

NONO



RÉMY COINTREAU

INTEGRATED ANNUAL REPORT
2021/2022

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2021/2022

"If you were to ask
what is the most precious thing Earth has to offer,
I would say it is the vine."

Marcus Porcius Cato, known as Cato the Elder

Roman writer
234 BC – 149 BC



RÉMY COINTREAU



FOREWORD

With growth of 30.0% on a reported basis, 2021/2022 has been a record-breaking financial year for the Rémy Cointreau Group across all brands. The sector as a whole did well, but the Group's stand-out growth is also down to its strategy in recent years. It accurately predicted market trends: upmarket move, mixology rise and moving customer relations online. Buoyed by these results, which put it ahead of its targets, the Group is more determined than ever to achieve its goal of becoming the world leader in exceptional spirits.

This past year also saw real progress on sustainability, with the Rémy Cointreau Group becoming the very first spirits Group of its size to achieve carbon-neutrality. All brands continue to invest heavily in shrinking their footprint further still and encouraging partners and local authorities to join them in the push to continually do better on all aspects of corporate social responsibility (CSR).

Of course, none of this could have been achieved without the Rémy Cointreau teams – 1,924 inspired individuals deeply committed to sharing the craftsmanship and values of the Group's 14 brands with the world.



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01 STRATEGIC PRESENTATION OF THE GROUP

All around the world, there are customers seeking exceptional experiences; customers for whom a wide range of terroirs means a wide variety of flavours. Their exacting standards are matched by the Group's expertise – the finely honed skills that are passed down from generation to generation. The time these customers devote to savouring Rémy Cointreau products is a tribute to all those who have worked on developing them.

It is for these men and women that Rémy Cointreau, a family-owned French Group, protects its terroirs, cultivates exceptional, multi-centenary wines and spirits, and undertakes to preserve their eternal modernity.

The Group's portfolio includes 14 unique brands, such as the Rémy Martin and Louis XIII cognacs, and the Cointreau liqueur. Rémy Cointreau has a single ambition: becoming the world leader in exceptional spirits. To this end, it relies on the commitment and creativity of its 1,924 employees and on its distribution subsidiaries established in the Group's strategic markets. Rémy Cointreau is listed on Euronext Paris.

A WORD FROM THE CHAIRMAN



MARC HÉRIARD DUBREUIL

"Over the past five years, Rémy Cointreau has made considerable progress with its transformation plan, shedding its old skin to be ready to face the challenges ahead. Now more than ever, our Group is geared up and ideally positioned to continue its forward march."

2021/2022 will be remembered as an historic year for the Group: all of its key financial and non-financial indicators have risen to unprecedented highs.

Rémy Cointreau put in an excellent performance in 2021/2022. In another pandemic year, we have the work and dedication of our teams, their passion and outstanding expertise to thank for delivering these new record-breaking results.

As in previous crises, Rémy Cointreau showed that it has the tenacity to stay the course and stick to its targets: its sights are set firmly on the long term to address short-term uncertainties. We are reaping the fruits of this strategy.

2021/2022 will be remembered as an historic year for the Group: all of its key financial and non-financial indicators have risen to unprecedented highs.

With organic sales growth up 27.3%, we have comfortably outperformed the exceptional spirits segment and gained market share across all regions and for the bulk of our brands.

Yes, these results are spectacular. But we have also continued to plan for the future. True to our long-term commitments, the Group is investing in its strategic assets: its eaux-de-vie, production facilities and brands. The increased spend on marketing and communications is a major development, an investment that has consolidated the foundations of our two growth pillars: Cognac and Liqueurs & Spirits.

We can also be proud of how far we have come on our sustainability journey, reflecting our ambition of achieving sustainable growth and sharing the value created with all the Group's stakeholders, in line with our commitments to the Global Compact. First of all, with our people, who share in these outstanding results through our employee share purchase plan. Next, with all shareholders through the share buyback programme launched in June 2021, an attractive dividend policy and, of course, the robust Rémy Cointreau stock performance.

I would like to thank our shareholders for their trust and confidence in Rémy Cointreau, in some cases over many years.

As I come to the end of my term of office as Chairman of the Board of Directors in July, I'm confidently looking forward to passing on the baton to the next generation – a confidence shared by my sister Dominique and my brother François. The Group has long prepared for this

changing of the guard, and the new generation is primed and ready to take over at the helm. Their attachment to the earth is deep and sincere, their passion for our craft is palpable and backed by sound professional training.

Over the past five years, Rémy Cointreau has made considerable progress with its transformation plan, shedding its old skin to be ready to face the challenges ahead. Now more than ever, our Group is geared up and ideally positioned to continue its forward march.

Revamped portfolio – The Group has beefed up and diversified its brand portfolio. The acquisition of three distilleries (Bruichladdich in 2012, Westland in 2016 and Domaine des Hautes Glaces in 2017) gives us a true Whisky Division and positions Rémy Cointreau to draw maximum benefit from the booming interest in the golden elixir.

Transition to more sustainable practices – Rémy Cointreau's roots run deep. Its terroirs are exceptional and it has lost no time in protecting them for future generations. Its "Sustainable Exception" plan will greatly accelerate and strengthen its roadmap. A bold €80 million investment plan over the next 10 years will see major advances in all three pillars: Terroir, People and Time.

Digital transition – E-commerce is a resounding success. With online sales now accounting for almost 10% of revenue, the Group has doubled its penetration compared to 2019/2020. And the platform developed by the Group allows its brands to set up new e-commerce sites quickly and efficiently. The Group has also formed a team to build up its databases, expand its analysis capability and strengthen customer relations.

Strengthened team – Last and most importantly, the new generation at the helm will have a team of around 2,000 dedicated and driven men and women around the world and an strengthened executive committee all pulling together with them. The aim? To be more efficient and agile in a world of fast-changing consumer trends.

With our strategic plan ahead of schedule and an efficient business model, our 2030 targets are confirmed as we look with confidence to the future. It only remains for me to wish the new generation the very best: may the wind be always at your back!

INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER

ÉRIC VALLAT

"We are in the favourable position of being ahead of our long-term targets – something that is extremely rare over a company's life cycle. This has freed up resources for further investment. Today's investments are tomorrow's revenues."



Rémy Cointreau has had an exceptional year. What were the main drivers behind the Group's performance over 2021/2022?

These results confirm the relevance – especially in the current context – of the strategic plan we unveiled two years ago. But we look beyond the immediate results to the long term, founded on our three-centuries-old brands and their first-class products steeped in history. We are merely the caretakers of this heritage – a heritage that is handed down from generation to generation. When we lack short-term visibility, we draw strength from this long history and our brands

that have withstood so much over the years. Our results also reflect the robust performance across the sector as a whole in this difficult macroeconomic and geopolitical climate. Exceptional spirits – a market in which we aim to establish ourselves as world leader – did especially well. Moreover, we have benefited from certain consumer trends that have been accentuated by the pandemic: uptrading, a boom in at-home mixology and a shift towards more direct customer contact through online marketing. We were poised to ride the wave of these trends – all three play to our strengths and tie in with our strategy. Plus, we are well positioned in the most dynamic markets: the US, China and parts of Europe. Lastly, we capitalised on our positive results by pouring even more investment into our brands. We know that it is precisely when things are going well that it is important to invest in the future.

What were the highlights for you over the year? And your proudest achievement?

I'm extremely proud that we were able to step up investment in our brands, launching high-impact campaigns such as the Rémy Martin campaign with Usher and The Botanist's Super Bowl ad. Campaigns such as these show that we not only have excellent products, but are also capable of boosting their appeal and raising brand awareness among consumers, while moving with the times. This is one of the secrets to long-lasting success: ageing well without getting old. Another highlight has been our first steps in implementing our portfolio strategy. This strategy sets out a roadmap for each brand and will really help us develop some of the most promising gems in our portfolio. A good example of this was our investment in The Botanist's Super Bowl ad. The Botanist is one of our priority brands and we invested far more than its current US market share would typically warrant. But it was commensurate to our hopes for this gin, uniquely rooted in the terroir on Islay.

Among our more "regional" brands, Telmont Champagne is the one we have taken the furthest. In little over a year, we have totally rethought its positioning and are already starting to reap the benefits. But what we are most proud of as a Group is undoubtedly our sustainability policy and more specifically its environmental aspects. Our dedication to our terroirs has made us a pioneering force in this area. We took things up a level this year with a new project, #APlanetOfException, which has made Rémy Cointreau the very first carbon-neutral spirits group. And this is just the beginning: for now, our carbon-neutrality relies on offsetting – an important interim step – but the ultimate goal is to reduce our emissions at source.

The record-breaking year was also notable for the remarkable growth in Liqueurs & Spirits. Has this division passed a new milestone?

