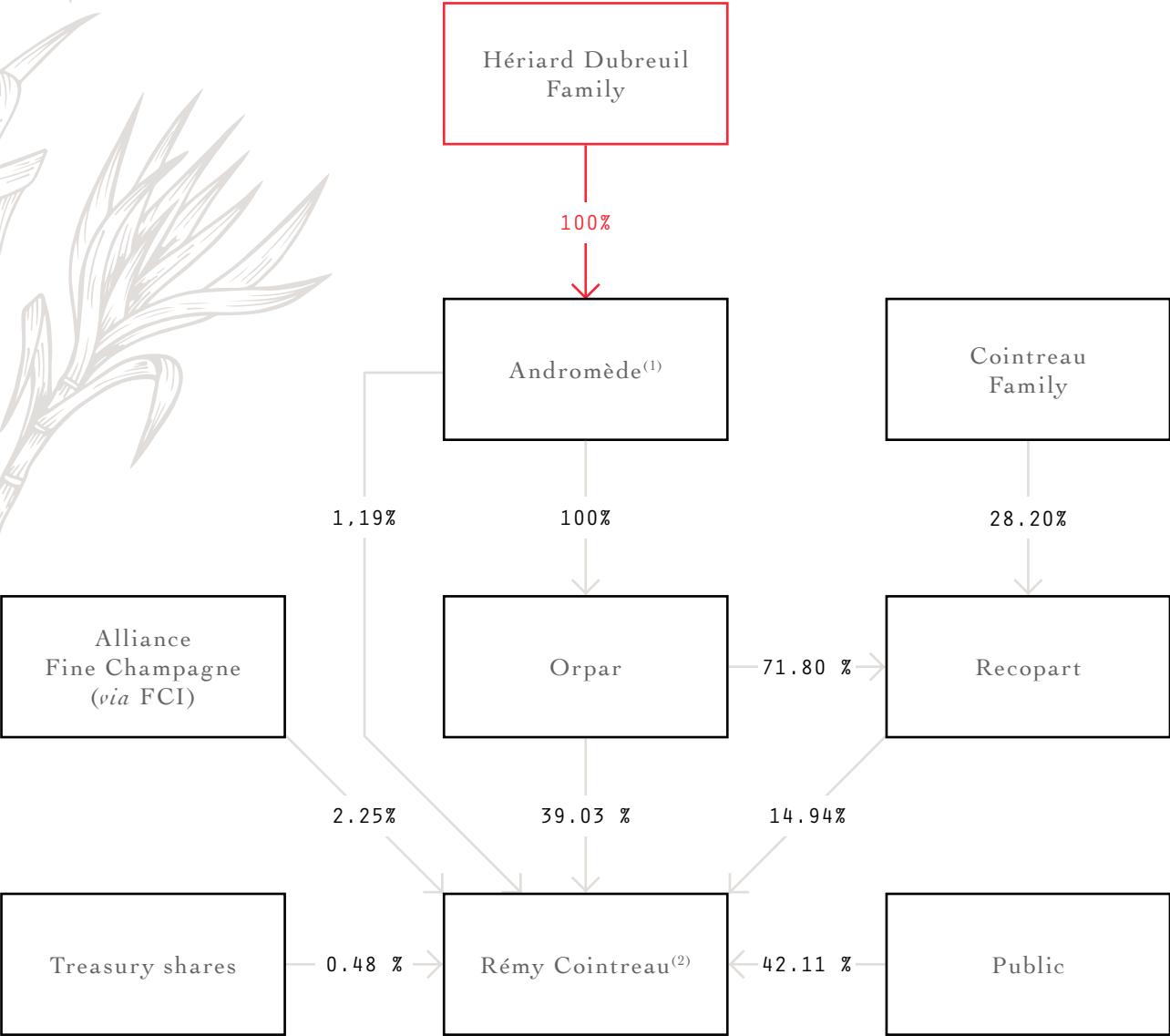
The main risk factors to which the Group is exposed given its business model are presented in this table (more details can be found in chapter 2 of this document).



■ Ethical and regulatory risks ▲ CSR risks ● Market risks ● Strategy risks ◆ Operational and industrial risks

COMPANY
OWNERSHIP

At 31 March 2021
(% 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 136% over the past five years, reflected in an increase of nearly €5 billion in the market capitalisation. This value creation

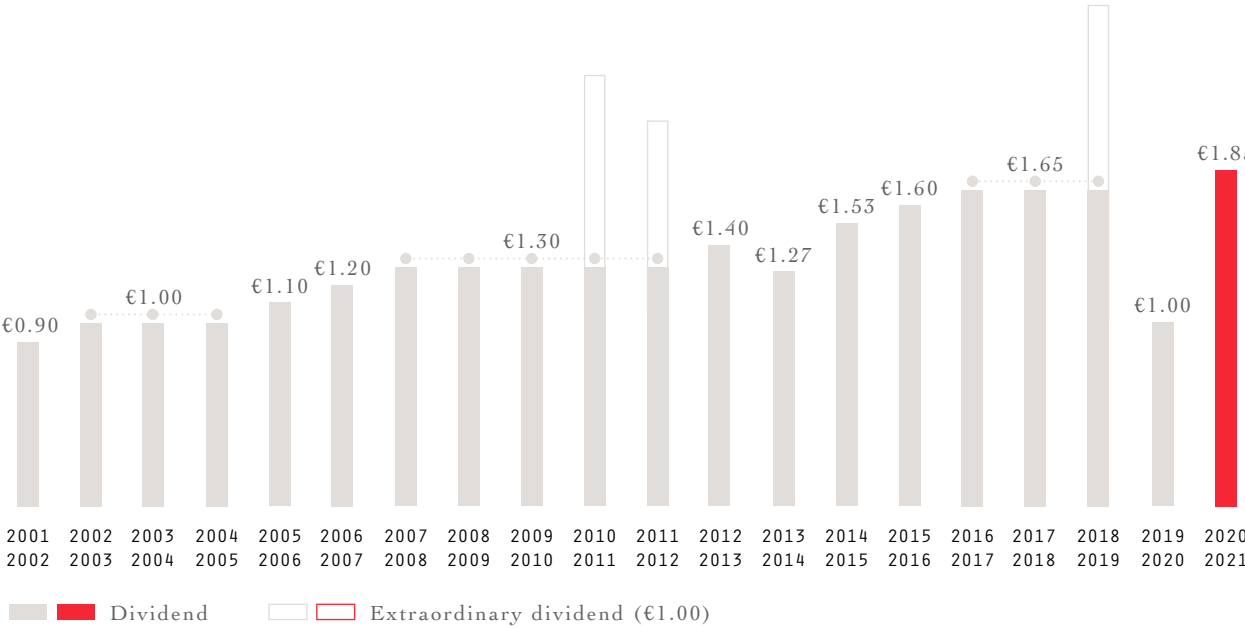
confirms the relevance of the strategy put in place by the Executive Committee and implemented by the Group's employees.



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.





THE FONDATION RÉMY COINTREAU

**A foundation that promotes the transmission
of expertise and excellence**

By supporting craftsmen and -women over the last **four years**, the Fondation Rémy Cointreau actively contributes to a **philanthropic project**; indeed, artisanal expertise is one of the key qualities making our terroirs so appealing. It intends to continue to further this vision by renewing its support for the **promotion, development and transmission of the knowledge of excellence**, and by stimulating and inspiring artisans. In these uncertain circumstances, the need to come together around these values and to share them has become even stronger. That is why the Fondation Rémy Cointreau is stepping up its initiatives to fulfil its role of promoting the arts and crafts: it is embracing new skills of excellence with cabinet making, embroidery, wax sculpture, as well as successful staff and project coordination, reflected in the opening of the Maison Talents & Violon'celles and the creation of the "Bourse des métiers orphelins" in cooperation with The Craft Project.

With high regard for **tradition and ancestral savoir-faire**, the foundation supports the artisans of today and tomorrow, who strive

to develop their practice with pioneering inventions while respecting its heritage. It supports the teaching and **training** of future craftspeople eager to acquire a skill. **This skill** or technique evolves over time, in step with the individual's activities and personal appropriation of the art. This is called embodied knowledge. The challenges of transmission are crucial for artisans; it will help this technique to become a stimulus for **creativity and innovation**. To secure the ancestral knowledge of artisans, **transmission that perpetuates the art** lies at the core of the foundation's commitment.

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

_THE NEW ARTISANS :

Five of the 21 artisans supported joined the Fondation Rémy Cointreau during the 2020/2021 financial year:



Lucile Viaud,
seaweed glassmaker

Lucile Viaud, a seaweed glassmaker, created her studio in 2015. She specialises in making glass from natural resources and local by-products. The following year, she joined the Ateliers de Paris as a designer and founded her brand *Ostraco*. The Fondation Rémy Cointreau supports her by helping her to acquire raw materials.



Steven Leprizé,
cabinetmaking and joinery

In 2009, **Steven Leprizé** created the ARCA workshop (*Atelier de Recherche et Création en Ameublement*) in cabinetmaking and joinery. In particular, he invented "AirWood", a technique that involves applying a wooden inlay to a flexible material, allowing the wood to become distorted through air injection. The foundation has enabled him to purchase a planer to replace the faulty one in his workshop.



Mona Oren,
wax sculptor

Wax sculptor **Mona Oren** has a unique know-how. She pushes her craft to the limit by making thin sheets of wax, just 1 to 2 millimetres thick. In the course of several months, a delicate tulip takes shape. She creates three-dimensional works that are then placed in different settings. The foundation helps her to acquire raw materials and equipment for her workshop.



William Amor,
ennobler of forsaken materials

Winner of the *Prix de la Création des Ateliers de Paris* in 2019, **William Amor** is an ennobler of forsaken materials: he sees waste as a material for creation. He founded *Les Créations Messagères* in 2015, and became a resident of Les Ateliers de Paris in 2017. The Foundation supports him with the acquisition of steel dies and cutters, and floral ornament tools.



Pierre Salagnac,
art bronzer, sculptor and illustrator

Pierre Salagnac is an art bronzer, sculptor and illustrator. Bronze bonsai have become his speciality and embody the virtuosity of his craft – a combination of traditional and innovative techniques. He became co-director of The Craft Project, alongside Raphaëlle le Baud. The foundation helps him to acquire various pieces of equipment.



During the first stage of support, the Fondation Rémy Cointreau invests in the tools and equipment essential to the practice of these arts and crafts in order to produce work that truly reflects the remarkable skills these artisans have mastered. The second stage of support involves the promotion of learning and training to further build on the first stage of support.

The foundation supports the arts and crafts. The contemporary value of these skills has been proven many times over and attests to the great creativity and innovation of our artisans. Artistic heritage is a virtue to be passed down for the benefit of all.

_PRIX AVENIR MÉTIERS D'ART - INMA

The foundation wished to address the need expressed by the Institut National des Métiers d'Art by supporting the 20th edition of the *Prix Avenir Métiers d'Art* (Future of Arts and Crafts Prize) in 2021-2022. Organised by INMA since 2002, this prize is the only one that rewards young people training to become artisans. It aims to encourage future professionals in these trades born from passion, and to support them in their future careers.

_BOURSE AUX MÉTIERS ORPHELINS - THE CRAFT PROJECT

The foundation has joined The Craft Project association to develop and promote the transmission of the arts and crafts. It contributed to the creation of the "Bourse des Métiers Orphelins" (Orphan Crafts Grant), which enables the transmission of forgotten skills. The first grant, for which the Fondation Rémy Cointreau is the main sponsor, was awarded to Guillaume Catay, a bookbinding graduate from the École Estienne. The Orphan Crafts Grant will allow him to finance his training with Jean-Luc Bongrain, the last French edge gilder, who retired in 2018.

_OPENING OF THE MAISON TALENTS & VIOLON'CELLES

To mark the opening of the Maison Talents & Violon'celles at 62 rue de Rome in Paris, the Fondation Rémy Cointreau is participating in the creation and coordination of the instruments and bow-making workshop available to professionals in residence. The foundation will also participate in the committee that selects the various projects.

THE YEAR OF THE BRANDS IN 2020/2021

Two new brands enhanced the Rémy Cointreau Group's portfolio in 2020/2021: Maison Brillet and Telmont.

The acquisition of the Brillet cognac house, a long-established family enterprise, was an opportunity for the Rémy Cointreau Group to add 50 hectares in Petite and Grande Champagne to its vineyards and to include Belle de Brillet – a pear and cognac liqueur that will be revived internationally – in its portfolio.

With the acquisition of Telmont, the Group expands its portfolio with an artisanal champagne that boasts tremendous growth potential and shares the same values of terroir, expertise and longevity as its other brands.

Despite the public health crisis, the House of Rémy Martin has completed most of its projects, in particular the construction of the new administrative building "Assemblage" next to Cognac. It also forged ahead with its CSR actions: in-house training by the We Care Academy, the continuation of High Environmental Value (HVE) certification and the BEE (Biocontrol and Ecosystem Balance) project, and the discontinuation of gift boxes for part of its portfolio. Downstream, the House strengthened its communication investments backing the Rémy Martin and Louis XIII brands, while strongly developing its presence on social networks and online sales. This agility has ignited upward growth.

The brands of the Liqueurs & Spirits division also had to adapt to the circumstances to offset the impact of the shutdown of bars and restaurants around the world. With its flagship cocktail as a figurehead – the "Original Margarita" – Cointreau has shifted its actions to promote at-home mixology, a trend that has proved popular in the United States, the United Kingdom and Australia. Despite the collapse of travel retail, St-Rémy brandy successfully launched its new "Signature" expression in Canada. Metaxa continued to expand into new markets, while supporting its long-standing partners in Greece through original operations on social networks. At Mount Gay, the iconic Eclipse rum showed consistent success pending the postponed relaunch of Black Barrel and Mount Gay XO. Progressive Hebridean Distillers benefited from the resilience of the single-malt whisky category and their lead in online sales. The Botanist gin, in turn, built on the success of its "Wild – A State of Mind" campaign. Meanwhile, Westland's reputation has spread to Europe, and Domaine des Hautes Glaces opened its new distillery 10 years after its creation.





THE HOUSE OF RÉMY MARTIN

Financial year 2020/2021 will always be associated with the global health crisis.

In these extraordinary circumstances, the House's performance varied by region, but confirmed Rémy Martin's solidity and the relevance of our long-term value strategy.

The difficult context showcased the resilient culture of the House and its men and women by challenging our agility and adaptability. Most projects were successfully completed, such as the construction of our new administrative building in Merpins, called "Assemblage", which began to fulfil its purpose of "assembling" or gathering employees in May 2021.

By changing everyone's outlook on the world, the health situation confirmed the relevance and bolstered the power of our vision of luxury for the House: "Sustainable Exception" that respects the environment and people.

Today more than ever, Corporate Social Responsibility courses through our veins and constitutes the lifeblood of the House. Like our distillery at Juillac-le-Coq, launched in 2018 on a gravity-assisted site – one that is environmentally friendly while also producing high-quality *eaux-de-vie* – we strive to make all our decisions through the lens of protecting people and our terroirs.

To this end, we have developed a training programme – the We Care Academy – which aims to instil all Rémy Martin employees with a CSR attitude to achieve our carbon reduction targets, in particular. A corporate project inspired by the Rémy Martin "Team up for the Future" campaign was created to transform our working methods at the deepest level:

establishment of a project rating system, making eco-design a strict requirement, developing shared-value projects in our markets, and more.

Upstream, the roll-out of High Environmental Value certifications to our Alliance Fine Champagne winegrowing partners continued, with 35 "Centaur of the Environment" awards presented to newly certified partners. This fourth award ceremony was held under the patronage of the French Minister of Agriculture, Mr Julien Denormandie, who honoured us by coming to observe the innovative practices of the House during a tour of our Juillac-le-Coq facility in March 2021.

This support is a highly symbolic recognition of our commitment and a powerful encouragement for our business. The House of Rémy Martin continues to play a leading role and to move the region forward. We have set ourselves ambitious targets: 70% of certified partner areas in 2024, and 100% in 2028.

Through HVE certification, the House encourages the principle of continuous improvement of our ecological farming

practices, and the consideration of climate change. It tries to push back the limits, day after day, through full-scale experiments in the Estates – whether with resistant grape varieties or through biocontrol (the Biocontrol and Ecosystem Balance project, a new experiment in the Charente region, carried out as part of the Ecophyto 2 plan).

Downstream, the long-term value strategy requires maintaining strong investments to enhance the brand awareness and 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 our clients.

€735.0M

Revenues of the House
of Rémy Martin

30.1%

Current operating margin
of the House of Rémy Martin

_ RÉMY MARTIN

During this highly unusual period, Rémy Martin showed a great deal of creativity on social networks, especially in the United States and China.