Absolutely. And a milestone is exactly what it is – the first of many on our journey to realising our brands' full potential. Cognac will of course always be first in terms of sales value; it's in our DNA. But as part of our uptrading strategy, we have redefined what we mean by "exceptional", galvanising our teams in a push to boost our liqueurs and spirits brands. So we no longer define exceptional as "\$50+". Instead, it is about products being exceptional for their category. Take Cointreau and The Botanist: they remain below the \$50 price point but are nonetheless key in creating value for the Group and raising its profile, which in turn boosts our investment capacity. We increased our media spend and invested in top-notch content expressing each brand's individual DNA in a bid to take them from "very good" to "outstanding" in the eyes of our customers. As a result, their values are starting to gain recognition with a wider audience. This marketing push was coupled with a strategic rethink of our distribution model, brand by brand and market by market. The fact that we have a ten-year rather than a three-year horizon is also key, because it allows us to aim higher. For our whiskies, for example, this long-term approach is what prompted our decision to completely overhaul our processes on Islay, introducing a far-reaching multi-year plan covering everything from malting to maturing, via distillation and bottling. We wanted to lay the groundwork for future growth, but without jeopardising what makes our whiskies so special: our rigorous ingredients selection, our production processes, our respect for terroir – and all the sustainability commitments that that respect entails.

And how would you say the first two years of your ten-year plan have gone?

First, I'd say that the most important thing about this plan is that it gives us a long-term goal to focus on given the growing short-term uncertainty. This is what has helped us stay true to our values worldwide – we were not thrown off course by the challenging short-term context. And our results have shown that we were right to stick to our guns. The plan has also been a unifying force for our Business Units, giving them a shared goal. We are in the favourable position of being ahead of our targets – something that is extremely rare over a company's life cycle. This has freed up resources to invest even more than we had initially planned in our brands, establishing a virtuous circle. It also means that we got things right in terms of our pricing power, strengthening our brands and adding to their appeal. But it is important to remember that a transformation plan is more than just a roadmap and processes. It is first and foremost about people. Our results are down to the work of our teams, to whom I offer my sincere thanks. They should be very proud of what they have achieved in such challenging times.

Looking ahead to 2022/2023, how does the Group envision the future?

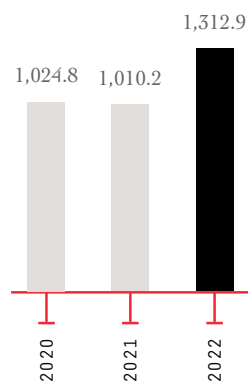
We are charentaise winegrowers. This makes us cautious by nature, even if we have shown that we can be ambitious too – the two are not mutually exclusive! But being dependent on the weather and climate keeps us humble in the face of the current uncertainty. Who could have predicted the pandemic or the war in Ukraine? And yet, we have reason to be confident. First, because our results have borne out the relevance of our strategy: it is right for the Group and in line with market trends. Second, because we have exceptional brands that still have so much more to give. Third, because we know where we're going and how to get there: we have a clear plan and the very best teams in place to make it happen. And lastly, because, thanks to our strong performance over the past few years, we are now in a position to invest more than ever before in our brands. Today's investments are tomorrow's revenues.

KEY FIGURES

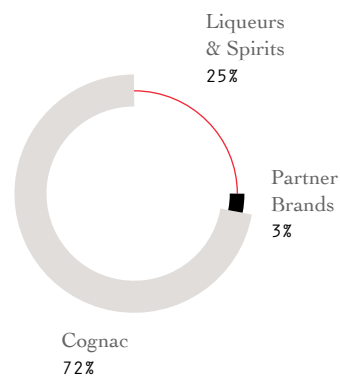
_FINANCIAL DATA

Data for the period from 1 april 2021 to 31 march 2022

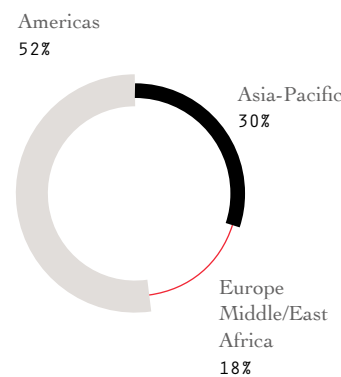
Sales (M€)



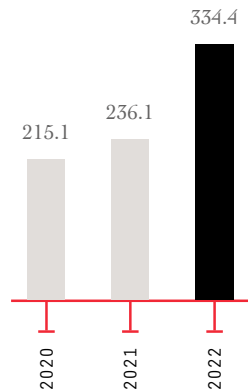
Sales by division (%)



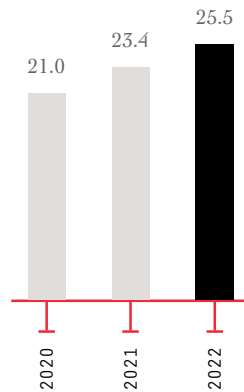
Sales by geographic area (%)



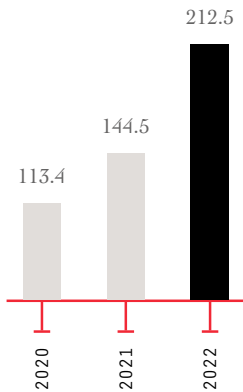
Current Operating Profit (M€)



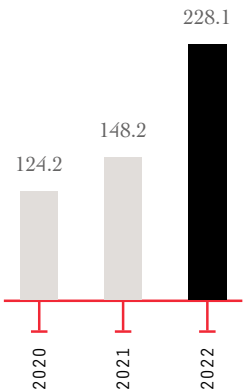
Current Operating Margin (%)



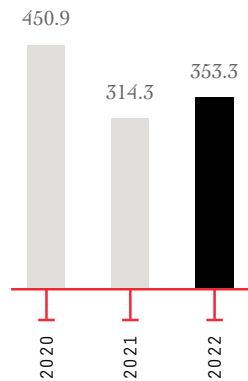
Net profit - Group share (M€)



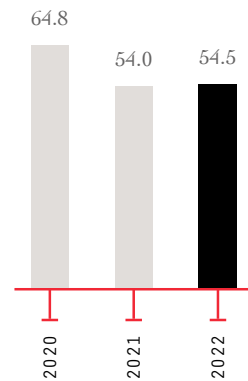
Net profit excluding non-recurring items (M€)



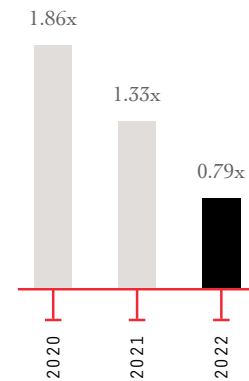
Net financial debt (M€)



Capital expenditure (M€)



Ratio of net debt/ EBITDA



_...AND NON-FINANCIAL DATA

Data for the period from 1 april 2021 to 31 march 2022

-9%

Change in the Group's carbon footprint per bottle compared to the previous year

44%

of renewable energies used at the Group's sites (26% in 2021)

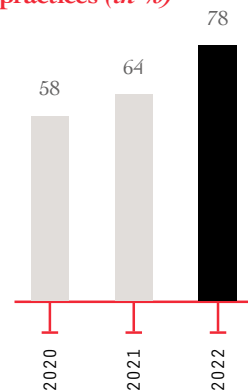
84/100

Gender equality index (83/100 in 2021)

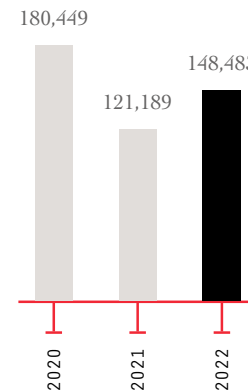
77%

of employee shareholders in France (0% in 2021)

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



Group carbon footprint (in tq CO₂)



Ratings and awards 2022



Climate Disclosure Project (CDP)

A - leadership status



Award for Best Sustainable Transformation for an SME Awarded by the Leaders League, during the first edition of the Sustainable Transformation Summit



ABOUT THE GROUP

_MAJOR MILESTONES IN THE GROUP’S HISTORY

The Rémy Cointreau Group, whose charentaise origins date back to 1724, was formed from 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 a series of 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-fatherin-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 Champagne Charles Heidsieck	2016	1 December: set-up of a joint-venture for the activities of Passoa
1986	Creation of the Passoa brand	2017	<ul style="list-style-type: none">• 5 January: acquisition of The Domaine des Hautes Glaces distillery, which produces single malt whiskies in the French 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 Piper-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 Champagne Telmont
1990	Transfer by Pavis SA of Rémy Martin shares to Cointreau & Cie SA		
1991	The Group adopts the name Rémy Cointreau		
1998	Dominique Hériard Dubreuil becomes Chairwoman 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, 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, Mr Marc Verspyck.
Front row: Mr Jacques Hérail (non-voting member), Mrs Hélène Dubrule, Mrs Guylaine Saucier, Mrs Marie- Amélie de Leusse.

GOVERNANCE THAT ENSURES CONTINUITY AND TRANSMISSION

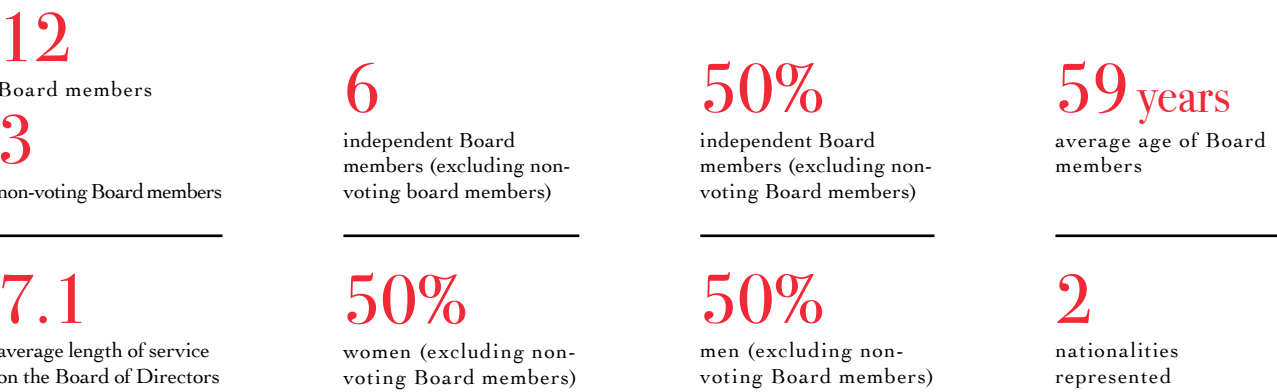
_THE BOARD OF DIRECTORS

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 of Directors' 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 2022

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



Composition of the Board of Directors' committees at 31 march 2022

Audit-Finance Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee
4 members / 75% independent	4 members / 50% independent	4 members / 50% independent
<div>Guylane Saucier° Caroline Bois Emmanuel de Geuser° Marc Verspyck°</div>	<div>Bruno Pavlovsky° Marie-Amélie de Leusse Olivier Jolivet° Gisèle Durand (Orpar)</div>	<div>Dominique Hériard Dubreuil Hélène Dubrule° Olivier Jolivet° Élie Hériard Dubreuil</div>

— Chair of the committee; ° Independence (in line with AFEP/MEDEF recommendations).



_SENIOR MANAGEMENT



Jean-Philippe Hecquet
(CEO Cognac division)



Élisabeth Tona
(CEO Liqueurs
& Spirits)



Claire Brugnago
(Chief Transformation
Officer)



Ian McLernon
(CEO EMEA,
North and South
Asia-Pacific
and Travel retail)



Luca Marotta
(Group CFO)



Éric Vallat
(Group CEO)



Nicolas Beckers
(CEO Americas)



Sophie Phe
(CEO China*)



Marc-Henri Bernard
(Human Resources
Director)



Patrick Marchand
(Executive Vice
President –
Operations)



Simon Coughlin
(CEO Whisky)

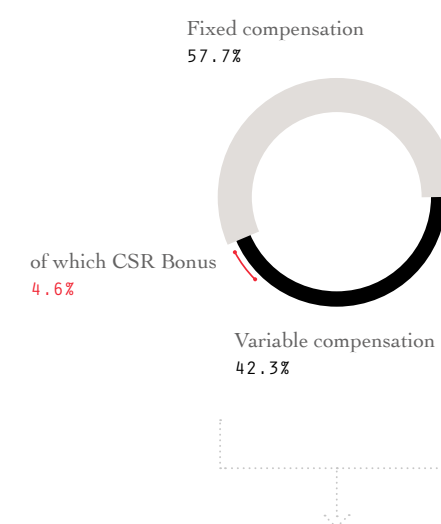


Carina Alfonso Martin
(Group
Communications
Director)

* Including Taiwan, Macau and Hong Kong.

Group Chief Executive Officer since 1 December 2019, Éric Vallat announced on 29 March 2022, a new enlarged Executive Committee, comprising eleven directors from six different nationalities and from a range of backgrounds: spirits, cosmetics, fashion and accessories, and tableware. These changes will be fully effective from 1 September. The role of this Executive Committee is to implement the Group's strategy for 2030, which aims to continue its transformation and build a more sustainable, profitable and responsible business model, based on four strategic levers: enhancing the value per case of its spirits, moving towards a customer-centric business model, optimising portfolio management by accelerating the development of the flagship brands of Liqueurs & Spirits and implementing the "2030 Sustainable Exception" plan for more responsible growth.

Composition of executive compensation (excluding LTIP)



- 50% based on quantitative criteria (Current Operating Profit, cash flow generation, net profit 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. Two new Houses recently enriched this portfolio: Belle de Brillet liqueur and Telmont Champagne House.

During the 2021/2022 financial year, the Group’s sales totalled €1,312.9 million and Current Operating Profit (COP) came to €334.4 million. As such, sales were up by 27.3% and operating profit was up by 39.9% at constant scope and exchange rates. The current operating margin reached an all-time high of 25.5%.

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

	COGNAC	LIQUEUR	WHISKY	GIN	RUM	BROWN SPIRITS	CHAMPAGNE
UPPER LUXURY							
LUXURY							
ULTRA PREMIUM							
PREMIUM							

Sales by division



COGNAC

_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).

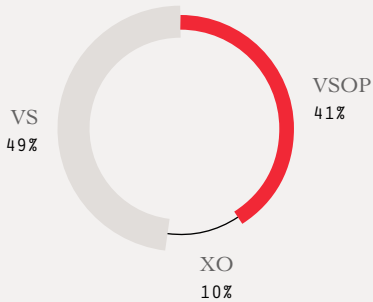
The House of Rémy Martin is positioned in the high-end segment, with four flagship products:

- 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 84% of the world market by volume and nearly 88% 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 13.6 % by volume (source: BNIC March 2022), up +0.5 pts compared to 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 51.1% of the total cognac market (BNIC March 2022).

Worldwide cognac shipments by quality
(source: BNIC)



_COGNAC APPELLATION D'ORIGINE CONTRÔLÉE AND "FINE CHAMPAGNE"

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

Rémy Martin only selects its eaux-de-vie from the "Fine Champagne" (Grande Champagne and Petite Champagne) AOC, whose quality is best suited to the production of its superior quality cognacs with their longer ageing potential. Cognac is a blend of eaux-de-vie of different vintages (after ageing in oak barrels). Accordingly, there are

several quality levels classified in accordance with legal standards (BNIC) based on the youngest eau-de-vie used:

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

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

All The 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.

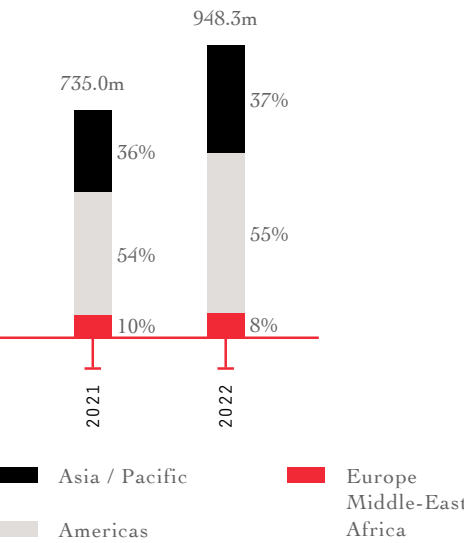
The partnership mainly consists of a cooperative, Alliance Fine Champagne (AFC), whose members manage around 60% of the Grande Champagne and Petite Champagne vineyards, via different types of collective and individual long-term agreements.

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 obligations not yet produced are disclosed in off-balance sheet commitments.

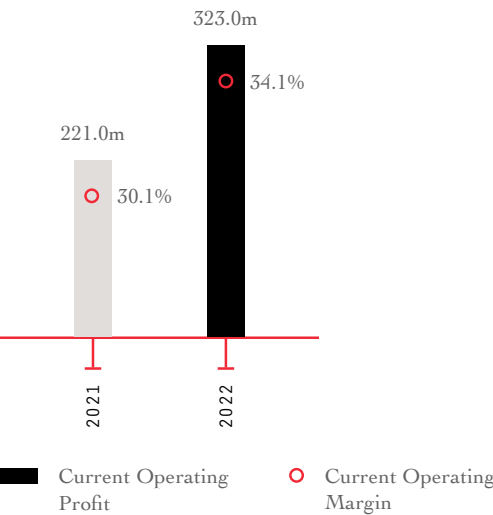
_COGNAC DIVISION KEY FIGURES

In 2021/2022, the Cognac division accounted for 72% of the Group's total sales and generated 99% of its international sales. The Americas (55%) and Asia-Pacific (37%) are the division's top contributing regions, but the Europe-Middle-East-Africa region (8%) also offers medium-term growth potential.

Sales (in € millions)
and geographic breakdown (in %)



Current Operating Profit (in € millions)
and Current Operating Margin (in %)





_LIQUEURS & SPIRITS BRANDS

The Liqueurs & Spirits division is made up of twelve wine and 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, US;
- Telmont, a winegrower’s Champagne located in Damery, France;
- Belle de Brillet, a French pear & cognac eaux-de-vie liqueur.