In financial year 2020/2021, Rémy Martin recorded an acceleration in its performance in the United States and the United Kingdom, bolstered by exceptionally strong demand in the home consumption market. The economic recovery in China was also accompanied by a major upturn in our sales in this strategic market.

During the first lockdown, from April to July 2020, Rémy Martin remained active on social networks with its weekly series "Stay Home with the team", "Home with a view" and "Home Cocktails". These creative initiatives generated more than 50 million views, traffic to remymartin.com increased by more than 100.8%, and online sales in the US grew by 258%.

In July 2020, Remy Martin USA and American chef Kwame Onwuachi teamed up to produce a series of four video tutorials called "Flavor by the Grill". These tutorials revisited traditional barbecue recipes, accompanied by Rémy Martin VSOP and 1738 Accord Royal. Broadcast on social, digital and television platforms, the programme has been watched by millions of Americans, and its success has exceeded all expectations.

Also in the United States, Rémy Martin continued its partnerships in the world of music, notably in collaboration with the rapper 6LACK and the "Ground's Melody" series. An ode to local cultures, these productions perfectly embody the theme of our "Team Up For Excellence" campaign, which celebrates both individual talent and teamwork leading to collective success. This project benefited from a major investment in the main channels: digital television, radio and social media. Rémy Martin USA also revealed a limited edition "VSOP Mixtape", which revisits the style of the VSOP bottle from the 1980s and 1990s with an elegant and timeless design. It pays

a vibrant tribute to the musical cultures of the time by using iconic vintage references, such as the cassette tape.

In China, the first edition of the "Rendez-vous Rémy Martin" took place in the Atrium of the MixC Xiamen, one of the largest luxury shopping centres in Fujian province. With this event, 23,702 visitors were able to discover or rediscover the world of the brand and its flagship products. This first edition was a great success, with nearly 79 million impressions recorded across all communication channels.

In January, the House of Rémy Martin in Guangzhou offered its visitors the opportunity to deepen their knowledge of the world of Rémy Martin in an immersive setting looking back over nearly 300 years of the brand's history and expertise. A digital version of the experience was also available, produced by a partnership between Rémy Martin and the e-commerce platform Tmall: nearly 290,000 viewers followed the event online. This high traffic generated many sales on our online corner hosted by Tmall.

The 2021/2022 financial year will see a ramp-up in media investments to strengthen the brand's visibility in its key markets. In May 2021, the third season of the "Team Up For Excellence" campaign was launched in the United States. In particular, it promoted Rémy Martin 1738 Accord Royal and music, with a legendary American artist acting as ambassador. In China, the brand expects double-digit growth for its XO and Club products, driven by new media initiatives and investments to strengthen their leadership in the e-commerce channel.

LIMITED EDITION
REMY MARTIN XO X ATELIER THIERY





LOUIS XIII

_ LOUIS XIII

Louis XIII has committed to a series of sustainable practices to ensure the longevity of its cognac and its terroir.

Store opening.

After opening its first store in Beijing in 2016, exploring a new and daring path in the world of spirits, followed by London and Xi'an in 2017, Louis XIII opened its new store in Hangzhou in November 2020. Located in the prestigious Hangzhou Tower department store and designed by French architectural firm RDAI, it takes cognac enthusiasts on a new journey of sensations and emotions, culminating in the Eternity Room. This area is dedicated to the discovery of limited editions, tasting rituals, and private experiences open by invitation only.

E-immersion.

The world of Louis XIII stores can now also be accessed through the immersive online shopping platform, which takes visitors on a journey through time and sensations. Offering a holistic and virtual experience, Louis XIII e-boutiques are reinventing the online shopping experience by delivering exclusive, customised benefits to the user: an exclusive concierge service, personalisation services, and limited edition bottles. These immersive e-boutiques went live in April 2020 in the United Kingdom, and in February 2021 in the United States. In addition, to address the health situation, Louis XIII has adapted its event communication strategy by organising several e-tastings with the support of its powerful community of Brand Ambassadors and Private Client Directors. This initiative has enabled the brand to maintain and enrich our client relationships throughout a delicate period.

G-sharp.

To celebrate the arrival of the "Toast Master" robot in the Louis XIII boutique in Beijing, VIP customers were invited to a world première at the Shanghai Orchestra Symphonic Hall in December 2020. After attending the "One note Prelude"

private concert played by the Shanghai Philharmonic Orchestra and our robotic arms, they embarked on a journey through space and time in a specially designed area that transported the customers to the Louis XIII cellar, where they found one of the brand's legendary tierçons.

Secret drawer.

Designed to celebrate, honour or thank the person of one's choice, "The Gift Collection" has been available since June 2020. Heightening the ritual or tasting experience, each gift box contains the classic Louis XIII decanter and its two crystal tasting glasses, while a third drawer reveals a personalised selection of accessories and gifts designed in collaboration with the prestigious French houses Bernardaud, Christofle and S.T. Dupont.

Tomorrow.

In the next financial year, Louis XIII will feature in a new large-scale campaign. It will represent a new chapter in the brand's history, aiming to strengthen its reputation while further enhancing the customer experience.

Thereafter.

In collaboration with its parent company, The House of Remy Martin, Louis XIII has committed to a series of sustainable practices to ensure the longevity of its cognac and its terroir. In 2020, Louis XIII published a detailed presentation of all its CSR commitments on its website and social media platforms: the High Environmental Value approach, the partnership with winegrowers, the protection of forests, Research & Development, and the revival of traditional tierçon production. All these measures have medium- and long-term ambitions, since each Louis XIII vintage is the product of 100 years of excellence and patience.



LIQUEURS AND SPIRITS

During the 2020/2021 financial year, the Liqueurs & Spirits division was expanded to include two promising brands: Belle de Brillet and Telmont.

A pear and cognac liqueur, Belle de Brillet is especially popular in Quebec, where it enjoys a wide and loyal customer base. The brand is growing rapidly to capture other markets, developing both its blending process and its communication platforms. The Telmont champagne house is characterised by its quest for excellence and its environmental ambitions, which are both qualities that created a natural affinity with the Rémy Cointreau Group and its values.

While the brands of the Liqueurs & Spirits division were affected by the closure of bars and restaurants around the world during the 2020/2021 financial year, they also benefited from the at-home mixology trend, which gained momentum in many countries, including the United States, Australia and the United Kingdom.

Cointreau – the perfect embodiment of this trend – capitalised on the iconic Margarita

recipe, which has been heavily promoted in the media, on social networks, and on television in the United States and the United Kingdom. Despite the collapse of Travel Retail, St-Rémy has shown remarkable resilience, with record sales in some traditional markets. Metaxa, which suffered from the shutdown of tourism in its historical markets, recorded exponential growth in the UK. The Greek spirit also used this time to increase its digital footprint on social networks. As for Mount Gay, it was able to rely on its flagship *Eclipse* rum in this period of uncertainty.

Meanwhile, The Botanist gin made a real breakthrough in the US market, while our Scottish single malts (Bruichladdich, Port Charlotte and Octomore) benefited from the significant investments made in Greater China and e-commerce platforms in recent years. Westland Distillery continued to strengthen its reputation, and Domaine des Hautes Glaces celebrated its tenth anniversary with the opening of its new distillery.

The mixology-focused brand campaigns launched several years ago paid off during the lockdown.

€248.3M 13.3%

Revenues of the
Liqueurs & Spirits
division

Current operating
margin of the Liqueurs
& Spirits division

_COINTREAU

At the heart of more than 500 cocktails and the leader in its category, the Cointreau brand is reaping the rewards of its strategy, which has propelled the Margarita – that classic, iconic cocktail with Cointreau as a key ingredient in the original recipe – across the globe. Communication and solutions geared to the new realities of the pandemic contributed to these excellent results:

With our consumers, firstly – across the United States, the United Kingdom, Australia, Germany and Belgium – where Cointreau established itself as a partner of choice in the home cocktail boom. Recipes and tutorials, both on social networks and on Cointreau.com, proved to be real allies for novice and experienced consumers alike.

In our markets, secondly – in the United Kingdom, in particular, where Cointreau partnered with the famous Friday Nights programme on Channel 4, promoting the Christmas Margarita and considerably boosting end-of-year sales.

The bartending community and the restaurant industry are at the heart of Cointreau's priorities; as such, the brand has initiated numerous actions through its international subsidiaries to support them during this sensitive period. The "Love Letter" initiative launched in the United States during the Super Bowl (100 million fans) was particularly well received, both by the public and by influencers. A 30-second ad (a first for the brand) featuring real employees encouraged American consumers to support their favourite restaurants and bars. In the United Kingdom, #CointreauGratitude in partnership with The Drinks Trust UK also supported the British hospitality industry.

On the priority subject of Corporate Social Responsibility, Cointreau continued its partnership actions with its orange peel suppliers. To date, 55% of GAP certification or equivalent has been achieved, and the brand is working towards a target of 100% by 2025. Cointreau has also been involved in research to combat citrus greening (also known as dragon disease), which eliminates thousands of orange trees. Cointreau also works in partnership with CIRAD and INRA in Corsica to promote, maintain and deepen its knowledge of citrus fruits.

The year 2021/2022 promises to be just as important, with a new content campaign aimed at building on Cointreau's reputation and engagement with its customers, as well as the international launch of a Limited Edition, inspired by the tropical world that gave birth to the Margarita. Created by Florian Viel of The Tropicool Company, the bottle is coloured on all four sides and showcases the vibrancy of 1950s Acapulco, as well as the toucan, the artist's avowed muse. Other flagship initiatives celebrating the famous Margarita Sames cocktail include a Margarita challenge launched in 2020 for bartenders around the world to develop the best Margarita recipe in the world. On the back of this success, a second edition is confirmed for 2021/2022.



THE HIGHLIGHT OF 2020/2021
WAS THE LAUNCH OF ST-RÉMY SIGNATURE
IN CANADA, THE BRAND'S FIRST MARKET.

_ST - RÉMY

For more than 130 years, St-Rémy has been rooted in the French tradition of brandy making. The world leader in French brandy, it is made exclusively from French wine *eaux-de-vie* reflecting the diversity of French vineyards, blended and aged in France, and bottled in the Loire valley.

St-Rémy showed strong resilience in the 2020/2021 financial year. Some traditional markets even achieved record sales, such as the United States, Canada, Australia and New Zealand. The brand also recorded growth in target markets, such as the United Kingdom, China and Taiwan. Travel Retail, which was the second largest market for

St-Rémy, and where the brand is number one in brandies (source IWSR 2019), understandably experienced a sharp decline.

Despite the challenging environment, St-Rémy continued to prioritise value over volume. The brand kept its focus on the St-Rémy XO, and the launch of Sherry Cask – the fifth opus in the Cask Finish Collection – confirmed the success of this limited edition collection.

The highlight of 2020/2021 was the launch of St-Rémy Signature in Canada, the brand's first market. This product aims to recruit consumers who are not familiar with the brandy category, and who are in a younger age group. Produced through a double maturation process combining new and traditional casks, this new brandy is backed by a strong communication campaign around mixology. The first months of the Canadian launch have been extremely promising. St-Rémy also launched its new campaign – “100% French” – in the Russian market, and continued to expand on social networks (Facebook and Instagram).

This year once again, St-Rémy actively participated in the Group's CSR strategy, and more specifically in its efforts to reduce its carbon footprint. The VSOP product has discontinued all case packaging and, from the start of the next financial year, 100% of its PET packaging will be replaced with recycled PET. In the terroirs, Master Blender Cécile Roudaut initiated a major audit of farming practices among her *eaux-de-vie* suppliers.

In 2021/2022, St-Rémy will continue its value creation strategy. St-Rémy Signature will be launched in the United States and Australia, and a sixth edition of the Cask Finish Collection will be launched in July – it will be a Sauternes Cask Finish.



_METAXA

Metaxa has practically doubled its community of followers on social networks through sustained and targeted investments in media planning and content development.

During the 2020/2021 financial year, Metaxa's share of tourism-related sales was badly affected, especially in Travel Retail and in the Greek, Czech and Slovak markets. Fortunately, these losses were partly offset by strong performance: some markets, including Germany and Poland, held up well, while the United Kingdom grew exponentially on the back of significant investments to expand the distribution network, particularly in online sales.

The year 2020/2021 was an opportunity for Metaxa to increase its digital footprint in social media. The brand decided to spotlight and support its partners in the bar world with the creation of Mix & Quiz tutorials and during International Women's Day. Metaxa also developed a "12 Stars" advent calendar for the holidays, sharing cocktail suggestions for the season, gift ideas, and food and cocktail pairings. There was an unprecedented investment in the community, with a 124% increase in engagement. These activations were then taken up locally by Metaxa's main markets.

To continue to engage with bartenders during a time of social distancing, Metaxa developed new digital experiences, such as E-Masterclass and E-Tasting Kits. It also developed a new mobile training app, called My e/Metaxa. This playful tool allows the brand's sales force and distributors to immerse themselves in Metaxa's Greek origins and unique production methods.

Lastly, Metaxa successfully launched the second limited edition of Metaxa Grande Fine, whose bottle was designed by Greek artist Cacao Rocks, reflecting his vision of the Cycladic islands.

2021/2022 promises to be a great year for Metaxa 12 Stars sales, and three important events will support this ambition: a new communication campaign, the launch of the prestigious Metaxa AEN Cask No. 3 edition limited to 1,000 bottles, and the opening of the new "House of Metaxa" on the island of Samos, which will offer a unique experience to its visitors, with a special focus on the brand's sustainability initiatives.

Dual CSR ambition in Samos

At the heart of Metaxa's strategy, Corporate Social Responsibility is underpinned by two major goals on the island of Samos: the protection of biodiversity, and support for local communities. To address the first goal, Metaxa has launched a programme with the Hellenic Ornithological Society to monitor and protect the island's birds.

For its second goal, Metaxa supports the small mountain community of Vourliotes by financing and managing the technological upgrade of the village's primary school and transforming the school into a centre for the whole community.

In addition, Metaxa has started the process of organic certification of its vineyard in Samos, which should be completed by 2023.





THE BOTANIST
TACKLES THE US MARKET

THE BOTANIST

While the brand was adversely affected by the Covid-19 pandemic in Europe and Travel retail, the brand continued to capture market share in the United States. In this market, where gin is only just beginning to take off, it has recorded excellent growth. Asia's strong recovery following the nosedive in early 2020 was also beneficial. All around the world, The Botanist has enjoyed significant growth in the e-commerce and e-retail channels.

Building on the success of "Wild – A State of Mind", The Botanist continued to roll out the campaign in strategic markets and on global social media. The pandemic has enabled the brand to accelerate investment in digital communication, with particular focus on digital ATL, CRM and Insta'Lives.

The Botanist Foundation continued to support local initiatives concerned with conservation, biodiversity & sustainability on the Isle of Islay and beyond. The Botanist, through the Foundation, also cemented its collaboration with Botanical Gardens

Conservation International (BGCI), entering a 3-year partnership, backing the first Global Botanic Garden Fund, which supports plant conservation practices, policy & education, and infrastructure & development throughout its global network. As part of the Bruichladdich Distillery Company, The Botanist benefited from the distillery's recent B Corp certification.

In financial year 2021/2022, The Botanist will focus on its strategic markets: United States, United Kingdom, Germany, Australia, and Travel Retail. Advertising and promotional investments will be increased to fuel future growth. Lastly, further emphasis will be placed on direct sales and e-commerce, which have proven to be highly effective channels since the start of the health crisis.

BELLE DE BRILLET

The history of Maison Brillet, located in Graves-St-Amant in the heart of the Cognac region, on the banks of the Charente, extends back to 1656. Since then, 11 generations of the Brillet family have succeeded each other to develop and pass down the vineyard, founding a trading company in 1850. Today, the company produces exceptional cognacs, traditional pineaux des Charentes, and an exclusive liqueur: Belle de Brillet. During the 2020/2021 financial year, Maison Brillet joined the Rémy Cointreau Group – integrating its 50-hectare vineyard in Petite and Grande Champagne, premiers crus in the Cognac region, into the Rémy Martin Estates.

A delicate pear and cognac liqueur, Belle de Brillet boasts a large fan base,

especially in Quebec. It enjoyed unabated success this year once again, with sales remaining stable despite the public health situation and the closure of bars and restaurants for a large portion of the year. Its strong base of loyal consumers supported the brand through in-store and online purchases.

Belle de Brillet thus offers strong potential for international development in the premium liqueur segment. To follow through on our new ambitions and to strengthen the brand's appeal, substantive work has been carried out on both the liquid and the packaging. These product changes will give rise to a new brand platform in the second half of 2021/2022, before a more extensive roll-out in 2022/2023.



_ MOUNT GAY

From the United States to New Zealand, our *Eclipse* rum has shown consistent success in a period of uncertainty.

The public health situation of the 2020/2021 financial year delayed the roll-out of Mount Gay's face-to-face "Liquid to lips" strategy and postponed the major launches of *Black Barrel* and *XO Formula*. Nevertheless, performance was very good in the United States, Canada, the United Kingdom, Australia and New Zealand, bolstered by *Eclipse*, which showed consistent success in a period of uncertainty.

The circumstances prompted Mount Gay to develop an extensive digital strategy involving influencers, journalists and rum enthusiasts, who received samples to participate



in online masterclasses orchestrated by the UK brand ambassador, Miguel Smith. At the same time, Mount Gay strengthened its presence on social networks and media through its "More Than a Rum" campaign.

Mount Gay has taken many measures to protect the planet and the climate. Firstly, the spraying of vinasse (derived from distillation) on the plantations reduces the proportion of non-organic fertilisers and pesticides used. Secondly, the distillery is switching from diesel to natural gas. The commissioning of the new unit, which was delayed by the health crisis, is scheduled for May 2021. In addition, the installation of solar panels means that offices and bottling lines are now fully powered by clean energy. Lastly, Mount Gay has continued to plant trees and install beehives in the plantations. From a social point of view, the distillery has produced hand sanitizer and donated it to the community and frontline workers.

In 2021/2022, Mount Gay plans to roll out its new range in key countries, with the launch of the double matured Black Barrel Blend and the new triple matured XO, in particular. At the same time, the "More Than a Rum" campaign will be stepped up on social networks and enriched by news on Mount Gay and new content on the art of living in Barbados. In addition to the leading markets of the United States and the United Kingdom, the brand has high ambitions in France and Germany, where the rum market is growing strongly. Lastly, the recovery of tourism in Barbados should revitalise the local market.





— TELMONT: "IN THE NAME OF MOTHER NATURE"

Champagne is a product of the earth. It is nothing without it. And the more gratitude and respect it shows, the more the earth, in return, opens the way to excellence. In a few words, this sums up the spirit of Telmont, a century-old champagne house.

Founded in 1912, the Telmont champagne house, previously known as J. de Telmont, is located in Damery, near Épernay. Created after the Champagne Riots by Henri Lhôpital, a brave winegrower, the house has remained a family-owned, visionary company: today, Bertrand Lhôpital represents the fourth generation. Telmont clearly expresses its vision of wine production and its core values: loyalty, humility and courage. The house takes pride in its uniqueness. Its motto says it all: *Nec Pluribus Impar*, meaning "unlike any other". Telmont first began its conversion to organic farming ten years ago, and part of its estate was granted organic certification in 2017.

Telmont prioritises champagne quality over production volume, and favours ageing that goes beyond the recommendation of the AOC: three years for BSA champagnes and six years for exceptional vintages. The house has decided to make its champagnes an expression of the terroir; their unique style is shaped through a paradox between lightness and maturity; tension and freshness.

As the excellence of Champagne is based on respect for the natural environment, Telmont wants to see its ambition through to the very end: setting an example by paving the way to a 100% organic Champagne house, using production methods at one with the environment by limiting its impact on nature. Telmont aims to act "In the name of the Earth" and to cultivate the age-old wisdom that encourages us to value nature without ever altering it. "In the name of Mother Nature" commits the house to five goals in the coming decades (see insert), the results of which will be shared with the general public in all truthfulness. The Remy Cointreau Group, which acquired a majority stake in the company in 2020, fully supports this ambition to act "In the name of Mother Nature".

Maison Telmont has set itself five goals.

First goal: to preserve the terroir and biodiversity. Today, 70% of the 22 hectares of the Telmont estate are being used in organic farming or being converted to that end. 100% will be certified by 2025. The house's partner winegrowers (60 hectares) will be invited to transition to organic farming, and guided in this respect. This is an ambitious transformation project that should lead to 100% of the cultivated areas becoming organic by 2031, compared to 30% at present. Biodiversity will be promoted throughout the estate, both in the vineyards and in the adjoining natural areas. With this in mind, 2,500 bower hedges will be set up within three years to create "insect hotels" in the vineyards, preserve faunal diversity, and contribute to sustainable carbon sequestration.

Second goal: the widespread roll-out of eco-design. Telmont wants to break with Champagne traditions. In 2021, the company adopted a new marketing specification: "the bottle, and nothing but the bottle". This principle excludes the production and use of packaging and gift boxes – a first in Champagne. The production of clear bottles (15% of Telmont's volume) will be discontinued in favour of 100% recyclable green bottles made of recycled glass. In addition, an experimental approach aimed at the reuse of bottles (for other wine or cider productions) will start at the end of 2021.

Third goal: to use 100% renewable electricity as from this year and give preference to all other sources of "green" energy for all its activities.

Fourth goal: a deep-rooted change in the upstream and downstream supply chain to limit greenhouse gas emissions indirectly linked to this activity.

Fifth goal: to step up efforts in the area of traceability and information. Each bottle will be numbered so that customers can trace its production route. From this year onwards, all information relating to the wine's production and composition will appear on the front labels.

W H I S K I E S

Single malt whisky brands continued their upward trend, despite the health crisis.

The whisky division comprises five single malts that share the same values of excellence: Bruichladdich, Port Charlotte and Octomore are distilled on the Isle of Islay in Scotland; Westland Distillery operates in Seattle in the United States; and the Domaine des Hautes Glaces farm distillery in the French Alps has just celebrated its tenth anniversary.

The Covid-19 crisis has not prevented the single malt portfolio from making further remarkable progress in 2020/2021. The significant investments made in recent years to boost brand awareness and desirability, the development of dedicated websites for these brands, and education on social media around the concept of "provenance" have all paid off. The category's strong development in the Asia-Pacific region is also a promising growth driver.

On Islay, Bruichladdich Distillery has become the first single malt Scotch whisky distillery to receive B Corp certification,

rewarding years of good social and environmental practices. From an economic perspective, the three Scottish single malts benefited from strong demand in the US market, the rebound in Asia, and good resilience in Europe.

Perfectly integrated into the local economy of the Seattle area, where it actively participates in preserving Garry oak trees, Westland Distillery is now recognised nationally on account of the undisputed quality of its whiskies and the success of its new e-commerce platform.

Domaine des Hautes Glaces is inaugurating its new distillery ten years after its creation, and entering a new era in its history: an increased distillation capacity that continues to maintain its ethos, with single malts made only from organic grains grown in the Trièves Mountains.





_PROGRESSIVE HEBRIDEAN DISTILLERS

Bruichladdich Distillery became the first single malt Scotch whisky distillery in the world to receive B Corp certification, at the beginning of the 2020/2021 financial year.

In 2020/2021, the performance of our Islay single malt Scotch whisky portfolio, including the Bruichladdich, Port Charlotte and Octomore single malt brands, was strongly driven by the US market - despite the imposed 25% import tariff. Asia's strong rebound has also been greatly beneficial. While the Travel Retail channel suffered, Europe has shown resilience throughout the health crisis, with strong home consumption and trade-up trends at play. E-commerce and e-retail channels have been key growth drivers across all markets and the brands were well placed to benefit from the trend, through investments made in this area in recent years. In general, at-home consumption has offset the impact from the closure of the on-trade market in much of the world.

In keeping with Rémy Cointreau's values, Bruichladdich Distillery launched "No Hidden Measures", a communication campaign designed to hero the importance of transparency and provenance in our whiskies. "No Hidden Measures" invites consumers to trace the composition of the whisky, from farm to bottling, using the bottle lot codes.

Port Charlotte continued to invest behind its "We Are Islay" campaign in all markets and released new additions to the range. The launch of Port Charlotte OLC:01 was an important event. Distilled in 2010 and limited to 30,000 bottles, this single malt is one of a few to be aged in real sherry hogsheads of specific and significant provenance, the result of our long-term partnership with the fine Spanish bodega

Fernando de Castilla. Octomore, the most heavily peated single malt Scotch whisky in the world, successfully launched its "ODX" digital experience platform to drive awareness, experiential engagement, and CRM.

At the start of the 2020/2021 financial year, Bruichladdich Distillery officially received B Corp certification – joining a movement of companies using business as a force for good, prioritising people, the planet and profit equally. B Corp unites companies who seek to be the best *for* the world, rather than the best *in* the world (see insert). Bruichladdich Distillery is the first single malt Scotch distillery in the world to receive B Corp accreditation.

Bruichladdich Distillery was also successfully awarded funding (through the UK Government Green Distilleries Competition) to carry out feasibility studies, exploring cutting edge hydrogen-combustion technology as a zero-emission heat source to create steam for distilling. Furthermore, the company has feasibility studies underway exploring 12 other renewable energy solutions as alternatives to fossil fuel. As part of the distillery's broader sustainability goals, they are reducing packaging and waste, and developing a sustainable agriculture vision with academic partners on their own land.

Bruichladdich Distillery has high ambitions for its brands in 2021/2022, especially in its strategic markets: United States, United Kingdom, China, and Travel Retail. A&P investments will be accelerated behind

all three of the distillery's whisky brands with particular emphasis on Bruichladdich's The Classic Laddie. Distribution expansion in the on- and off-trade market will be supported with increased brand-building investment to drive awareness and desirability, while direct sales and e-commerce will also continue to be a priority.

B Corp certification

In May 2020, Bruichladdich Distillery was officially awarded B Corp certification. This recognises its compliance with the highest standards of social and environmental performance, public transparency, and accountability, to strike the right balance between profit and purpose.

Established in 2006, the B Corp certification process was organised to help purpose-driven companies protect and improve their positive impact over time. Bruichladdich Distillery has joined other companies around the world that are helping to address some of the challenges facing our modern societies. It leads the way in its field.

The distillery will be reassessed every three years to maintain its accredited status.

_DOMAINE DES HAUTES GLACES

Ten years after its creation,
the Domaine des Hautes Glaces
opens its new distillery.

Created 10 years ago in the heart of the Trièves Mountains, in the French Alps, the Domaine des Hautes Glaces distillery is entering its second decade with a new distillery and new ambitions. But its original philosophy remains unchanged: to make a whisky from ingredients sourced only from its terroir, in line with organic and rural production methods. The new distillery now has five stills, which are still heated by wood pellet burners, three beautiful oak vats of 12,000 litres each, and a magnificent cellar, semi-underground, that can hold up to 4,000 casks.

All that has been built at the Domaine des Hautes Glaces in the last 10 years comes together beautifully; energy flows through the various sites and is renewed every day, with new initiatives moving the distillery consistently forward. At the moment, for instance, the composting of dried grains is being studied to better recover this waste – part of which is already given to a horse breeder.



During the 2020/2021 financial year, a local and organic production line was also launched: "Graines des Cîmes", or Grains from the Treetops. Bringing together 15 farms, the first harvest was a great success, with high-quality barley and excellent yields. This will allow the distillery to gradually increase its annual production to reach 70,000 litres of pure alcohol per year. The future malting plant planned for the summer of 2022 will enable the Domaine to perfectly control every stage in the creation of its whiskies.

In 2021/2022, the Domaine plans to receive customers at the new site. The park, which is the entrance to the Domaine, is being transformed to guide future visitors on their journey to the distillery or to the priory's vaulted barns, which house a shop and two tasting rooms.

**In 2021/2022,
the Domaine plans
to receive customers
at the new site.**

_WESTLAND DISTILLERY

In addition to its proactive role locally,
Westland Distillery is receiving ever greater
recognition globally.

When the Covid-19 pandemic took hold at the beginning of the financial year, Westland focused exclusively on the production of hand sanitizer, which was donated to local hospitals as a priority, ultimately providing sanitizer to more than 100 organizations. In July, after the first peak of the pandemic had passed, whisky production resumed and the tasting room was reopened according to local health guidance.

In the autumn, Westland launched its new communication campaign around the Outpost Range of whiskies, including Garryana, of which Edition #5 was released in November, followed by Colere. Garryana pays tribute to the terroir of the Pacific Northwest region of the United States by utilizing casks made from wood native to this region. Demonstrating its commitment to the protection of the region's forests (see insert), the distillery collects fallen Garry oak trees in protected forests and air-dries them for three years to make exceptional casks that infuse the spirit with unique aromas.

Last winter, Westland launched its dedicated e-commerce platform in the United States. The website gives Westland fans across the country access to the entire range. This successful launch went hand-in-hand with a wide range of digital events to further develop the brand's reputation and appeal: virtual tours, whisky tastings, cocktail classes, virtual whisky exhibitions, and more.

During the year, Westland Distillery received two prestigious awards for Garryana Edition #5



(best American single malt of the year) and Single Cask #5410 (best American single cask single malt of the year). The communication campaign around the Outpost range also won awards in the United States and internationally.

Lastly, the cellars of the new Skagit Valley estate were developed about an hour north of the Seattle distillery. The site spans 32 hectares, a large portion of which will be dedicated to growing barley, both for research purposes and to supply the distillery. The land has already been certified "Salmon Safe", a status that guarantees the farming has no negative effects on salmon and its environment; indeed, salmon is one of the most ecologically important species in the region. Their first estate crop, expected to receive Organic certification, was planted this spring. In the long run the estate will be used to practise the most cutting-edge forms of sustainable agriculture.

Protecting Garry oak tress

As it did last year, the Westland team put on their boots and got down to work to help save the Garry oak trees in the Schibig-Lakeview Nature Preserve, 30 minutes south of the city. They had to weed around the young trees planted a few years earlier, and remove the protective tubes and ground cover that were necessary at the time.

Quercus garryana remains a rare and threatened oak species. Westland makes the casks using only trees blown down by storms or considered hazardous. But that is not enough. The distillery team is working to restore the natural environment of Garry oak trees in the Seattle region and to draw attention to the cultivation and preservation of this endangered species.

THE MARKETS

_AMERICAS

Despite the closure of on-trade establishments (bars, restaurants, nightclubs, etc.), the US spirits market was buoyant in 2020/21, bolstered by the acceleration of a few promising trends brought on by the pandemic.

Firstly, the move upmarket continued to gain momentum, while consumers seek out authenticity and provenance. Although most of the portfolio benefited from this trend, Rémy Martin 1738 and Rémy Martin VSOP cognacs recorded particularly spectacular growth rates through the recruitment of new consumers.

In addition, the boom in home consumption over the past 12 months was underpinned by years of investment in cocktail culture by brands like Cointreau and The Botanist. Takeaway cocktails delivered to customers by bars and restaurants also made high-end mixology at home more accessible. Lastly, Cointreau partnered with Independent Restaurant Coalition to raise consumers' awareness of the challenges facing the hospitality sector with its first ever TV campaign during the annual Superbowl event.

E-commerce is the fastest growing distribution channel in the United States, and the Group's brands have benefited greatly from this momentum. Louis XIII and Westland even launched their own websites in collaboration with Reserve Bar.

In Canada, at-home consumption also helped offset the closure of on-trade establishments. In contrast, Latin America was adversely affected by the suspension of tourism and travel.

In order to reduce its environmental impact, the region restricted gift boxes to limited editions and special occasions. As a result, only 20% of the volumes are now packaged in boxes, compared to 30% previously.

The region looks ahead to 2021/2022 with confidence. The above trends are expected to continue to drive the Group's growth.

_ASIA - PACIFIC

The Asia-Pacific region as a whole has suffered from the Covid-19 pandemic, hit hard by its dependence on tourism and on-site consumption. Two markets within the region nevertheless recorded a surprisingly remarkable performance: Greater China and Australia.

In Greater China, the shutdown of on-trade establishments (bars, restaurants, karaoke bars, etc.) set the year off to a slow start, but their reopening in the summer of 2020 pushed cognac and whisky consumption to new heights during the rest of the year. Moreover, many initiatives were taken to meet the increasingly demanding expectations of Chinese consumers in terms of brand experience. An immersive presentation of the Rémy Martin House was organised at the Guangzhou Opera House and enjoyed tremendous success. Louis XIII broadened the level of experience offered to its customers through unprecedented cultural events: Heritage Awakening cultural round tables, a poetic experience at the Shenzhen Sky Concert Hall – the highest music hall in the world – and an artistic Symphony of Time concert in Shanghai. We stepped up the quality of customer relations with the launch of concierge services for Louis XIII VIP customers, together with a mini WeChat programme dedicated to Rémy Martin customers. Lastly, hundreds of live streaming sessions were held on social networks for the new generation of connoisseurs.

Australia saw a huge increase in retail sales. The rise of at-home cocktails was especially beneficial for Cointreau; buoyed by significant media investments, it has become the third most valuable brand in the liqueur category. The Botanist also stood out, while cognacs showed resilience.

The region has an optimistic outlook for the year 2021/2022. With buoyant domestic consumption, prospects in Greater China are excellent, while other markets should benefit at least partially from a recovery in tourism and the reopening of the hospitality sector.

_EUROPE, MIDDLE EAST AND AFRICA

The Europe, Middle East and Africa region was affected by the public health crisis overall. Here, the closure of bars and restaurants was not offset by a rise in at-home mixology, as in the United States. The United Kingdom alone followed this trend.