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

This site also carries out bottling operations for other Group brands. It comprises distilling facilities, fermentation cellars, laboratories, a packaging complex, offices, 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, Telmont Champagne House is a hundred-year-old family-run House located in Damery, near Epernay on the slopes 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 St-Lucy. The storage cellars in which the casks of rum are aged are also located at this historic site. Since January 2015, an additional 134 hectares of agricultural land at this site have been devoted to the farming of sugar cane. Mount Gay Distilleries’ head office and bottling facilities are located in Brandons, close to the port of Bridgetown in the south of the island.

Isle of Islay (Scotland)



The Bruichladdich distillery is located on the Isle of Islay in Scotland, one of the world’s most iconic locations for the production of single malt Scotch whiskies. The production operation (distilling, ageing, bottling) is carried out on the island, on a historic site created in 1881. In March 2018, the acquisition of around 15 hectares of agricultural land was signed. This agricultural land adjoins the distillery, and will mainly be devoted to growing barley and trialling different varieties.

Seattle (US)



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

Samos (Greece)

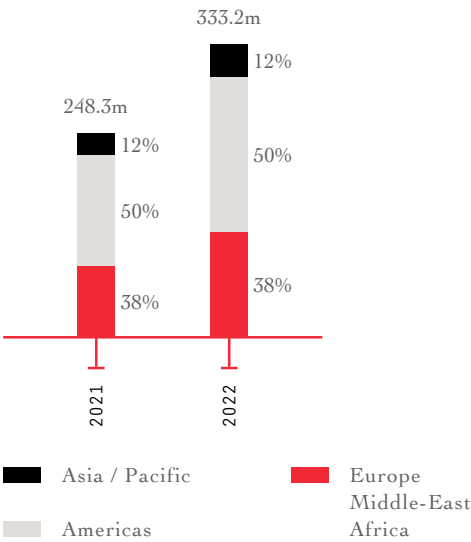


As part of its terroir policy, the House of Metaxa acquired a 1.2 hectare wine property on the island of Samos, located at the heart of the island’s muscat vineyards. Muscat wine is an essential component in Metaxa’s signature taste.

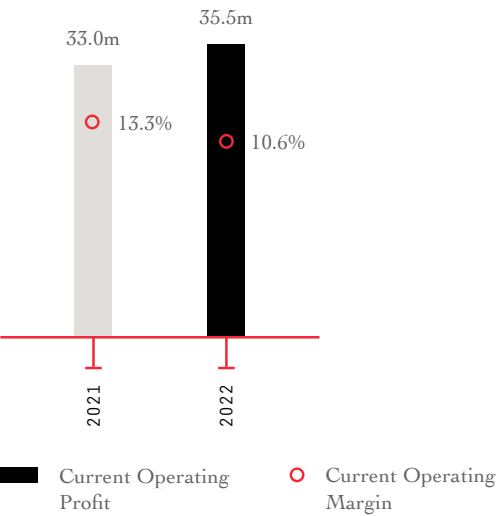
_LIQUEURS & SPIRITS KEY FIGURES

In 2021/2022, the Liqueurs & Spirits division accounted for 25% of the Group’s total sales. The Americas (50%) and the Europe-Middle/East- Africa region (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.

Sales (in € millions)
and geographic breakdown (in %)



Current Operating Profit (in € millions)
and Current Operating Margin (in %)



Partner Brands

In 2021/2022, Partner Brands accounted for 3% of the Group’s total 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 2022) 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).

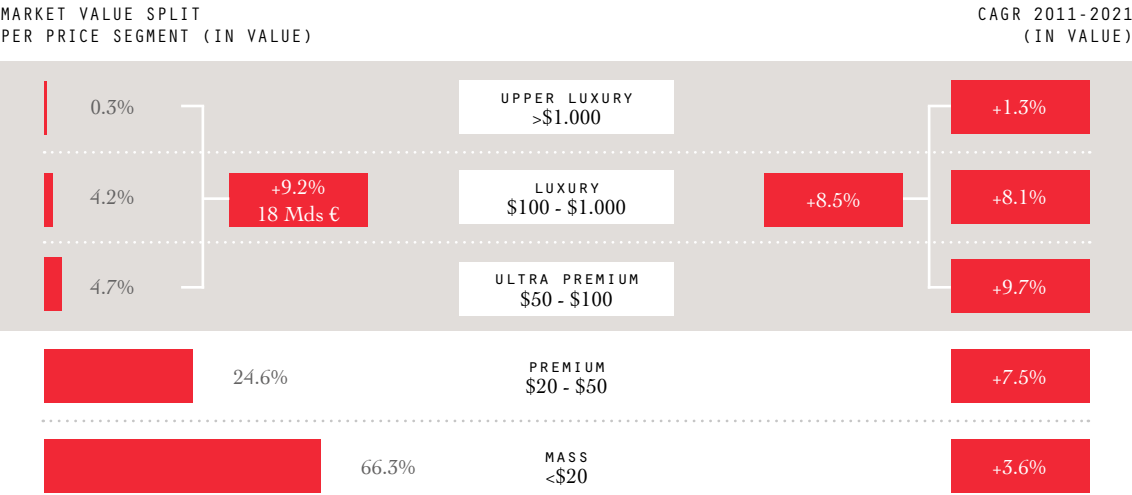
Since 2015, the Group has accelerated its strategy of moving upmarket so as to differentiate itself and emphasise its uniqueness: ultimately, the Group's ambition is to become the world leader in exceptional spirits.

_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 (+8.5% growth per year on average, compared with +4.8% for the

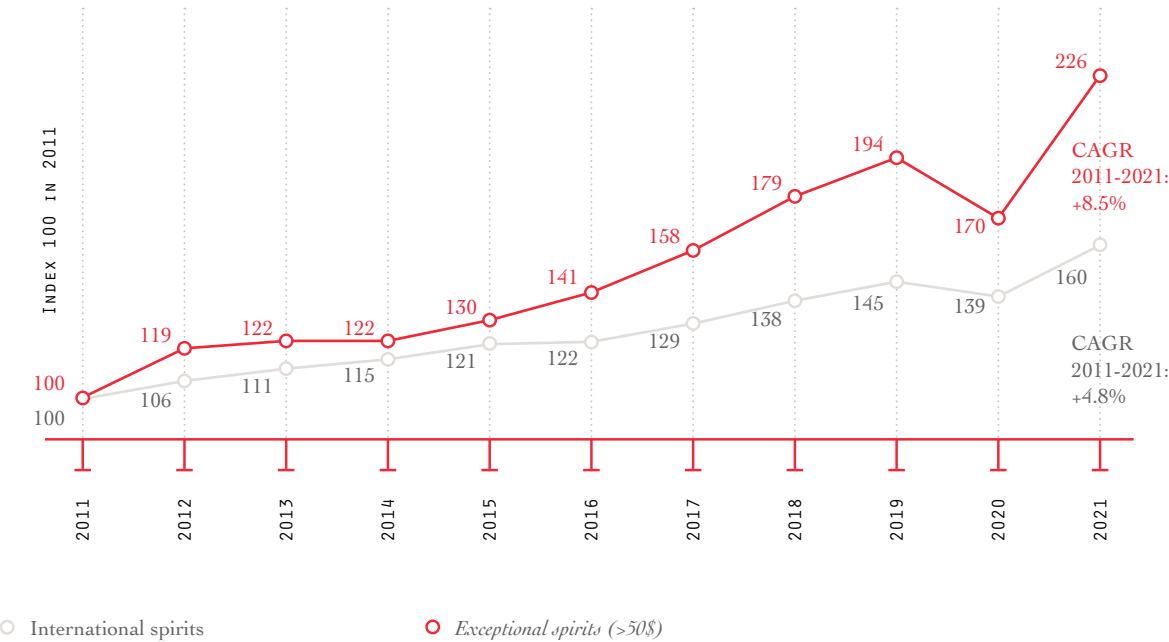
spirits market as a whole over the last 10 years), driven by a move towards the high-end of the market and an increasingly discerning clientele in terms of the quality, production, know-how and history of the spirits they consume.