Although the UK market also experienced a sharp decline in the on-trade sector, this was immediately offset by an unprecedented acceleration in retail and e-commerce sales. Cointreau and Mount Gay, in particular, had a record year. Cointreau's partnership with Channel Four to sponsor the Friday Night In show was very effective and garnered widespread attention for the Margarita recipe.

In Africa and the Middle East, the pandemic affected all sales channels. Rémy Cointreau's teams had to show agility: online sales sites were launched in South Africa, Kenya and Dubai; Zoom tasting and food pairing sessions in South Africa also drew many Louis XIII customers, wine lovers and art collectors; and in India, online tastings organised with whisky clubs boosted Bruichladdich's reputation among connoisseurs.

Thus, despite a very challenging environment in this part of the world, the Group continued to invest in preparing for recovery and the future.

_TRAVEL RETAIL

With the collapse of international air travel (-75% in 2020), Travel Retail has felt the full onslaught of the public health crisis. In China, however, the duty-free allowance increase for Chinese citizens visiting the Hainan free-trade port has created a new duty-free market with great potential. The same is true in South Korea and Taiwan, with the rise in domestic flights to the islands of Jeju, Penghu and Kinmen.

Travel Retail initiatives have focused primarily on Hainan Island, which offers strategic opportunities for Rémy Martin and Louis XIII, from airports to luxury shopping centres.

Due to the travel bans, the online platforms that were developed to replace team travel will be maintained after the health crisis in order to reduce the carbon footprint.

Visibility on duty-free sales for 2021/2022 remains low. Nevertheless, the Group will continue to invest in preparing the recovery of this important and strategic channel.

A full-page background image showing a person from behind, standing on a hill covered in vibrant purple heather. The landscape is vast and rolling, with green and yellow fields in the middle ground and distant, hazy hills under a clear blue sky. The person is wearing a dark jacket and looking out over the horizon.

03

CORPORATE SOCIAL RESPONSIBILITY

"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."

Rémy Cointreau Group's purpose

Rémy Cointreau's Corporate Social Responsibility commitment is the cornerstone of its centuries-old brands; it is an integral part of the Group's DNA and punctuates its history. The Group's Houses have spanned the ages by combining the excellence of their products with continuous improvement in terms of CSR. Each of them, in its own way, protects its terroir and nurtures the expertise of the women and men who work there, so that customers can enjoy exceptional sensory experiences.

The year 2020/2021 was marked by a health crisis on an unprecedented scale. But the Group's teams were no less enthusiastic – quite the contrary! Whether in Barbados, Cognac, Samos or the Isle of Islay, they devoted all their energy to ensuring that the Group's 2025 commitment is a collective success. This strategy, called "Sustainable Exception", embodies the Group's special attention to developing its products of excellence and relies on practical actions coupled with quantified targets to help preserve the planet.

This year, the Group ramped up its efforts to obtain sustainable agriculture certifications, with real progress at Bruichladdich, Mount Gay, Cointreau and St-Rémy. The Group also took bold measures to reduce its carbon footprint, eliminating a significant portion of its gift boxes across its portfolio. The Bruichladdich site is now fully powered by renewable electricity. Moreover, in the last nearly 20 years Rémy Cointreau has undertaken to follow and implement the 10 principles of the UN Global Compact, including the principle to encourage the development and diffusion of environmentally friendly technologies.

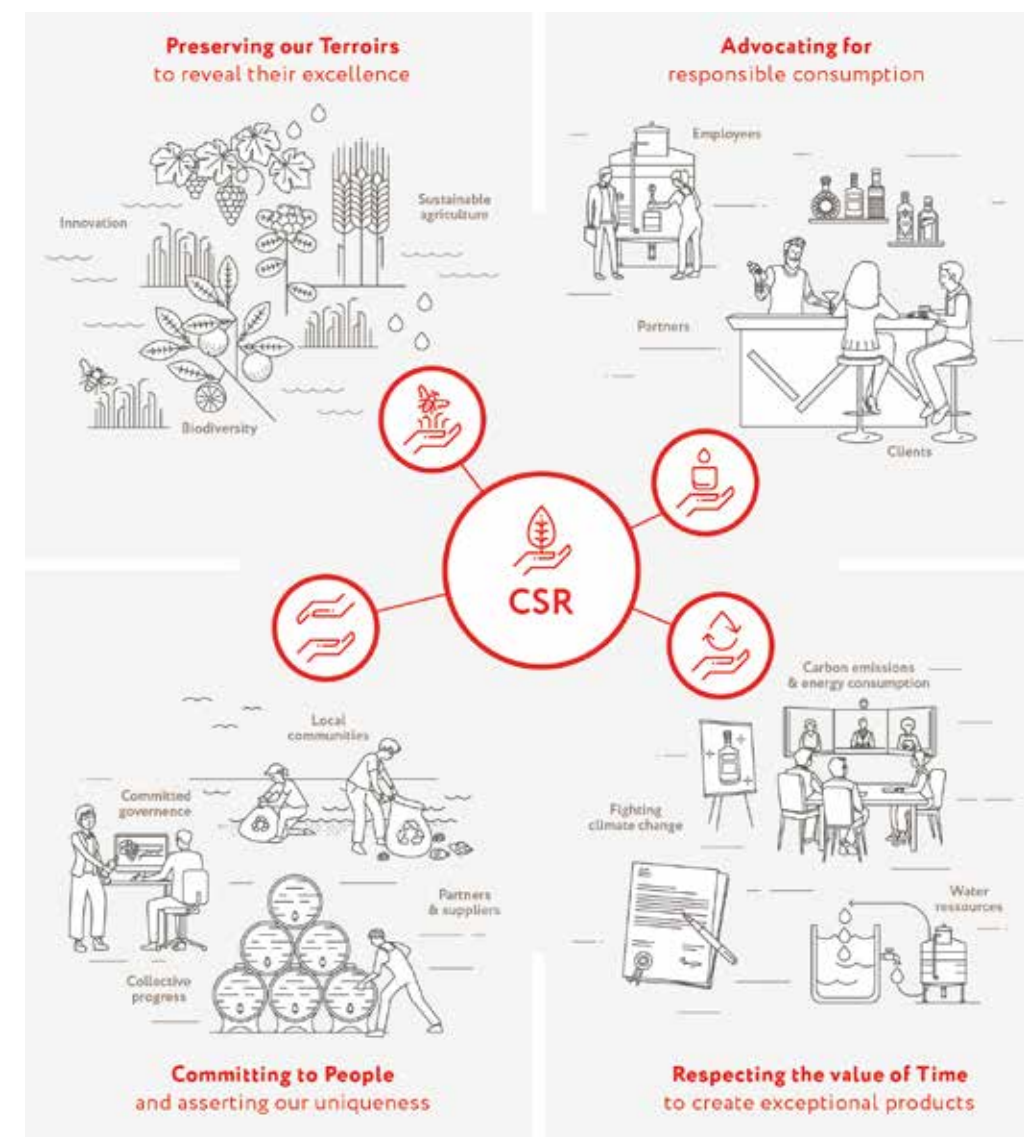
The Group's long-standing commitment to CSR has recently been recognised by several rankings and ratings. The Carbon Disclosure Project (CDP) gave the Group a score of A-, and the Vérté40 index gave it an A. At the same time, Rémy Cointreau was ranked first in the food sector and 26th across all business sectors based on social, environmental and governance criteria, according to a study led by French magazine *Le Point* in partnership with the German institute Statista. In 2020, the Scottish distillery Bruichladdich had already received the B-Corp label.

More than ever, Group's Houses are proud to proactively embrace sustainable exception. They continue to innovate in order to create exceptional spirits that reflect the terroirs in which they were produced. By valuing its heritage in this way, the family group is writing a new chapter in its history and proudly passing on this centuries-old legacy to future generations.

Rémy Cointreau's Corporate Social Responsibility commitment is the cornerstone of its centuries-old brands; it is an integral part of the Group's DNA and punctuates its history.

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

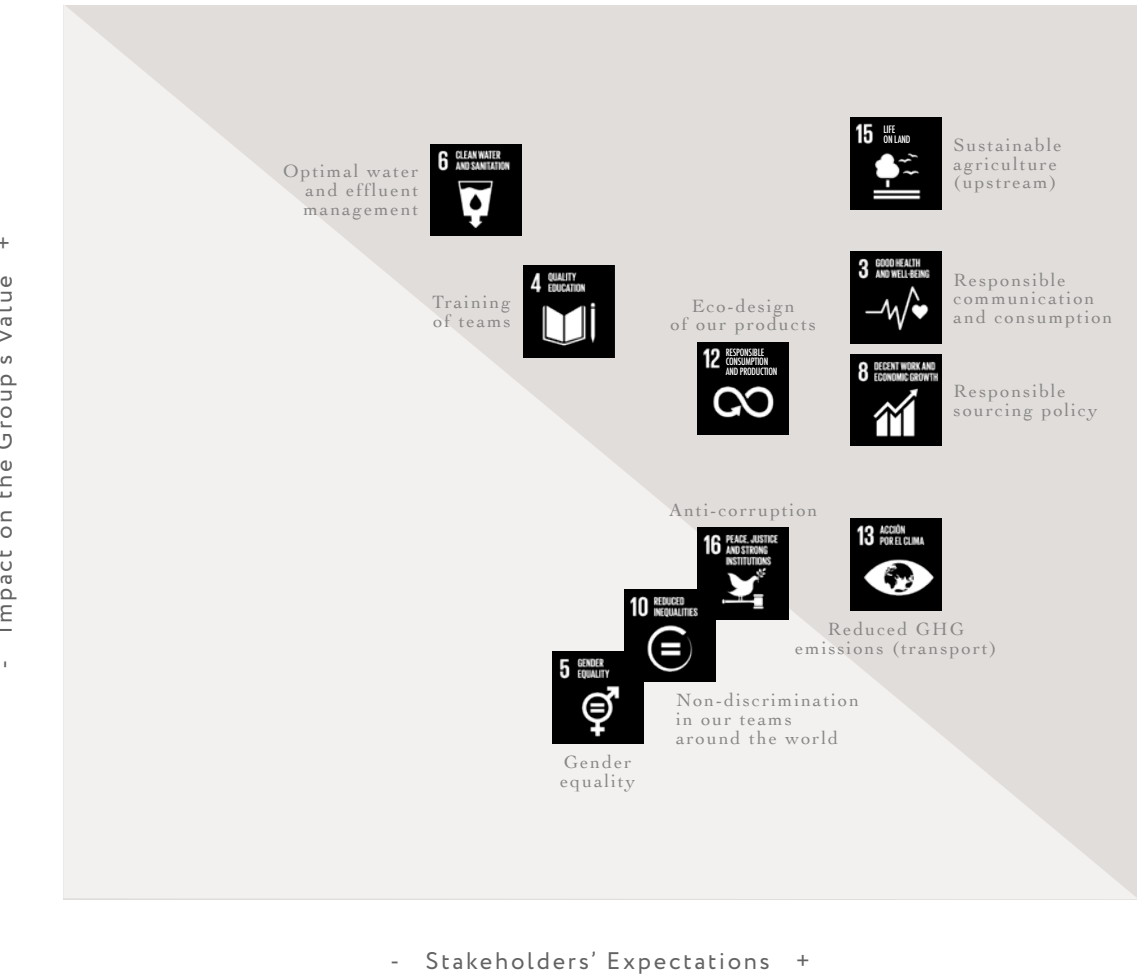
- **Preserving the terroirs** to reveal their excellence, by encouraging responsible cultivation methods and innovating to maintain their essence and biodiversity.
- **Committing to men and women**, as a way of asserting its uniqueness, with responsible and committed governance, while guaranteeing collective 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.



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



_MATERIALITY MATRIX



Special attention was paid to the five priority SDGs (SDGs 6, 8, 12, 13 and 15), which for the past four 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.

		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 ethics and anti-bribery charter
		Governance	Annual monitoring of the number of B Corp-certified sites

As part of the materiality analysis conducted, food waste, 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.



BUILDING A BALANCED
FUTURE BY COMBATING
CLIMATE CHANGE

Respecting the value of Time means adopting sustainable production practices while limiting greenhouse gas (GHG) emissions and the use of natural resources, such as water. In accordance with the 2015 Paris Agreement, Rémy Cointreau has undertaken to halve its carbon emissions by 2030 in order to reach “Net Zero” by 2050. This achievement would require reducing the carbon footprint at all stages of the life cycle of its wines and spirits: production, eco-design packaging, transport and waste management. The Group has implemented tools to measure its environmental footprint at all levels (scopes 1, 2 and 3).

Priority: net zero carbon by 2050
to preserve the planet

"We have made strong commitments within the framework of the "Sustainable Exception" plan that affect the entire production chain, from the production of our spirits, to their packaging and transport.

- On scope 1, this means choosing fuels that emit less carbon, as in France, where we switched to biogas in April 2021, or on the Isle of Islay, where the HyLaddie project is investigating the use of hydrogen for the distillery’s heating requirements.
- On scope 2, we are working on the purchase of renewable electricity.
- On scope 3, we are focusing our efforts on eco-design to roll out lighter bottles and increase the proportion of recycled glass. Besides, we are favouring partners who have adopted a carbon reduction programme."

Patrick Marchand,
Chief Operating Officer

"In terms of sourcing, the year 2020 has prompted us to further strengthen the relationship with our partners. Since the start of the crisis, we have created a task force and remained in close contact with our suppliers, in order to hear their concerns and grow together.

This relationship has outlasted the crisis and made us aware of the need to secure our production plan. We thus decided to relocate our sourcing operations to ensure we adopt a strongly local approach. This allows us to reduce transport requirements and to implement a multi-sourcing strategy.

Taken together, these measures have culminated in the creation of a CSR officer position within our team."

Jean-Pascal Martin Festa,
Chief Procurement Officer

Identifying alternatives to fossil fuels

Rémy Cointreau has identified alternative solutions to conventional natural gas in most of its regions, ranging from biogas (as in France) to liquefied natural gas (as in the Caribbean, in Barbados). In the combustion phase (scope 1), biogas produces 100 times less emissions than conventional natural gas.

Wherever it operates, the Group and its brands are innovating to reduce its environmental impact. The Scottish distillery Bruichladdich, for example, is carrying out a feasibility study named HyLaddie that investigates the integration of innovative hydrogen combustion technology at the production site. This study will be finalised in 2021 and could enable the implementation of practical solutions that will make a strong contribution to the net zero targets for 2050.

In Cognac, in order to measure the sources of carbon emissions even more thoroughly, Rémy Martin will carry out a partial (but representative) carbon assessment of its winegrowers' cooperative (Alliance Fine Champagne – AFC) in 2021, analysing

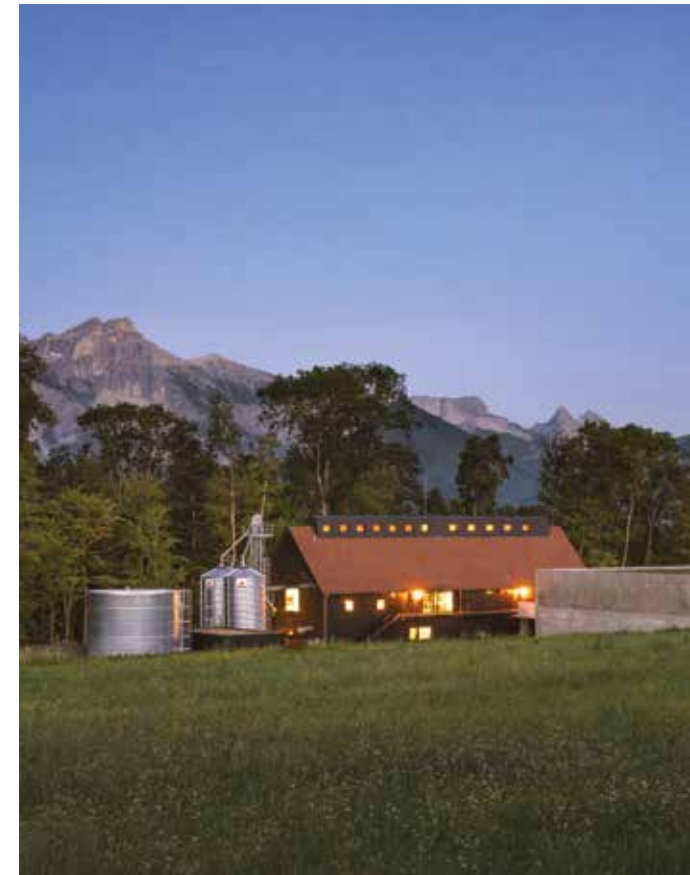
three "average" representative structures: a professional distiller, a grower-distiller, and a wine deliverer.

In addition, five other professional distillers working with the House have come together to share their data and build a roadmap including targets such as carbon footprint reduction, waste management, biodiversity and quality development, and the safety and working comfort of employees. Their approach is consistent with ISO 14001 certification, which is based on the principle of continuous improvement of environmental performance by controlling the impact of the company's activities.

It was also in Cognac, at Rémy Martin, that the Green Analytical Project – a sustainable analytical chemistry think tank – audited the laboratory's activity. The audit looked at the everyday routine of the laboratory, general practices, waste management, energy savings, analytical methods, and operator safety to provide an in-depth assessment and indicate areas for improvement.

Rémy Cointreau, Climate Leadership status

For the first time, the Carbon Disclosure Project (CDP) has awarded the Rémy Cointreau Group "Climate Leadership" status, with a score of A- for 2020. This score recognises the most transparent companies in the world in terms of environmental reporting. The Group is pleased to have improved by two levels in one year. Worldwide, only 8% (or 776) of the 9,526 companies analysed this year achieved this recognition. On average, the Group's sector (Food & Beverage Europe) traditionally gets a C rating (Awareness).



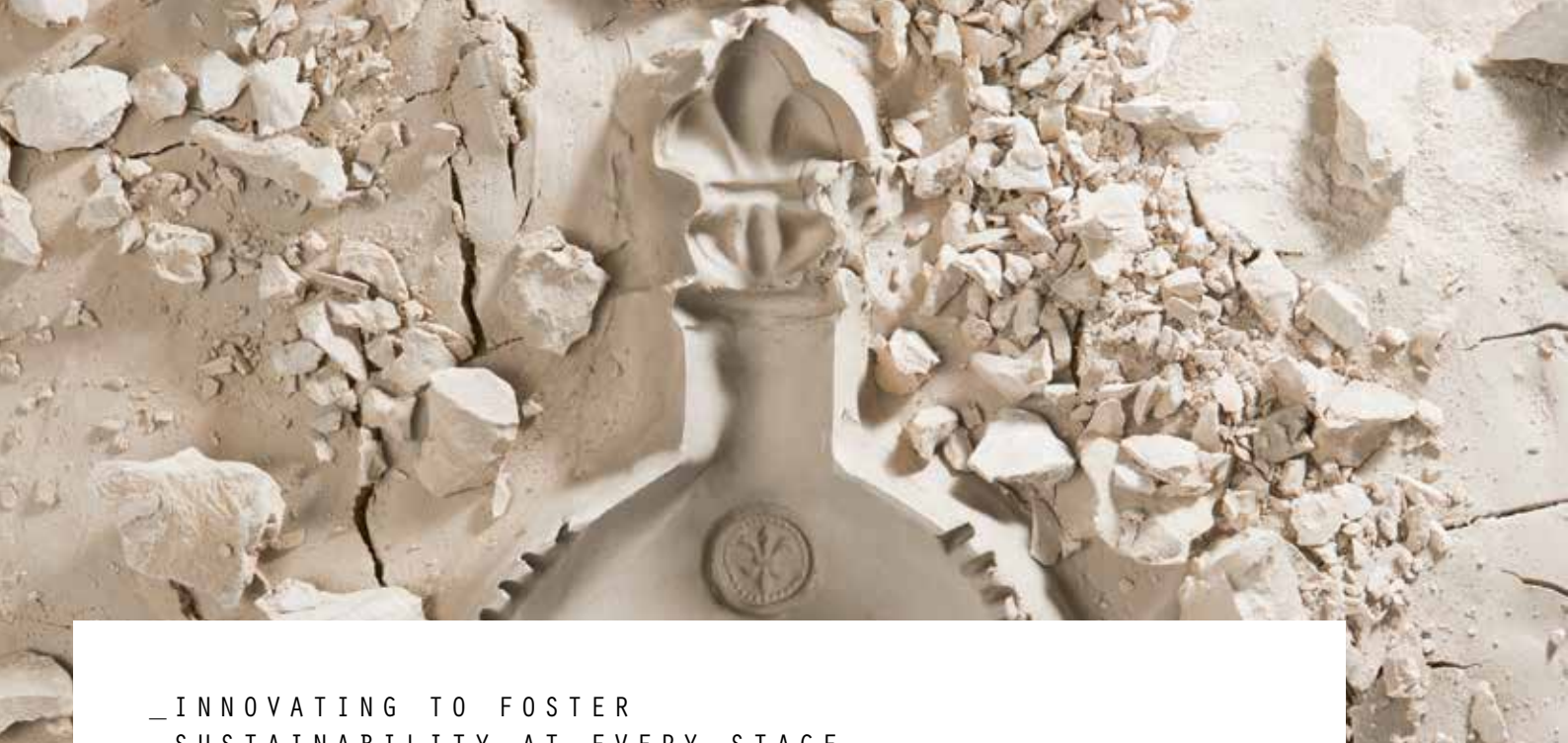
Continuing the transition to green electricity

Rémy Cointreau has set itself the target of 100% renewable electricity by 2025. Since 2016, all electricity used by the Group's French sites has been renewable, with the exception of Domaine des Hautes Glaces, for which 94% of the total energy used is renewable (wood-fired stills). Meanwhile, at Westland Distillery in Seattle, 90% of the energy used is renewable, whereas at Bruichladdich in Islay, 100% of the electricity used has come from

renewable sources in the United Kingdom since May 2020.

**Rémy Cointreau
has set itself the target
of 100% renewable
electricity by 2025.**

In 2019, the Mount Gay teams on the island of Barbados began to produce photovoltaic power: solar panels now cover 25% of the packaging site's total electricity consumption. By 2024, the figure is expected to rise to 30% with the installation of new panels. The site has also been fitted with energy-efficient bulbs and lamps.



— INNOVATING TO FOSTER SUSTAINABILITY AT EVERY STAGE OF THE PRODUCT LIFE CYCLE

Reducing the carbon footprint through eco-design

In the past two years, the Group has been implementing practical and speedy measures to reduce the environmental impact of its packaging, which accounted for 35% of its carbon emissions in 2020. The aim is to eco-design 100% of its products by 2025. To that end, the packaging development teams apply the 5R method: reduce, reuse, recycle, respect, rethink. Whenever possible, the Group's brands reduce the weight of glass in their bottles and use recycled materials in their new packaging, which in turn reduces the carbon emissions of their production and transport methods.

At Group level, Rémy Cointreau has developed the Environmental Performance Index (EPI). With this comprehensive tool, packaging engineers can accurately gauge the environmental footprint of each package. This makes it possible not only to identify the most virtuous products and those that require innovation, but also to address the concerns of customers who want to steer clear of over-packaging and heavy packaging.

In addition to working on products that require innovation, the Group is perfecting existing packaging. This year, Adelphe assessed the packaging of Cointreau products to optimise every detail.

This approach demonstrates Rémy Cointreau's determination to continue to make progress in this regard and to produce with ever greater mindfulness.

The innovations are not always technical in nature, and sometimes involve "simply" removing the packaging. As such, a significant portion of the Rémy Martin range discontinued its gift boxes during 2020/2021, in particular bottles intended for the US market. Since February 2021, Bruichladdich has also been running the "Go one tin lighter" campaign, giving customers the option to buy bottles that don't come in a tin. Initially, the distillery is targeting 5,000 bottles sold without a tin, followed by 10,000. At the same time, the online store offers fully cardboard packaging. To best support these changes, the site now has a packaging development manager tasked with designing and improving product packaging to minimise the environmental impact. This drive also led to the St-Rémy Signature bottle being sold without a case in 2020, as a bare bottle, which is different from previous editions.

Reducing and recycling waste

Rémy Cointreau closely monitors the entire life cycle of its products to reduce and recover its waste.

Generally, waste from the production sites is used in "material" or energy recovery channels. This concerns mainly packaging waste: glass and cardboard. In the past two years, waste monitoring and treatment indicators have included a distinction between material and energy recovery. The Group's primary aim is to reduce waste tonnage and to prioritise material recovery over energy recovery.

In Cognac, alongside label designer and expert Litho Bru, the House of Rémy Martin has committed to a programme for the optimisation of raw materials and waste management. The House has investigated a method of recycling label backing sheets – glassine, which generates up to 30 tonnes of material every year – at the merchant's site. At the same time, about 10,000 pieces of canister waste per year are now dismantled (separation of scrap metal and cardboard) and recycled, while wood offcuts generated by the Product Development Centre (PDC) are now shredded and recycled.

In most of the Group's sites, cardboard cups have replaced plastic cups in vending machines, aluminium water bottles have been provided to employees, and water fountains have been installed. The Westland site has switched to compostable cups and an initiative has been launched to train employees in good waste management techniques and in identifying what can be recycled and composted.

For the past year, the Paris administrative site has been collecting plastic caps in partnership with the "Les Bouchons d'Amour" association. Recycling the collected caps allows the association to purchase specific equipment for

disabled sportsmen and women, and helps to improve living conditions for people suffering from a disability.

On the island of Barbados, Mount Gay introduced a new waste processing line in 2019, mainly for glass, cardboard and plastic. This year once again, employees were made aware of waste management and sorting. The initiative was supplemented by an internal glass and plastic recycling campaign to encourage employees to better sort waste.

The total waste produced (2,382 tonnes) was down 4%. The material recovery rate was 88%, up 2% on the previous year. The energy recovery rate was stable at 6%. The waste recovery rate this year was 95%, up 2% on 2019/2020.



_OPTIMISING FLOWS TO REDUCE GREENHOUSE GAS EMISSIONS

Integrating environmental concerns into freight transport

An exemplary approach means integrating environmental concerns from start to finish. To reduce its carbon emissions from freight transport, the Group provides its stakeholders (carriers, partners, employees, etc.) with the TK Blue tool. It allows everyone to track and share their actions to reduce greenhouse gas emissions. 100% of the Group's carriers are expected to be connected to this tool by 2025.

To transport its spirits from Europe to Asia, Rémy Cointreau is committed to rail transport. In 2019, tests were conducted to replace some air and road transport operations with rail transport, which is more environmentally friendly. Since then, further tests on the transport link between Group's Chinese warehouses have saved around 2 tonnes of CO₂ equivalent and reduced some logistics costs.

Building on this approach, the Group is studying sustainable transport methods on each continent – spanning rail, sea and road transport – and has committed to a programme to optimise container loading.

Integrating environmental concerns into digital flows

The Rémy Cointreau Group also takes care to integrate environmental concerns into commodity and digital flows.

In 2018, Rémy Cointreau introduced the possibility of receiving and processing supplier invoices following a digitised tax process. New tools have been rolled out within the supplier accounting department to enable the receipt and processing of paperless invoices. All suppliers were contacted to notify them and raise awareness of these new document-sharing methods. This reduces invoice sending and processing times.

At Group level, this commitment involves raising employee and stakeholder awareness of digital eco-gestures: unsubscribing from newsletters, emptying the recycle bin, deleting large attachments, providing training in the management of digitised documents, etc. This awareness is promoted through internal communication and dedicated events, such as the IT Green Week in 2019.

Developing practical solutions to preserve water resources

Rémy Cointreau also expresses its commitment to sustainability and the environment through reasonable water management measures.

The Group ramped up its water management actions significantly this year, allowing it to be upgraded from a C score in 2019 to a B score in 2020 under the CDP (Carbon Disclosure Project) environmental reporting system. This score is the result of several local actions geared towards the common goal of responsible management. This achievement provides further recognition of the work accomplished by the Group's women and men to express Rémy Cointreau's commitments in practice.

At the Barbados site, the Mount Gay teams are studying sugarcane production in circumstances of drought, considering that the plant already requires a lot of water. The strategy involves creating a pond to capture rainwater, installing two greenhouses with irrigation systems, and planting drought-resistant varieties (such as cassava). In the same spirit of streamlining various water uses, new sanitary facilities have been set up in Brandons and at the St-Lucy distillery.



TAKING CARE
OF OUR TERROIRS
AS PART OF A
LONG-TERM APPROACH

Giving back to the Earth. More than a credo, this is the Group’s DNA and reflects its course of action under its Sustainable Exception strategy. All around the world, the Group’s employees are taking action and sharing knowledge with an overarching goal: preserving and transmitting their inheritance.

Mindful of the challenges that global warming has in store for them, the Group’s brands are working tirelessly to protect and prepare their terroirs in a changing world. In support of SDG 15, which aims to preserve and restore terrestrial ecosystems, Rémy Cointreau wants to take its strong commitment to responsible and sustainable agriculture even further. The Group has set itself the target of having 100% of its land managed sustainably by 2025. To realise this ambition, the Group’s brands are continuing to innovate and prioritise sustainable farming methods, protect biodiversity, and collaborate with local communities to prepare for the future.

***Oranges et terroir*, the Cointreau brand’s environmentally friendly initiative to create an exceptional supply chain**

The orange has an extraordinary background, having travelled from one continent to another in the company of illustrious explorers. The founder of the eponymous brand, Édouard Cointreau, travelled the world to uncover the best varieties and perfect his liqueur. Presented at the Paris World’s Fairs (1889, 1900) and lauded by more than 300 awards since its creation in 1885, Cointreau liqueur with its 40 aromas has taken the cocktail world by storm ever since. Its outstanding organoleptic qualities and exceptional oranges place it in a class of its own.

Today, the *Oranges et terroir* project perpetuates this quest for superlative sweet and bitter orange peels. Within this framework and to further the aims of SDG 15, Rémy Cointreau is establishing partnerships with its international suppliers to ensure high-quality supplies. In Spain, Tunisia, Brazil and Morocco, the Group is conducting agricultural audits to ensure that its suppliers implement responsible and sustainable farming methods in line with international standards (Global G.A.P. or Rainforest, depending on the country) and consistent with the company’s environmental policy.

The project measures the roll-out of sustainable agriculture by suppliers to continue to source excellent raw materials, while also supporting the establishment of exceptional supply chains and building a strong and long-lasting partnership with farmers around the world.

This commitment is gaining ground: 55% of partner orange production areas have been recognised as operating in line with sustainable agriculture methods.

_FAVOURING SUSTAINABLE FARMING METHODS TO BEQUEATH FERTILE LAND TO FUTURE GENERATIONS

The Rémy Cointreau brands cultivate their terroirs with the utmost care to combat global warming. In the Samos vineyards, the grain fields of Islay or on the slopes of Isère, the Group's men and women are cleverly adjusting their farming methods and innovating while respecting local expertise, in order to pass on their inheritance to the generations following in their footsteps.

Ensuring 100% of the Group's terroirs implement responsible methods by 2025

The House of Rémy Martin is spearheading environmental commitments in the Cognac region. In 2012, it was the first to obtain High Environmental Value (HVE) certification for its Estates. Backed by the French Ministry of Agriculture and Food, this recognition of excellence acknowledges the House's practical and measurable commitments around four themes: biodiversity, plant protection strategy, fertilisation management, and preservation of the region's soils and water quality. The House lays claim to Sustainable Exception and strives to spread its vision of sustainable agriculture more widely by onboarding the largest number of winegrowers in a virtuous approach.

A practical illustration of the brand's role in driving this inter-professional impetus, 100% of the AFC cooperative has been committed to a collective, sustainable viticulture approach for two years now. This year, a new group of winegrowers obtained level 3 HVE certification - the highest level of commitment in this certification. The 253 winegrowers of the AFC with level 3 certification are making

a major contribution to the inter-professional drive for sustainable agriculture. The AFC winegrowers represent 86% of all HVE (level 3) certified farms in Charente. They are adding to the momentum of HVE certification in Nouvelle-Aquitaine, the region with the highest number of HVE-certified farmers in France.

The House now encourages winegrowers who are ready to apply for dual certification, as provided by the BNIC (Bureau National Interprofessionnel du Cognac), which integrates criteria specific to the Cognac production line (CEC - *Certification environnementale de la filière Cognac*) in addition to the requirements of the HVE certification introduced by the French Ministry of Agriculture and Food. Rémy Martin hopes to have 70% of its partners classified as HVE- or CEC-certified by 2024, and 100% by 2028.

In its Estates, Rémy Martin is testing alternative and natural solutions to protect the vineyards in order to improve the long-term fertility potential of the soil and establish even more sustainable winegrowing practices by 2025. The Biocontrol and Ecosystem Balance (BEE) project is

a new experiment in Charente. In 2018, the Rémy Martin Estates set up a pioneering experimental platform in the region with the French Wine and Vine Institute (IFV). The study conducted makes it possible to test farming systems that limit their use of plant protection products by introducing biocontrol products.

In Barbados in the Caribbean, the world's oldest commercial rum distillery has undertaken an ambitious project that proves that anything is possible to people of good will. The land used for sugarcane production had to be restored and fertilised to enrich the soil. The Mount Gay teams set up a crop rotation system by introducing food crops such as sweet potatoes and pigeon peas, which are now planted alongside mango, pomegranate and mahogany trees. The aim by 2023 is to further extend the development of these mixed farming practices and share them with local farmers.