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 2011



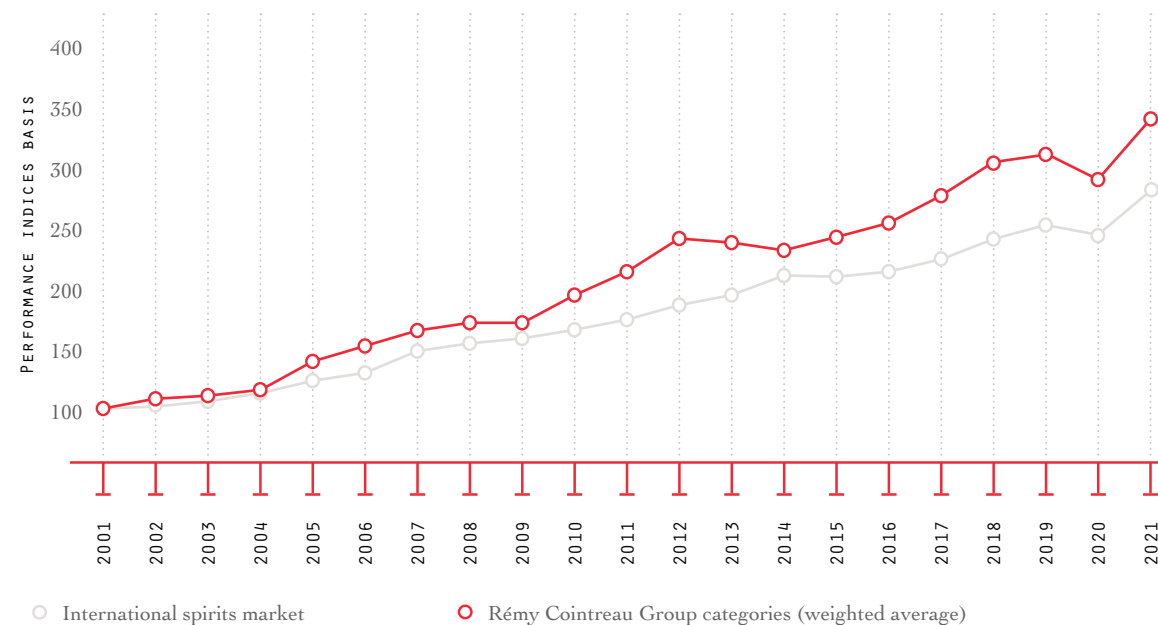
Source: IWSR, Rémy Cointreau.



POSITIONED IN FAST-GROWING CATEGORIES OF SPIRITS

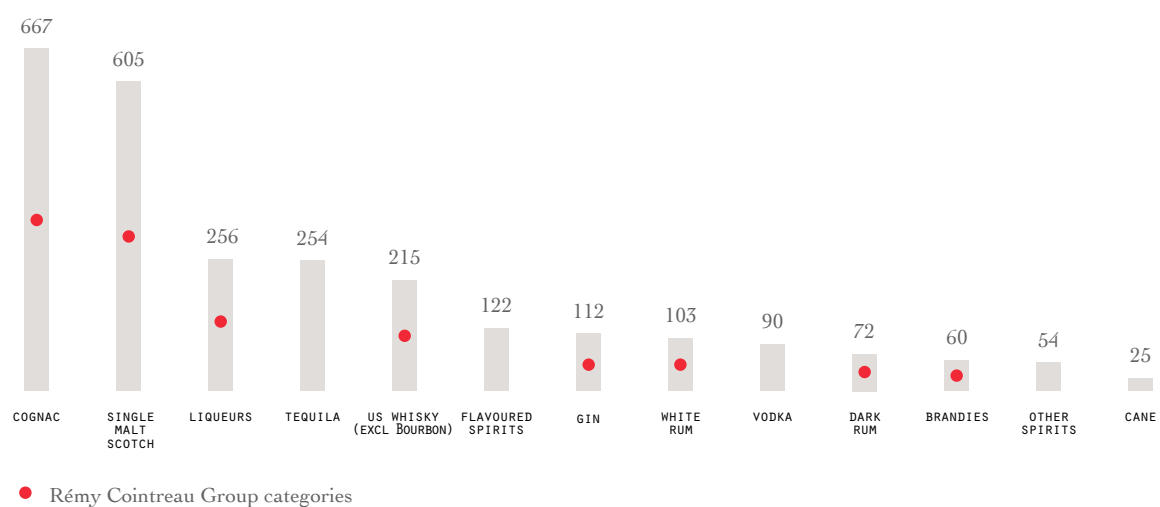
In addition, Rémy Cointreau Group brands belong to categories of spirits (such as cognac, single malt whisky, dark rum or gin) that have benefited from strong momentum (+6.3% per year on average during the 2001/2021 period). The international spirits market grew +5.3% on average over the last twenty years.

Rémy Cointreau Group's 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 portfolio of brands was nearly €500, compared to just over €100 for the international spirits market.

Value per case by category of spirits (in €)

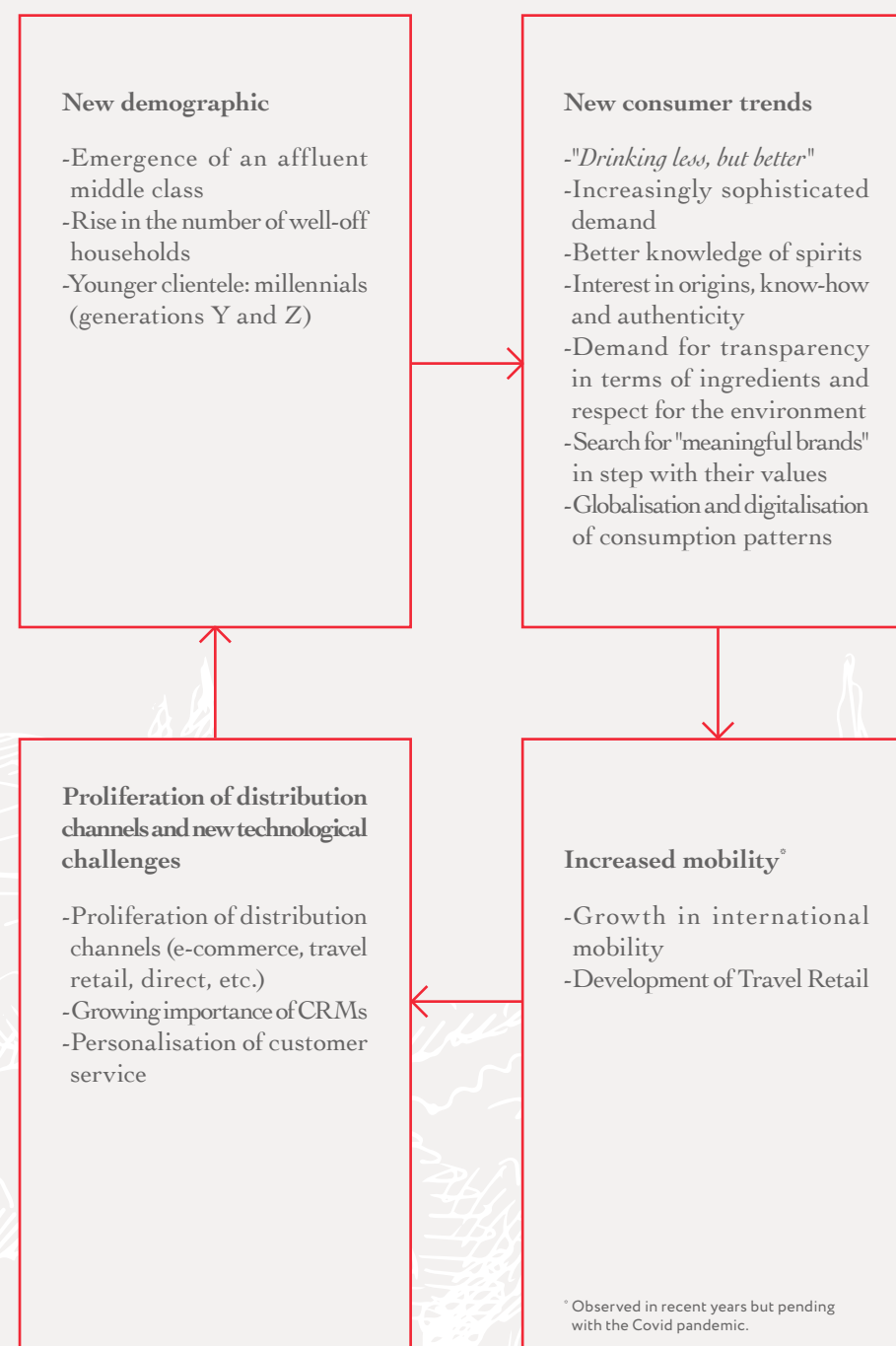


Source: IWSR, Rémy Cointreau.

A NEW GENERATION OF CLIENTS

Beyond the changes observed in the context of the Covid 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 are looking for knowledge – about the

spirits their history, the know-how behind them, and differentiation – but also while also demanding more transparency for 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, INTERNATIONAL PRESENCE

_DISTRIBUTION AND ADMINISTRATION

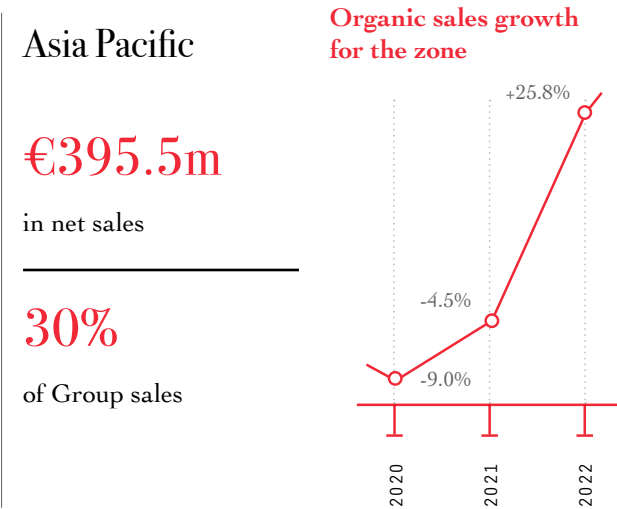
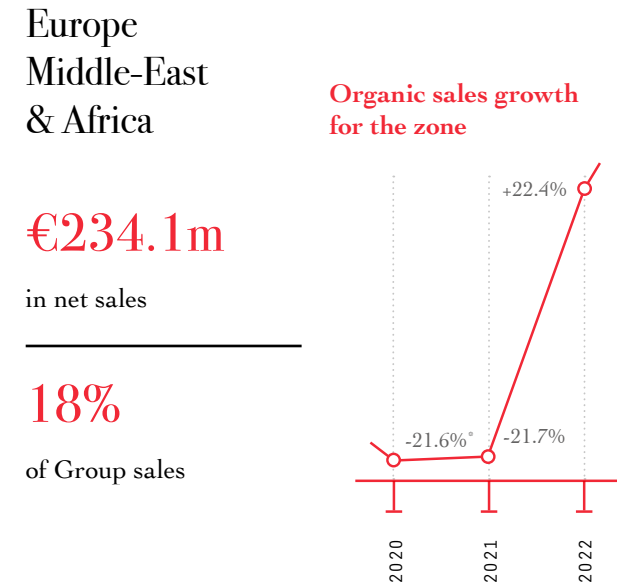
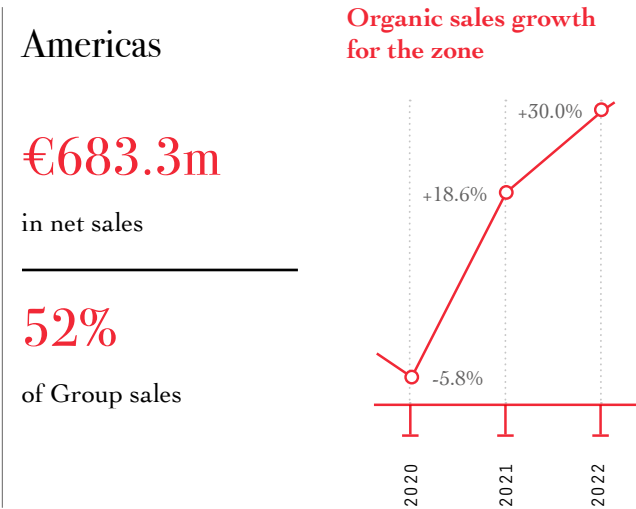
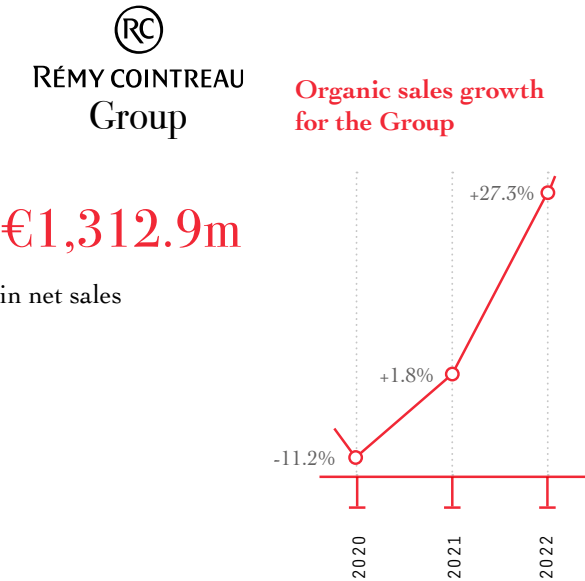
The Group has premises and commercial or administrative offices in many countries, including the USA (primarily New York), China (Shanghai and Hong Kong), Singapore, Russia and the United Kingdom (London and Glasgow). The Group does not own any premises in these countries and therefore uses leasing contracts.

Moreover, the registered office of Rémy Cointreau, which includes most of the Group’s central services, is based in rented premises at 21, rue Balzac, Paris.

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

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

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



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

A NEW STEP IN THE VALUE STRATEGY

_THE FOUR STRATEGIC LEVERS

Introduction

The transformation of Rémy Cointreau's business model since 2015 (acceleration of the upgrading of the brand portfolio towards the high-end and implementing a customer-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 time frame is also consistent with the Group's mindset and raw material procurement planning for some of its brands, such as Rémy Martin XO.

_01

Enhancing the value per case of our spirits

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

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

_02

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

During the past five financial years, the Group has installed a culture focused firmly on the end customer by establishing direct and personalised relationships through human, media and digital investments to enhance brand appeal.

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

_03

Accelerating the development of the Liqueurs & Spirits priority brands

The Liqueurs & Spirits portfolio has significant untapped 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 priority drivers of profitable growth. The expected mix and scale effects should gradually result in improving division's profitability, despite reinvestments in brand communication and education.

_04

The "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 responsible growth plan. The key concerns of the "Sustainable Exception" plan are ecological agriculture in all terroirs involved in crafting the Group's spirits, eco-design for all the brands' packaging and a gradual reduction of carbon emissions aligned with the international ambition of "Net Zero Carbon" by 2050.

As a family-owned Group, Rémy Cointreau is all about people and respect for the men and women whose 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 **20%** of the Group's sales.

VALUE CREATION

_THE GROUP’S DNA

Terroirs

- *Terroirs* of exception (Cognac, Islay, Samos, Barbados, etc.)
- **78%** 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 for 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



Optimising portfolio management:
- clarifying of each brand's mission within the Group;
- setting priorities, maximising the investments behind the most profitable brands.

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

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

_SHARED WITH ITS
STAKEHOLDERS

Employees

- Average Group salary: score of **105** compared with international benchmark
- Close to **30,000** hours of training

Government

- **€95.6 million** paid in corporate income tax in 2021/2022 (tax rate: 31.1%)

Civil society

- **€2 million** (over a period of 5 years) 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 dividend to **€2.85** in 2021/2022 (including an exceptional €1 dividend)
- Stock market capitalisation up nearly **€5 billion** over the last five financial years (at 31 March 2022)

Local communities

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

Suppliers

- Alliance Fine Champagne: **2.08%** shareholder of Rémy Cointreau
- Partner training provided by our agronomists (sustainable agriculture)

FINANCIAL AND NON-FINANCIAL TARGETS

Since the announcement of its 2030 strategic plan in June 2020, Rémy Cointreau has made significant progress in the implementation of its four strategic priorities that enable it to be ahead of the set objectives.

_2022/2023 OUTLOOK

Ideally positioned to take advantage of new consumption trends and on the strength of progress against its strategic plan, Rémy Cointreau is heading into the 2022/2023 financial year with confidence.

The Group intends to continue implementing its strategy focused on medium-term brand development and underpinned by a policy of sustained investment in marketing and communications. The Group reaffirms its intention to continue to win market share in the exceptional spirits sector and anticipates another year of strong growth. In particular, Rémy Cointreau is forecasting strong

first-quarter sales despite a very high base effect and the impact of the Covid-19 pandemic in China.

Helped by excellent pricing power, the improvement in the Current Operating Margin will be driven by the solid resilience of the Group's gross margin despite the inflationary environment and by strict control over overhead costs.

For the full year, the Group expects currency effects to be positive for Current Operating Profit, which it forecasts in the range €30-40 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 for 2030

Over the past financial year, Rémy Cointreau has benefited from very sustained consumption, reflecting the structural acceleration of consumption trends observed since 2020 in a context marked by the pandemic: outperformance of the most high-end qualities, in-home consumption, the rise in mixology, the development e-commerce and the growing interest in corporate social and environmental responsibility.

As part of its "Sustainable Exception" plan, the Group aims for sustainable agriculture for all the terroirs used to produce its spirits, as well as a 50% reduction in carbon emissions per bottle by 2030. This is the first step toward the Group's "Net Zero Carbon" ambition for 2050.

Financial targets to 2030*

72%

gross margin

33%

Current Operating Margin

"Sustainable Exception" Plan

100%

commitment to environmental certification by 2025

Reduction of

50%

in carbon emissions per bottle by 2030

"Net zero carbon" by 2050

* Based on rates and scope for 2019/2020..



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:

- **preserving our Terroirs** and promoting our soils as a solution to global warming;
- **taking action for our people and our communities** because sustainable transformation can only be achieved by working together;
- **committing over time**; because the planet cannot wait, we are already contributing to carbon neutrality for the Group while investing to reduce our environmental footprint.

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 3, 6, 8, 12, 13 and 15, which are used as CSR performance criteria to calculate the Executive Committee’s variable compensation.