In order to improve its knowledge of the terroir, reintroduce biodiversity and, most importantly, increase the resilience of the

plantation's ecosystem and that of the island overall, the rum brand acquired 134 hectares of sugarcane production land in 2018. Since then, Mount Gay has been testing new farming methods (organic farming and permaculture) on these plots and aims to convert its entire plantation to organic farming within four years. Test plots were planted with a different cultivar each, selected for their unique characteristics and suited to their microclimate. As of the 2021 harvest, the seeds will be harvested individually to obtain a specific molasses per "climate" and then distilled and aged separately; this is already being done at Domaine des Hautes Glaces. Ultimately, a range of plot-based and single-varietal rums will allow rum enthusiasts to see that making better rum starts with planting trees and crops.





This initiative adds to the research and development projects carried out by the brand for several years: crop rotation, partnerships with local universities, and research into local barley varieties.

Anticipating the potential impact of global warming on our terroirs

In Seattle, single malt whisky producer Westland Distillery has welcomed a researcher from the local university into its teams to study which varieties can grow in low environmental impact farming systems, with the aim of preserving exceptional flavours. This initiative adds to the research and development projects carried out by the brand for several years: crop rotation, partnerships with local universities, and research into local barley varieties.

On the Isle of Islay, Bruichladdich Distillery has been replanting traditional barley for over 16 years, using different barley varieties to preserve the terroir. The Botanist gin has launched its foundation to work with islanders to improve both their understanding and local botanical diversity. The targets for 2028 are to maintain and develop supplies that perpetuate the Isle of Islay's biodiversity and the development of organic farming in Scotland.

In Cognac, Rémy Martin has carried out extensive mapping work to list all the plots across its estates and assess their diversity. This work allows the brand to leverage new technologies to gain more detailed knowledge of its terroir: climate data, pest pressure, biomass, soil resistivity, etc.

Last year, the House carried out the first harvest of its new plots of grape varieties that are more resistant to vine diseases in Saint-Preuil. This was the result of 20 years of collective research in partnership with the French National Institute for Agricultural Research (INRAE), the French Wine and Vine Institute (IFV), and players in the Cognac sector. Planted in 2018 with three varieties resistant to mildew and powdery mildew, the plots have proven to be highly resistant to these vine diseases and are expected to reduce the use of plant protection products by 80 to 90%. This research project aims to find alternative solutions by helping to continuously adapt grape varieties to climate change.

Building on this momentum, the Rémy Martin teams explored more than 300 hectares of vineyards with different winegrowers, a Chamber of Agriculture, and players in the agricultural distribution sector to identify the grape varieties affected by flavesence dorée and uproot the infected vines. Ultimately, this approach will promote the use of fewer insecticides.

A showcase of quality, environmental action and experimentation, the Rémy Martin Estates enable the brand to try out alternative solutions on a larger scale and to equip winegrowers with the tools to improve their environmental practices.

The Rémy Martin Estates: an open-air laboratory with the BEE project

In Juillac-le-Coq, the Rémy Martin Estates have been participating since 2018 in the national research plan to reduce the use of plant protection products. A pioneering experimental platform in the region has been provided to the Biocontrol and Ecosystem Balance (BEE) project. Managed alongside the IFV, the platform is intended to develop an agro-ecological approach by testing farming systems that limit the use of plant protection products through the introduction of biocontrol products with a view to cutting the Treatment Frequency Index (TFI) by 75%. The work is carried out with no impact on grape yield or the quality of *eaux-de-vie* produced in Grande Champagne. The first results are encouraging, and the study will continue until 2023 in order to study the vine's behaviour more broadly over different years in response to this new farming method.

— CULTIVATING BIODIVERSITY IN ALL TERROIRS

Farmlands and their ecosystems are being worn out by global warming and, in some cases, years of intensive farming. This is true for all raw materials: grains, vines, sugarcane and oranges. Rémy Cointreau and its brands are actively fighting to preserve biodiversity and to continue to produce exceptional products that reflect their distinctive terroirs.



Preserving regional biodiversity in the long term

Biodiversity is the true wealth of the terroirs. Whether in Samos, on the Isle of Islay, in Cognac or in Seattle, the Group's brands help protect the diversity of the local fauna and flora. To this end, Rémy Cointreau has included the protection of biodiversity in its 2025 CSR plan – "Sustainable Exception" – as a major challenge reflected in practical actions on the ground. The Group also renewed its environmental commitments as part of the *Act4nature* international alliance. Its undertakings cover biodiversity, protecting forests and natural areas, reducing carbon emissions, combating global warming, and rolling out training and awareness-raising initiatives on these issues among stakeholders.

For nearly 10 years, the Rémy Martin Estates have been providing three hectares of experimental woodland in Charente to successfully conduct biodiversity protection tests with the French National Forest Ownership Centre (CNPf) and the French Bird Protection League (LPO), with which an ecological monitoring of plots of land has been organised. The collaboration allows for



flora and fauna surveys to be conducted to monitor and promote the regeneration of fauna and flora that used to exist along the Charente river. Trees such as ash and alder were planted within a poplar plot to recolonise the natural environment.

In addition, beekeeping fields were set up on the Rémy Martin Estates. They promote floral diversity through the activity of bees, which need a varied, high-quality diet to grow and produce honey.

Since 2018, Mount Gay in Barbados has been participating in the "We Plantin" national tree replanting project developed by the government. The brand has planted more than one million trees, including banana, mango, carambola and avocado trees, along with other forgotten varieties, to enhance the sustainability and diversity of the Estates. The theme of World Environment Day also encouraged ecological initiatives by the teams: setting up new beehives, producing seedlings in greenhouses, and more.

In Samos, Greece, Metaxa has partnered with the Hellenic Ornithological Society

to protect the birdlife and nature of the island that the brand calls home. Tasks include monitoring birds and identifying threats to biodiversity, producing communication and education materials to raise public awareness, and implementing active initiatives to protect local birds, reptiles and insects. The island is home to one of the last oases of biodiversity in the Mediterranean: thousands of migratory and local birds, hundreds of species of mammals and reptiles, including many rare and endangered species, along with more than 1,500 species of plants, including 60 species of orchid. This rich and varied biodiversity is essential for grape growing. With this partnership, Metaxa aims to protect the unique character of its terroir, enhance its biodiversity, and encourage responsible organic farming practices.



Fostering abundant research on the diversity of nature

Since opting for HVE certification, the House of Rémy Martin has been implementing actions and tests on the vineyards of its Estates with a focus on biodiversity protection - one of the four themes of HVE environmental certification. Last year, in conjunction with the French National Biodiversity Observatory, the Estates applied protocols to monitor earthworms, butterflies and bees on their plots and thus measure the level of life in their soils. This year, five winegrower partners of the AFC joined the network. A call for volunteers will complete the process to obtain even more data on biodiversity in the vineyards.

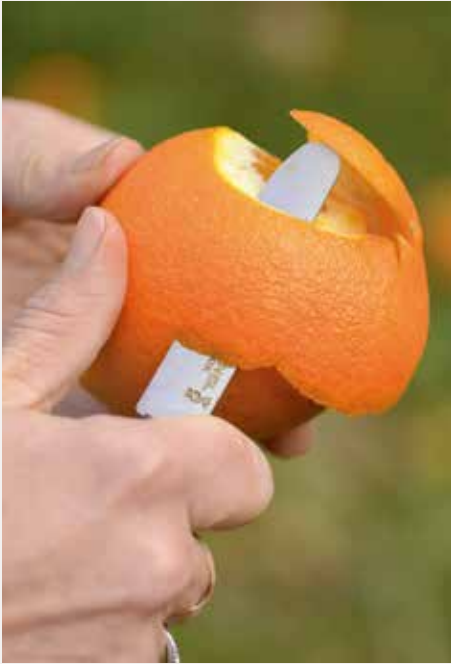
In addition, the House is continuing to establish green corridors on its Estates, which enable nature (fauna, flora, insects and trees) to reclaim the environment.

Westland Distillery in the United States cares deeply about preserving the distinctive

characteristics of its terror; as such, it is working to help safeguard *Quercus garryana*. This special variety of oak tree, specific to the region, is part of what makes the brand's products so unique: it is the only wood used to age its *eaux-de-vie*. Actively engaged in the fight against global warming, the site's team have also planted 600 trees across four hectares. They carry out maintenance work on the plot with the Forterra association to ensure the oak trees have a high survival rate and will continue to grow over the next 10 years. With this plantation, the brand also wants to bring back the Western Bluebird (*Sialia mexicana*), which has practically disappeared from the region.

Off the coast of Scotland, Bruichladdich Distillery's teams have planted 7,500 trees to boost the island's biodiversity. They have also invested in a pollinator project to preserve the wild flowers, which reflect the local plant diversity.

Nearly 7,000 kilometres away, in Barbados, the teams are working with a researcher to study the use of seedless river tamarind as a leguminous mulch and windbreak. Regular river tamarind spreads its seeds by the wind and grows as a weed in many sugarcane fields across the island. By using the seedless variety, farmers could tap into the benefits of river tamarind as a legume without having to worry about its unintentional spread.



Cointreau distils research and development projects to preserve its raw materials and the terroirs on which they are grown

In Corsica, with the help of an INRAE researcher, Rémy Cointreau is studying the connection between the terroirs and the genetic components of the orange and bitter orange in order to better understand and preserve the products' authenticity. Rémy Cointreau also supports the varietal research work conducted by the San-Giuliano research platform, which houses a globally unique collection of 800 citrus varieties. Eager to contribute to this biodiversity, the brand has helped to maintain the collection of varieties used in the thesis, i.e. 90 species of citrus fruit, in order to study their properties and improve their production.

In Guadeloupe, to further reduce its footprint, the Group is carrying out an ambitious project with the French Agricultural Research Centre for International Development (CIRAD): finding alternative methods to fight citrus greening, which affects orange trees on several continents. In order to reduce the use of inputs, the Group is seeking in particular to identify rootstocks that can withstand this disease.

_COLLABORATING WITH STAKEHOLDERS TO PRESERVE THE TERROIRS

The Group's brands seek to cooperate with local players in good faith, and to disseminate their environmental policy with respect to preserving the terroirs. They adapt their cultivation methods to each region, thus respecting the unique characteristics of local areas, practices and populations.

Working with all local players to protect the distinctive characteristics of the terroirs

In Scotland, Bruichladdich Distillery's teams are trained in the brand's CSR approach via online training modules. A sustainable agriculture seminar was held in September 2019 in Scotland to allow the teams to chat with experts about different farming methods and to adapt their farming practices to preserve the terroirs and mobilise the island's farmers. The sustainable agriculture seminar will be held every two years.

In Cognac, since 2014, the House of Rémy Martin is the only one providing sustainable agriculture training to its partners in the Alliance Fine Champagne cooperative and to all the region's farmers, with the support of the BNIC and the

Chambers of Agriculture. This personalised, tailored support enables the House's 800 winegrower partners to review their practices and adapt them with a view to obtaining HVE environmental certification, as decided by the brand.

The brands' commitment is also expressed through their contributions to larger organisations. Barbados, for example, has been a member of Bonsucro since early 2021; this organisation aims to promote the sustainable production, processing and trade of sugarcane worldwide. Bonsucro comprises more than 250 members, who are involved at all stages of the sugarcane supply chain: farmers, millers, merchants, buyers, support organisations, and more.

Domaine des Hautes Glaces: bringing terroir and community together through peasant agriculture

In terms of exceptional supply chains, Domaine des Hautes Glaces is a true pioneer. Nestled in the heart of the French Alps, in the Trièves Mountains, the farm distillery 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. All of them already use organic grains and raw materials sourced locally to revive centuries-old expertise and create organic whiskies made from local resources only. This singular, united vision of Domaine des Hautes Glaces – which questions the very concept of terroir – has enabled the dissemination of new farming methods and the development of a sustainable rural production line to convert neighbouring farms to organic agriculture.

"In founding the estate, the idea was to bring raw material back to the heart of the product and, finally, to question the concept of terroir in the same way as we do with wine; to draw a correlation between the raw material, the place where it grows, and the end quality of the product. This is what makes it a terroir whisky, since everything is done from start to finish, from growing the grains to the blending process, in a very specific region: a mountain plateau in the heart of the Alps."

Frédéric Revol, agricultural engineer,
Chief Executive Officer of Domaine des Hautes Glaces



Communicating to pay tribute to the terroirs that enable the production of exceptional products

Protecting the terroirs also means promoting their exceptional character. Since September 2019, the patronage of the House of Rémy Martin has enabled the creation of a promenade of "admirable trees" allowing all visitors to the Estate of Versailles to locate and better understand the site's most precious trees. The Estate of Versailles and the House of Rémy Martin share the same passion for trees, especially oak trees like the *Quercus Robur* - a necessary and exclusive resource for ageing the brand's *eaux-de-vie*. Whether through the art of blending, cooperage, vine growing or crystal making, the skills of excellence and their transmission are at the heart of the Cognac brand's concerns.

Driven by this same ambition - to unveil the terroir through a journey into the key values of time and experience - Louis XIII has launched the first online store for its cognac of excellence. The online store now offers visitors a new channel to learn more about its environmental commitment, from harvest to bottling and distillation. Special attention is paid to preserving the forests of the Limousin region to produce the famous oak tierçons.

The Saint-Rémy distillery, using supplies sourced only in France, works hard to strengthen the quality of its supplier relationships. 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.



BUILDING A COMMUNITY OF AGENTS OF CHANGE TO PASS ON EXCEPTIONAL EXPERTISE

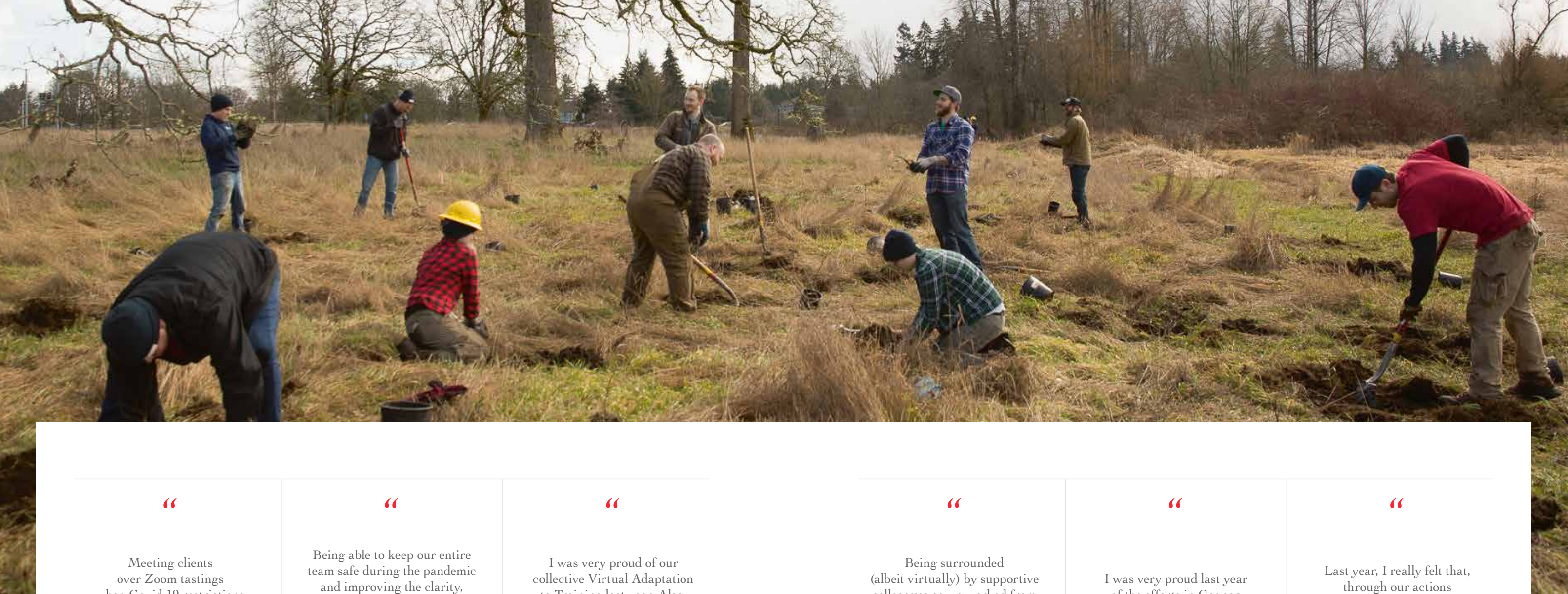
45% women in managerial positions, nearly 20 hours of training per year and per employee (pre-Covid-19), an average salary 7% higher than international standards, and hundreds of solidarity initiatives: a few figures few figures that illustrate Rémy Cointreau's commitment to the women and men who have been building the Group's future for so many years. The Group promotes exemplary governance, develops collective intelligence, and encourages solidarity actions with local communities.