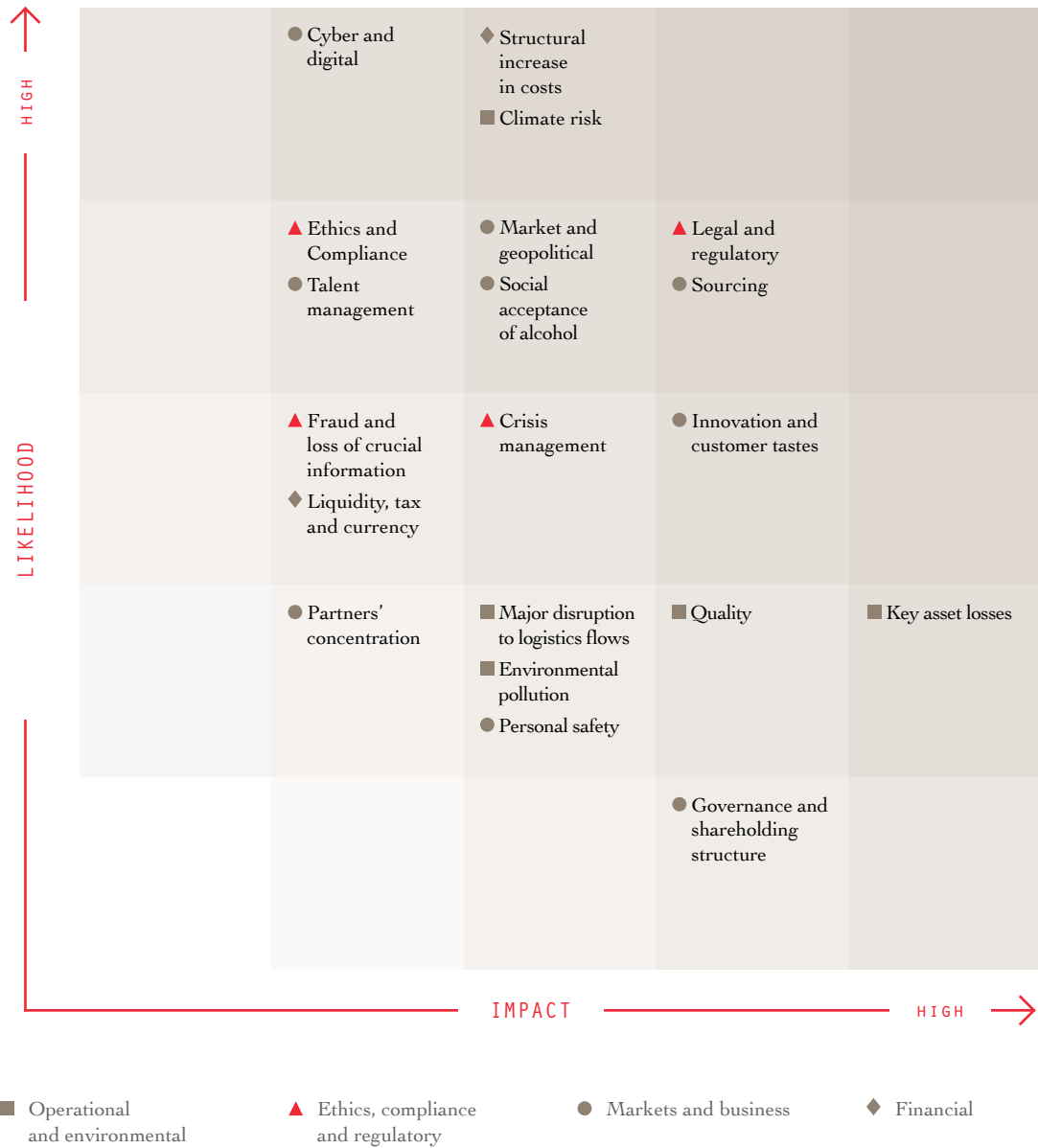
SDGs	CHALLENGES	RISKS RELATING TO THE CHALLENGE	RISK INDICATORS (QUANTIFIED TARGETS/ PROGRESS PLAN)	CHALLENGES RELATED TO THE COMPENSATION OF A MEMBER OF THE EXECUTIVE COMMITTEE
 Good health and well-being	Responsible consumption	Binding regulatory and fiscal framework, work-related alcohol consumption	Percentage of employees trained on responsible consumption	Human Resources Director, CEO Greater China and CEO Americas
 Clean water and sanitation	Water management	Water availability/ Water quality	Water consumption	CEO of the Whisky Division and CEO of Liqueurs & Spirits
 Decent work and economic growth	Employee well-being	Absenteeism, turnover, workplace accidents, occupational health	Turnover and absenteeism	Human Resources Director
 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, CEO of the Whisky Division and CEO of Liqueurs & Spirits
 Climate action	Contribution to the global effort (2 °C limit) and sustainability of the Company	Changes in regulatory and fiscal framework (carbon tax)	CO ₂ emissions: significant emissions, by brand, focus on transport/reduction of CO ₂ emissions	Executive Vice President Operations, CEO of the Whisky Division
 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 The House of Rémy Martin and CSR, CEO of the Whisky Division and CEO of Liqueurs & Spirits

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.

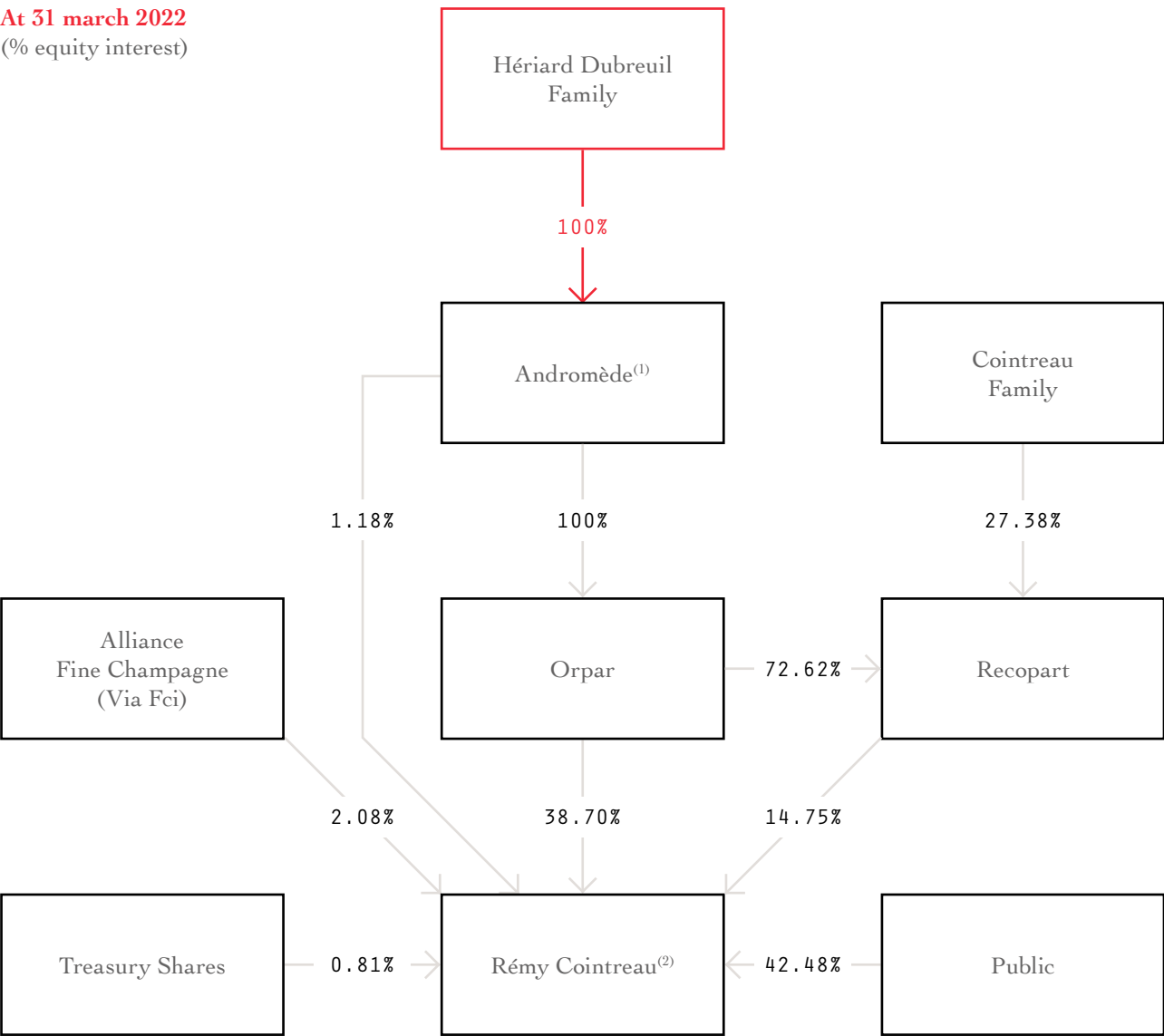
The main risk factors to which the Group is exposed given its business model are presented in this table (more details can be found in chapter 2 of this document).