_ADOPTING EXEMPLARY GOVERNANCE THAT BENEFITS THE RÉMY COINTREAU COMMUNITY

Governing and acting responsibly is first and foremost about shaping a shared destiny and acting to bring about change. Rémy Cointreau attaches special importance to the establishment of ethical and responsible governance that is committed up to the highest management level. In order to maintain the strictest standards and a capacity for effective control, the Group has implemented mechanisms to measure progress, shares its commitments with its partners, and ensures their implementation.

"I believe there is a single watchword that embodies the values and spirit of Rémy Cointreau: sincerity. In a world where communication often takes precedence over truthfulness, let's remain sincere in our ambitions and CSR actions, and make this commitment a real element of differentiation."

Philippe Farnier,
Chief Executive Officer of the House of Rémy Martin and Head of Group CSR



“

Meeting clients over Zoom tastings when Covid-19 restrictions meant face-to-face was not possible brought me joy last year.

Brian Copeland

”

“

Being able to keep our entire team safe during the pandemic and improving the clarity, engagement and speed of our internal communications was a source of satisfaction for me in 2020.

Ian McLernon

”

“

I was very proud of our collective Virtual Adaptation to Training last year. Also, moving fleet cars to hybrid vehicles was a great source of satisfaction in my work.

David Dankenbrink

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“

Being surrounded (albeit virtually) by supportive colleagues as we worked from home during the pandemic brought me joy and gratitude in 2020.

Jennifer Romanczuk

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“

I was very proud last year of the efforts in Cognac to help our growers attain HVE certification.

Hugh Lander

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“

Last year, I really felt that, through our actions in our projects, we can and are contributing to a more sustainable future.

AJ Cunningham

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I am very happy that I was given the opportunity to work in another department. Attending the GTR workshop was very interesting for me in 2020; we worked in an innovative way, I learned new tools, and it was nice to exchange opinions with so many different people who shared their experience.

Natalia Zubel

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“

I was very stimulated last year by the development of the second and third edition of our newsletter, which was distributed to our major accounts and buyers. It was a great way to highlight our B Corp status and our key selling points on these brands.

Danielle McAuliffe

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Learning and seeing first-hand the very first clean-up down by the Jersey Shore with all the plastic was an eye-opener for me in 2020. Moreover, paying more attention with my family on how we dispose of plastic and recyclables, and doing our part for social responsibility.

Brian Boersig

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“

I have been able to do something and make a difference to bring joy and happiness in the time of a pandemic and restrictions. For example, help customers and accounts that needed assistance. But also, maintain relationships and have the ability to sell thanks to the relationships that I have established.

Tricia Kim

”

Developing a governance framework to support CSR criteria that benefit all employees

The CSR Committee, which reports to the Board of Directors, has been implementing indicators to measure governance actions over the past three years in order to make each member of the Executive Committee an ambassador for CSR commitments. A portion of the variable compensation of senior executives on the Executive Committee is now indexed to CSR objectives, in accordance with the main SDGs: Water management (SDG 6), Well-being of employees (SDG 8), Circular economy and eco-design (SDG 12), Action to combat climate change, reducing carbon emissions, and the transport of products (SDG 13), and Sustainable agriculture (SDG 15).

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. The following main topics were covered:

- France's "Pacte" Act: confirmation of the purpose;
- review of 2019/2020 CSR reporting;
- confirmation and monitoring of the 2025 CSR plan – "Sustainable Exception";
- implementation of the carbon plan to achieve the 2030 carbon targets and the "Net Zero 2050" target;
- 2021/2022 budgets dedicated to implementing the CSR strategy;
- change in CSR organisation in 2021/2022;
- roll-out of B Corp certification;
- activities of the Rémy Cointreau Foundation.

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. It is this governance philosophy that is embodied as closely as possible to the employees across the Group's various brands.

The Group's approach to ethical business conduct is equally demanding of its

partners, suppliers and other stakeholders. Compliance with the various regulations is more than just a legal requirement. It is part and parcel of Rémy Cointreau's values of honesty, integrity and equality. Aware that its employees may be the first to be subject to inappropriate behaviour, the Group wishes to equip them with tools and support that guarantee a framework of trust. Every year, the Group raises awareness among its employees to ensure each of them is able to recognise bad practices, abuse or wrongdoing, and to whistleblow in full confidence and seek out the necessary help.

Rémy Cointreau is actively committed to financial transparency

The anti-bribery charter raises employee awareness of the risks of money laundering and tax evasion, and explains how to react to specific requests that could be made by certain business partners. It refers to the Group's mandatory procedures on the matter, and in particular the due diligence to be carried out to ensure that a current or future business partner does not involve the Group in transactions that may favour these practices or that are located in countries included on the watchlists of France, the European Union or the USA.

The Rémy Cointreau Group keeps a regulatory watch and defines its tax policy with the help of a team of tax specialists under the supervision of the Finance Department. The Group is committed to complying with all tax regulations applicable to the countries in which it operates. Its tax policy is not based on any tax avoidance schemes and complies with the principles laid down by the OECD.



Affirming its exemplary CSR efforts and expertise on the international stage

Rémy Cointreau has been recognised for its CSR commitment on the international stage. In 2020, the Group received the CSR award for the Best Non-Financial Performance Declaration (DPEF), granted by France's National Council of Public Accountants (CSOEC) and the French National Institute of Auditors (CNCC).

Rémy Cointreau also moved up 18 places in the ranking of the workplace and employment ratings agency Humpact. With 3.5 out of 5 stars, the Group is now 8th in its sector (out of 40 companies). Humpact factors in criteria related to job and value creation, relying on the independent company Talence Gestion for financial analysis.

Lastly, Rémy Cointreau is one of the top three winners of the *Trophées 2020 de l'Immatériel* (Awards for the Intangible). Organised by the *Observatoire de l'immatériel*, the award recognises companies based on five areas that are deemed to represent intangible qualities: business ethics, CSR policy, supplier relations, customer relations, and skills management.

The CSR award
for the Best Non-Financial
Performance Declaration
(DPEF)

8th in its sector
(out of 40 companies).
Humpact factors in criteria related
to job and value creation

The top three winners of the
Trophées 2020 de l'Immatériel
(Awards for the Intangible)

In its drive to set an example, Rémy Cointreau encourages, embodies and disseminates sustainable practices within its ecosystem.

To help achieve this goal, regular discussions are held with suppliers throughout the year to present the Group's CSR policy, especially in the area of responsible sourcing.

mailed to all suppliers. In addition, in order to have a more detailed view of the CSR policies of suppliers, including second-tier suppliers, two new indicators were created to represent their SEDEX commitments.

The self-assessment questionnaire allows SEDEX member suppliers to share information on their business with their customers by answering a series of comprehensive questions tailored to different types of businesses.

This first use of SEDEX data makes it possible to map potential CSR risks among suppliers in greater detail. These risks are nevertheless identified based on self-reporting questionnaires only, as not all suppliers have necessarily been subject to a CSR audit.

After a first audit conducted in 2019/2020 at a packaging supplier to test the approach, 11 new supplier audits were carried out this year. The audits involved suppliers of packaging materials and agricultural raw materials as part of the "Sustainable Agriculture" project.



COMMITTING TO THE GROUP'S WOMEN AND MEN, AND DEVELOPING COLLECTIVE INTELLIGENCE

Committing to People and building the future with them means taking action for the well-being of all, everywhere in the world. The well-being, equality and fulfilment of each employee are key to collective success. To ensure everyone plays a role in the Group's 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

In terms of training and social relations, the past year has been largely characterised by the health crisis. Nevertheless, the Group's international scope and pre-existing managerial culture, centred on a humanist approach and a sustainable vision of personal support, cleared the way for increased telecommuting. For the French sites in Angers, Cognac and Paris, a new telecommuting charter will be in force after the health crisis and will allow interested employees to adjust their working methods.

Throughout this period, the Group took all necessary measures to guarantee the safety of its employees and to support on-site production teams: distribution of recommendations on health measures and provision of the necessary equipment requested by the local health authorities. A further highlight is the Group's choice, throughout the health crisis, not to apply for government aid in France, while still maintaining the remuneration of all its employees at 100%.

Rémy Cointreau is also continuing its proactive approach to social dialogue. The Group regularly engages with its social partners on social issues through specific company agreements. That is the case in France in particular, with various agreements regarding forward-planning of employment and skills, profit-sharing, the establishment of a collective retirement savings plan, and professional equality.

The human resources policy anticipates the Group's requirements, and that is

especially true where training is concerned: internal sessions specially tailored to the diversity of the Group's businesses have been set up. These include the Brand Academy to better understand the brands, the Art of selling Academy for sales aspects, the Finance Academy to learn about finance, and the Quality Academy on products and their presentation. Two new academies will soon follow: the Digital Academy and the Management Academy. In addition:

- on the Isle of Islay, the teams organised yoga and meditation sessions, and encouraged each other to walk 100 miles (160.9 km) over 4 weeks, then 250 miles (321.9 km) over 8 weeks, to donate the equivalent of one pound per mile to two organisations chosen by the staff. 30% of the workforce participated in this initiative;
- on the Isle of Islay once again, a sponsorship system was set up to allow sponsors to make regular contact with their sponsored children during the lockdown period that continued for 12 months;
- all over the world, teams organised virtual meetings to learn how to work remotely, participate in seminars, or simply to meet up socially;
- all over the world, Christmas packages were delivered to employees' homes.

Guaranteeing non-discrimination and gender equality

The Group's human resources teams support each employee with his or her career and offer protection to those who need it. The Group draws its abundant cultural and ethnic diversity from its 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 identity and the flavours of its products.

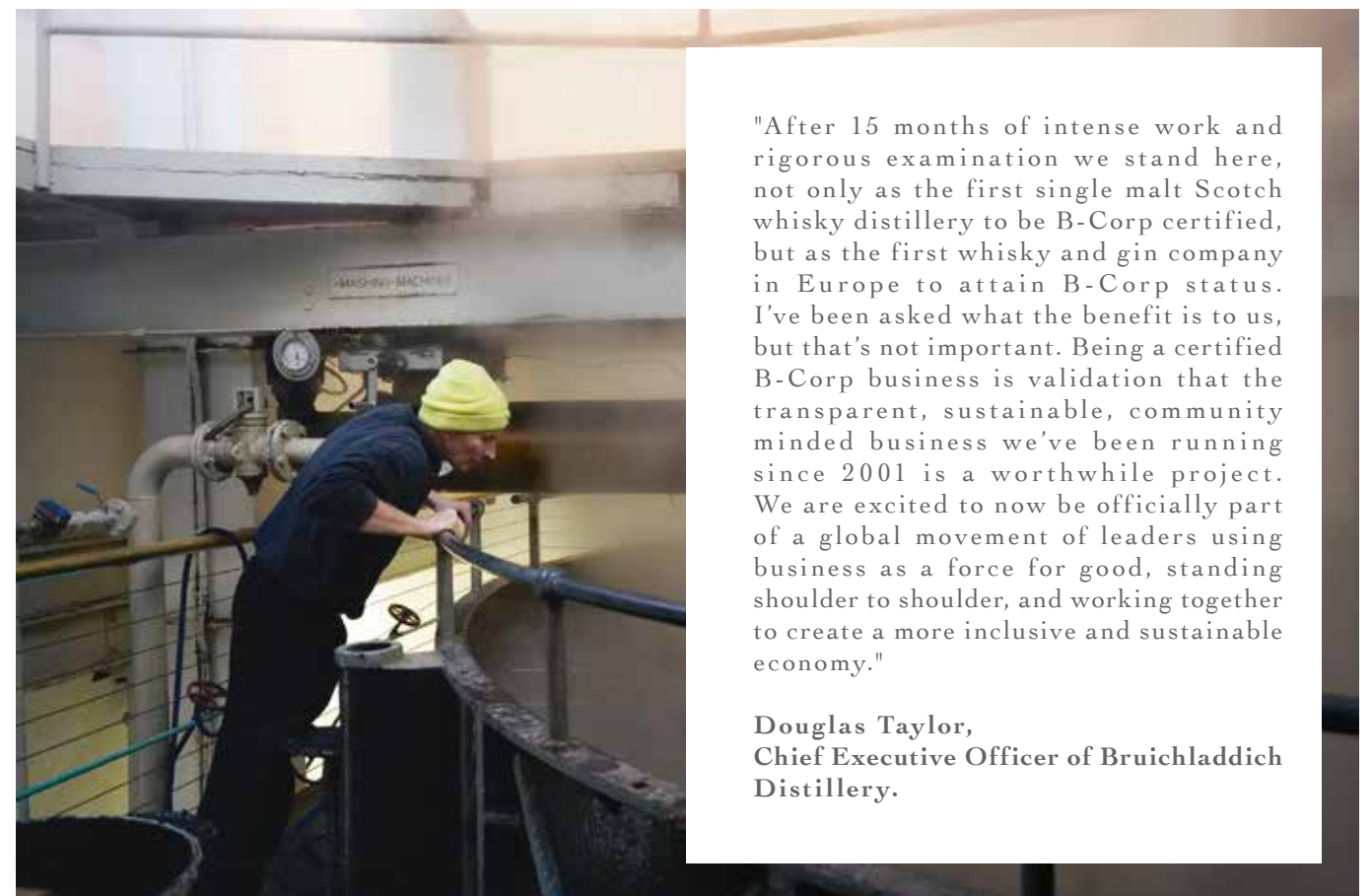
Rémy Cointreau's sites supported this inclusion movement through new schemes in 2020:

- creation of a Diversity Council for the Americas, with the establishment of a foundational plan on Diversity, Equity and Inclusion;
- launch of an enhanced rewards and recognition programme to encourage inclusion at Mount Gay;

- formation of a working group of seven teams to discuss non-discrimination and diversity in South East Asia, identifying practical actions to be implemented, etc.

Proof of its commitment to gender equality at work: Rémy Cointreau's French sites scored 83/100 on the Equality 2020 index.

Bruichladdich Distillery implemented a strong community enterprise programme. It promotes career opportunities for the 98 employees on the Isle of Islay, maximises social benefits and training programmes, and favours local suppliers wherever possible. These measures allowed it to become the first European distillery to obtain B Corporation (B-Corp) certification of excellence, following a stringent validation process.



"After 15 months of intense work and rigorous examination we stand here, not only as the first single malt Scotch whisky distillery to be B-Corp certified, but as the first whisky and gin company in Europe to attain B-Corp status. I've been asked what the benefit is to us, but that's not important. Being a certified B-Corp business is validation that the transparent, sustainable, community minded business we've been running since 2001 is a worthwhile project. We are excited to now be officially part of a global movement of leaders using business as a force for good, standing shoulder to shoulder, and working together to create a more inclusive and sustainable economy."

Douglas Taylor,
Chief Executive Officer of Bruichladdich Distillery.



Rémy Cointreau, in solidarity with restaurant and bar staff hit hard by the Covid-19 crisis

Rémy Cointreau launched the "Love Letter" campaign to support restaurant and bar staff who have been hit hard by the Covid-19 crisis. Aired during the 2020 Super Bowl, this 30-second ad encourages viewers to send letters of support to bar and restaurant partners, who enhance the country's social and festive life. The campaign also invites the public to share a simple "Thank you" or "See you soon" on social networks with the #saverestaurants hashtag. This initiative was supplemented by a \$200,000 donation to the United States Bartenders Guild (USBG) emergency fund, from which professionals were able to request immediate assistance.

In the same vein, the Collectif 1806 (the Group's trade advocacy collective) organised various community-support actions to enable bartenders to maintain a minimum level of activity. In particular, the team has expanded its internal cocktail database by paying professionals to develop new recipes and participate in live social networking events. In partnership with some bars and restaurants, the collective distributed nearly 1,400 meals and baskets of fresh produce and/or health and hygiene kits to people in need.

In Europe, during lockdown, the Group set up a system allowing everyone to support their favourite establishments by buying one or more vouchers to be used upon their reopening (Belgium, Poland, Ukraine, etc.).



ADVOCATING EXCELLENCE PRACTICES AMONG THE GROUP'S PARTNERS AND CUSTOMERS

Involving employees around the world, from their regions

The Rémy Cointreau Group's values of mutual support and altruism are naturally shared by its teams; all around the world, they are involved in local communities and participate in solidarity initiatives in their regions.

At the Barbados site, Mount Gay continues to keep close ties with local schools. The distillery once again hosted 20 students from the Samuel Jackman Prescod Institute of Technology (SJPIT) as part of a tree crop production course. The students were able to apply the knowledge they received, notably on topics such as orchard design, composting, planting fruit trees, pruning, fertilising and mulching. There was also a focus on the use of sustainable farming practices, and this resulted in the planting of 1,000 trees. The wealth of discussions generated by these meetings enabled all Mount Gay players, students and employees to ramp up their knowledge of implementing responsible and sustainable agriculture.

In Barbados, the Group encourages and supports employee involvement in community initiatives. Rémy Cointreau is one of the leading economic players on the island; it is fully aware of its role and responsibilities. Initiatives include: collecting plastic waste, introducing selective sorting, waste processing activities, training in best practices, promoting responsible alcohol consumption at major festive events, and helping disadvantaged families by providing decent housing.

In St-Lucy, the distillery's 130 employees refurbished the Charlie Griffith sports centre by repainting the exterior and landscaping the grounds. As the Covid-19

crisis slowed down the project, the Mount Gay teams, in consultation with the local authorities, decided to focus on this other public interest initiative instead, which reflects the spirit of solidarity characteristic of the Group's CSR policy.

All over the world, the Rémy Cointreau teams have contributed their skills to the fight against Covid-19 and in support of the most affected populations. The factories and distilleries of Westland, Angers, Mount Gay and Rémy Martin have produced several thousand litres of hand sanitiser for several organisations, government institutions and their partners. The teams made an active contribution on the ground by donating masks, neutral alcohol, and providing human and financial support to structures in need. Mount Gay staff, for example, assisted people affected by the crisis and partnered with the St-Lucy Parish Independence Committee (PIC) to collect and distribute food and sanitary supplies. In June and July 2020, more than 1,700 donations were received.

Promoting responsible consumption

The premium positioning of the Group’s products requires a strong commitment to protecting its employees and consumers alike, for both ethical and health reasons. Responsible consumption is thus the number one commitment of the Responsible Communication Charter signed by Rémy Cointreau. It applies to all employees, regardless of their position or occupation.

By consuming in a moderate and appreciative manner, we pay tribute to the work of the men and women who develop exceptional products with passion and discipline. Driven by this conviction, Rémy Cointreau promotes responsible consumption through various actions:

- in Europe and Asia, gradually implementing voluntary decisions to include symbols on its packaging with advice for pregnant women;
- a willingness, in Europe, to include the responsibledrinking.eu URL on packaging. This is the EU portal for consumers of 28 European countries, which provides comprehensive information on the risks of alcohol abuse;
- nutrition labelling on the Group’s products;
- developing a responsible consumption page on the Rémy Cointreau Intranet;
- signing the DFWC (Duty Free World Council) code of conduct, which focuses primarily on responsible marketing communication and the responsible management of points of sale.

Among its employees, for more than two years, videos and explanatory panels have been installed in the Group’s premises to inform and sensitise employees. In Paris, 40 ambassadors of all the brands have been trained in responsible consumption.

On the island of Barbados, Mount Gay has continued its partnership with the Substance Abuse Foundation (SAF), which combats all forms of addiction, including excessive alcohol consumption, by focusing on the education of young people. Mount Gay continues its active participation in the Barbados Alcohol Industry Association (BAIA), particularly through the development of promotional and educational campaigns on responsible drinking, including the implementation of advertising self-regulation. A partnership has also been launched with Adopt-A-KM, a community programme that beautifies and maintains the roads on the island of Barbados. As part of this programme, billboards on responsible consumption were installed for a 12-month period along two of the island’s busiest motorways, thus ensuring maximum visibility of this prevention campaign.

Also in Barbados, last year Mount Gay decided to put new labels on rum bottles with specific statements to warn consumers against drinking and driving, under-age drinking, and drinking during pregnancy. This decision was implemented this year.

Among external stakeholders, in each country where the Group operates, strong partnerships have been established with local and national federations. Rémy Cointreau lends its support to the implementation

of communication campaigns and awareness-raising actions around alcohol abuse (in Asia and the United States).

In 2020, these initiatives were supplemented by Rémy Cointreau’s co-signature of the memorandum of understanding on European nutrition labelling. Pursuant to an agreement between the world’s five largest spirits producers and several national federations, Rémy Cointreau will gradually include accurate nutritional information on its labels. This commitment was made under the auspices of the European association spiritsEUROPE.

In France, Rémy Cointreau continues to contribute to the "Alcohol Prevention" plan. Implemented jointly by five professional organisations in the alcoholic beverage sector, this plan commits professionals to an active approach to combating risky behaviour. Several actions are offered, such as supporting people who may be at risk of excessive consumption and rolling out the use of breathalysers.

By playing an active role in the Alcohol and Society and Alcohol and Health working groups of professional organisations across the entire spirits industry, Rémy Cointreau is bolstering the effective promotion of responsible consumption. Since 2019, Rémy Cointreau has also been involved with the “Prévention et Modération” (Prevention and Moderation) association, created to join together all the initiatives of professional organisations to help prevent risky behaviour and promote responsible drinking.

In the United States, as a member of the Distilled Spirits Council of the United States (DISCUS), Westland has officially adopted the Council’s Code of Responsible Practices. Westland employees have been trained in this code. They are required to comply with its provisions, including the guidelines that apply to all advertising and marketing activities in the US domestic market: product advertising, consumer communication, promotional events, and distribution and sales materials.



The Group is committed to promoting responsible drinking worldwide

Rémy Cointreau plays an active role in the following major organisations:










- in France: the FFS (Fédération française des spiritueux, or French federation of spirits producers), the FEVS (Fédération des exportateurs de vins et spiritueux, or French federation of wine and spirits exporters) and the "Prévention et Modération" (Prevention and Moderation) association
- in Europe: spirits EUROPE (the European Spirits Industry Federation)
- in the United States: DISCUS (Distilled Spirits Council of the United States)
- in Barbados: BAIA (Barbados Alcohol Industry Association)
- in Asia: APISWA (Asia Pacific International Spirits and Wines Alliance)
- in China: FSPA (Foreign Spirits Producers Association).

All these organisations share one common goal: contributing to the development of alcohol action plans in order to assist governments with protecting consumers through their members’ ethical commitments and advertising self-regulation.

"All our employees are responsible ambassadors. They are ambassadors because they work alongside our clients, alongside our distributors, and alongside agencies that we work with occasionally; we must show absolutely impeccable behaviour at all times and drive them to adopt the same attitude. This is essential, because alcohol is a very sensitive product and its consumption must be reasonable. Moreover, we take a long-term approach, and alcohol has been around for centuries; our wish is that it continues to be consumed responsibly and reasonably for centuries to come, for the pleasure of our customers and the longevity of our Houses."

Hervé Dumesny,
Group CSR and Public & Regulatory Affairs Director

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

			2016 2017	2017 2018	2018 2019	2019 2020	2020 2021
EMPLOYEE RELATED RISKS	 Employee well-being	Turnover, in % ⁽²⁾ - GRI Standard 401-1		14.8	13.2	13.8	13.6
		Absenteeism, in % ⁽²⁾ - GRI Standard 403-2	3.0	2.3	2.0	2.3	2.0
		Workplace accident frequency rate, in % ⁽²⁾ - GRI Standard 403-2	13.31	9.13	8.51	11.21	3.5
		Average age, in years ⁽²⁾	41	41	40	41	41
		Seniority, in years ⁽²⁾	9.1	8.4	7.9	8.0	7.9
	 Non-discrimination and internal social balance	Ratio of male / female managers, in % ⁽¹⁾ - GRI Standard 401-1		43	44	45	46
		Gender Equality Index, scored out of 100 ⁽¹⁾				83 ^(E)	83
	 Internal training / skills development	Percentage of employees completing at least one training course per year, in % ⁽²⁾			79	74	69
		Hours of training ⁽²⁾ - GRI Standard 404-1	18 463	24 243	26 615	31 677	19 975
ENVIRONMENTAL RISKS	 Sustainable agriculture	Percentage of agricultural land managed sustainably, in % ⁽¹⁾		36	52	58	64
		Percentage HVE certification of vineyards in the Cognac wine-growing cooperative (AFC), in % ⁽¹⁾		23	42	50	54
	 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)	180 449 ^(F)	121 189 ^(G)
		Percentage of significant CO ₂ emissions - product packaging, in % ⁽²⁾		37.0	46.5 ^(A)	40.6	35.4
		Percentage of significant CO ₂ emissions - downstream product transportation, in % ⁽²⁾		22.7	19.3 ^(A)	12.2	15.3
		Percentage of significant CO ₂ emissions - raw materials, in % ⁽²⁾		30.6	14.7 ^(A)	13.0	18.5
		Total energy consumption, in MWh ⁽²⁾ - GRI Standard 302-1	41 854	39 656	38 495	39 261	40 125
		Renewable electricity consumption, (world) in % ⁽¹⁾	78	77	79	82	86
	 Water and wastewater management	Water consumption in m ³ ⁽²⁾ - GRI Standard 303-1	133 418	174 945 ^(B)	195 096 ^(C)	189 287	200 838 ^(H)
		Volume of liquid waste recovered from distillation, in % ⁽²⁾ - GRI Standard 306-1				23 ^(E)	32
SOCIETAL RISKS	 Circular economy / customer information	Volume of solid waste recovered, in % ⁽²⁾ - GRI Standard 306-2	89	92	94	93	95
	 Responsible purchasing	Percentage of suppliers who are Sedex members, in % ⁽¹⁾ - GRI Standards 308-1 and 414-1					82 ^(E)
		People trained in the anti-bribery charter, as a %					80 ^(E)
	 Business ethics	Number of alerts ⁽²⁾			6	5	7
		Governance				1	1
		Number of B-Corp certified production sites ⁽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 change 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). / (g) Change mainly due to that of Scope 3 (-34%), for two reasons. The first is the correction in the calculation of Scope 3 upstream transportation data for the Barbados site (impact: around -6%). The second and main reason concerns the integration of the suppliers' actual emission factors (mainly glassmakers and carriers) and directly reduces the Group's total CO₂ emissions by 26%. / (h) Change mainly due to the increased water consumption of the Rémy Martin Estates (following a more extensive distillation campaign than last year – more abundant harvest), of Domaine des Hautes Glaces (following the start-up of the new distillery – higher production capacity than the old distillery), and of the Barbados site (following the creation of a new unit to process the sugarcane harvested on the property).



04 FINANCE

2020/2021 was a year of resilience.

After a decline in the first half of the year, activity rebounded significantly in the second half, ending the year up +1.8% at constant scope and exchange rates. This performance was driven by the Americas (+18.6%) and in particular by the United States, which benefited from a shift in consumption from bars and restaurants towards at-home consumption. The trend in Asia Pacific (-4.5%) masks strong growth in mainland China and Australia. Europe, Middle East & Africa (-21.7%) was penalised by health restrictions, but the United Kingdom, Benelux, Switzerland and Eastern Europe recorded good momentum.

During the year, the Group completed the acquisition of two new Maisons: the Maison de cognac J.R. Brillet and the Maison de Champagne J. de Telmont.





CONSOLIDATED ANNUAL RESULTS 2020 / 2021

Rémy Cointreau emerges stronger from Covid-19
Profitability close to all-time highs
Launch of a share buyback programme
Increased confidence in 2030 guidance

In the year to end-March 2021, Rémy Cointreau posted sales of **€1,010.2 million**, up 1.8% on an organic basis (at constant scope and exchange rates) and down 1.4% on a reported basis. This performance demonstrates **the Group's resilience** amid the Covid-19 pandemic.

Current Operating Profit came in at €236.1 million, up 9.7% on a reported basis and 12.8% on an organic basis. This resulted in a **current operating margin** of 23.4% (up 2.4 percentage points), close to its all-time highs. This performance was driven by strong growth in the gross margin (up 0.8 percentage point on an organic basis) and excellent control of overheads (down 2.4 percentage points on an organic basis). The Group was

thus able to increase its communication investment (up 0.9 percentage point) to support its brands through the recovery. The margin also includes slightly favourable currency effects (adding 0.3 percentage point) and a scope effect of -0.2 percentage point.

Excluding non-recurring items, net profit attributable to the Group came in at €148.2 million, up 19.4% on a reported basis.

_COGNAC

Cognac sales were up 3.7%° in financial year 2020/2021. This overall growth was driven by a 9.1% increase in volumes combined with adverse price/mix effects of -5.4% as a result of very strong growth in VSOP and intermediaries (CLUB and 1738 Accord Royal). After a notable decline in the first half of the year, sales quickened significantly in the second half (up 27.0%°), buoyed by the United States and mainland China. Although the decline slowed in the second half of the year, the Duty Free segment and the on-trade channel continued to weigh on performance in Southeast Asia, Africa and Latin America.

Current Operating Profit totalled €221.0 million, up 10.7% on a reported basis (and up 11.3% on an organic basis). The current operating margin rose 2.9 percentage points to 30.1%, buoyed by a sharp decline in overhead costs and favourable currency effects. It also takes account of increased communication investment, particularly in the key markets of the United States and China.

° Organic growth is calculated assuming constant exchange rates and consolidation scope.

_LIQUEURS & SPIRITS

Despite a sharp upturn in business in the second half of the year (+7.2%°), sales of Liqueurs & Spirits declined slightly over the full year (-3.2%°). The **House of Cointreau** and the **Whisky** business both posted very strong performance, while the rest of the portfolio was hampered by weakness in the EMEA region (due to the closure of the on-trade channel) and the Duty Free segment. **Current Operating Profit came in at €33.0 million**, down 11.9% on a reported basis (+2.5% on an organic basis). The current operating margin declined 1.0 percentage point to 13.3% due to a combination of lower volumes and continued strategic investment, notably to support strong performance by the Cointreau brand and pave the way for future growth.

_PARTNER BRANDS

Partner Brands sales declined slightly in the full year (-1.5%°), with **Current Operating Profit coming in at negative €0.8 million**, down from negative €1.7 million in the year to end-March 2020.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

_AS OF 31 MARCH, IN €M	2021	2020
Goodwill and other intangible assets	508.1	498.2
IFRS 16 Right-of-use assets	17.4	20.8
Property, plant and equipment	336.6	310.1
Investments in associates	1.7	0.9
Other financial assets	26.6	87.3
Deferred tax liability	29.5	23.2
NON-CURRENT ASSETS	919.9	940.6
Inventories	1 492.5	1 363.9
Trades and other receivables	158.1	199.4
Income tax receivables	4.9	10.4
Derivative financial instruments	4.7	5.1
Cash and cash equivalents	201	269.4
CURRENT ASSETS	1 861.2	1 848.2
TOTAL ASSETS	2 781.1	2 788.7
Share capital	80.8	80.2
Share premium	834.8	795.1
Treasury shares	(25.1)	(30.0)
Consolidated reserves and profit for the year	635.3	534.4
Translation differences	22.6	22.7
EQUITY - ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	1 548.4	1 402.5
Non - controlling interests	0.8	0.9
EQUITY	1 549.2	1 403.4
Long-term financial debt	423.8	452
Provision for employee benefits	29.1	30.3
Long-term provisions for liabilities and charges	2.1	2.2
Deferred tax liabilities	57.1	59.4
NON-CURRENT LIABILITIES	512.1	543.9
Short-term financial debt and accrued interest	91.5	268.3
Trade and other payables	586.1	534.4
Income tax payables	27.4	18.7
Short-term provisions for liabilities and charges	7.7	11.5
Derivative financial instruments	7.1	8.7
Liabilities held for sale	—	—
CURRENT LIABILITIES	719.8	841.5
TOTAL EQUITY AND LIABILITIES	2 781.1	2 788.7

CONSOLIDATED INCOME STATEMENT

_AS OF 31 MARCH, IN €M	2021	2020
NET SALES	1 010.2	1 024.8
Cost of sales	(330.1)	(347.9)
GROSS PROFITS	680.1	676.9
Distribution costs	(341.6)	(355.0)
Administrative expenses	(102.5)	(106.8)
CURRENT OPERATING PROFIT	236.1	215.1
Other operating income/(expense)	(0.2)	(19.7)
OPERATING PROFIT	235.9	195.5
Finance costs	(12.0)	(12.7)
Other financial income	(2.6)	(15.3)
NET FINANCIAL EXPENSE	(14.6)	(28.0)
PROFIT BEFORE TAX	221.2	167.5
Income tax	(77.6)	(60.9)
Share in profit of associates	0.6	0.3
PROFIT FROM CONTINUING OPERATIONS	144.3	106.9
Net profit/(loss) from discontinued operations	—	6.4
NET PROFIT FOR THE YEAR	144.3	113.2
ATTRIBUTABLE TO:		
non-controlling interests	(0.3)	(0.1)
owner of the parent company	144.5	113.4
NET EARNINGS PER SHARE - FROM CONTINUING OPERATIONS		
basic	2.88	2.15
diluted	2.75	2.04
NET EARNINGS PER SHARE		
basic	2.89	2.28
diluted	2.75	2.17
NUMBER OF SHARES USED FOR THE CALCULATION		
basic	50 070 497	49 806 712
diluted	52 646 147	52 400 986

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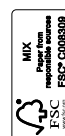
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