COMPANY OWNERSHIP

_SHAREHOLDING STRUCTURE

At 31 march 2022
(% 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 103.8% over the past five years, reflected in an increase of nearly €5 billion in its market capitalisation.

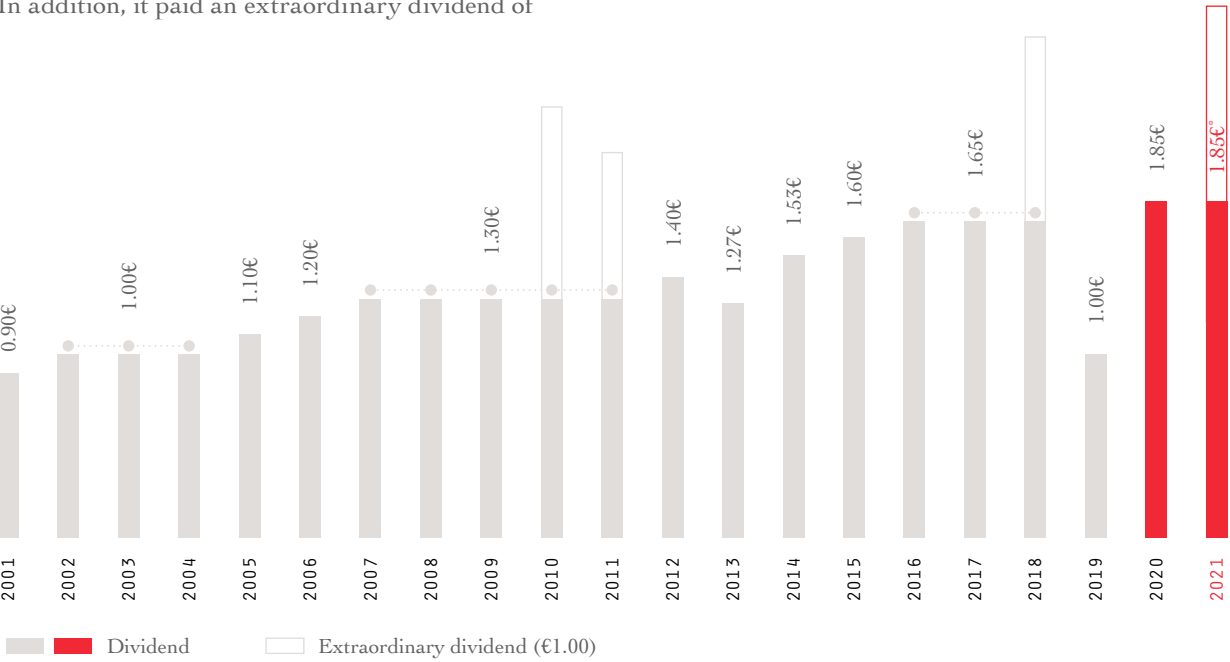
This value creation confirms the relevance of the strategy put in place by the Executive Committee and implemented by the Group's employees.



_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

€1.0 per share in respect of 2010/2011, 2011/2012, 2018/2019 and 2021/2022*.



* Dividend proposed to the Shareholders' Meeting of 21 July 2022.



FONDATION RÉMY COINTREAU

A foundation that promotes the transmission of expertise and excellence.

The Fondation Rémy Cointreau was founded in 2017 to inform and guide the Group’s corporate philanthropy efforts aimed at preserving its cultural and human heritage and investing in its shared future. When the original five-year term ended, the Board of Directors extended the foundation’s remit for another five years and doubled its budget to €2 million to fund its work until 2027.

Considering the Rémy Cointreau Group’s commitment to "terroirs, people and time", support for exceptional arts and craftsmanship speaks for itself. Craftsmanship means products that are made by hand from beginning to end, sometimes using special manual tools. The materials used by these artisans are natural ingredients – all used with the utmost respect for the environment. Each and every element, gesture and product is meticulously crafted to create unique and exclusive products. These men and women work in the slow lane. Standardised mass-consumption production is alien to them. Theirs is a long-term view working with terroirs in all their cultural richness. Since its foundation in 2017, the Fondation Rémy Cointreau has provided practical financial support to 26 artisans to perfect and perpetuate their craft.

Handing down these specialist skills is a core aim for each project undertaken to counter the danger of skills being lost as young people turn away from craft trades. To let arts and crafts die would be to lose part of the Group’s heritage and consign ancestral know-how to the history books. Just as the Group’s Cellar Masters pass on their skills to future generations, the foundation helps outstanding artists, craftsmen and craftswomen pass on their know-how.

When deciding which projects to support, the foundation whittles down the options based on nine carefully selected criteria: exceptional craftsmanship, mastery of rare expertise, quest for innovation, determination to pass on expertise, aesthetics, keeping the skill alive, heritage, passion and commitment, and, lastly, recycling and upcycling.

In addition to supporting artisans, Fondation Rémy Cointreau is a leading light striving to promote and develop arts and crafts through partnerships with other industry players.

Each and every element, gesture and product is meticulously crafted to create unique and exclusive products.

_THE NEW ARTISANS

Eight of the 26 artisans supported joined the foundation during the 2021/2022 financial year:



Maxime Bellaunay,
Master cabinetmaker (*Ebéniste des territoires*)

Maxime Bellaunay designs and makes pieces combining different skills and materials. His is an ongoing conversation with design, bringing his expertise to a range of projects from furniture and objects to lighting. Maxime prioritises locally-sourced materials in his multidisciplinary practice. He designs custom cabinets for individuals, as well as limited-edition pieces in collaborations in France and Japan.



Sylvie Deschamps,
Maître d’Art, gold embroidery

Sylvie Deschamps is the only *Maître d’Art* in gold thread embroidery in the whole of France. She has headed up the Bégonia d’Or workshop since 1995, working on commissions for haute-couture clients and restoring old pieces. Central to Bégonia d’Or’s practice is its commitment to passing on the craft through apprenticeships and classes for individuals looking to make a career change.



Eric Leblanc,
Plasterer and stucco artisan

Eric Leblanc is a designer and restorer specialising in plasterwork. After training with the Compagnons du Devoir, a French skilled arts and crafts guild, he established his Les Métiers du Plâtre workshop where he specialises in both restoration work and contemporary designs for a range of clients. Eric is also determined not to let his craft fade away and puts great energy into passing on his skills to the apprentices and trainees that spend time in his workshop every year.



Annie Bocel,
Printer and engraver

Artisan engraver, Annie Bocel specialises in the rare technique of typography punching in her independent printing and embossing practice. She creates pieces for individuals as well as punches, a tool designed for mark-making on other pieces. As one of the last remaining women working in this craft, she is deeply committed to handing the knowledge down through talks and workshops. She is also writing a book on her art. Annie Bocel studied with a *Maître d’Art* and sees herself as continuing a long line of skilled typography punching engravers. She also has special responsibility for the **Punch Room** at the Imprimerie Nationale.



Manon Bouvier,
Straw marquetry artisan

Specialising in straw marquetry, Manon Bouvier established her workshop in 2006. She works on furniture, wall panels and other smaller items, such as greeting cards and frames, to name but a few. She is committed to ensuring her craft is preserved and trains two people full-time. She is also keen to tutor young visually impaired people to teach them her skills.



Louis Monier,
Chair carpenter

Louis Monier opened his workshop in 2013. He specialises in designing and making solid timber chairs. The concept of curve and how an object fits into its surrounding space is essential to his craft. Transmission of skills is a priority for Louis and he welcomes students to his workshop to teach them and provide them with an introduction to the world of this work.



Valentine Huyghues Despointes,
Leather artist

Colour is a key feature of Valentine Huyghues Despointes' leather creations, drawing inspiration from the sea, sea ice, food and plants. Her pieces stand out for their creativity, exploring all aspects of the material. Constantly pushing the boundaries of the craft and the material, she has developed a collection of decorative items, bags and accessories using leather sourced from the top French tanneries and recycled leather cuttings from the luxury sector. Part of her ethos is sharing her skill by training her associate and tutoring trainees at her workshop set up in 2014.



Mathilde Jonquière,
Mosaic artist

The large-scale frescoes created by Mathilde Jonquière made from marble, Venetian enamels, agate, glass mosaic and gold tesserae are unique. Her custom creations are akin to haute couture in the fashion world, combining supreme technical skill and artistic sensibility. Passing on the craft is a constant preoccupation. Mathilde tutors a young mosaic artist in her workshop and collaborates with other professionals.

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 so that these artisans can produce work that truly reflects the remarkable skills they have mastered. The second stage involves the promotion of learning and training to further build on the first stage of support.

The contemporary value of the skills involved in the arts and crafts that the foundation supports has been proven many times over and attests to the creativity and innovation of its artisans. After all, artistic heritage is something to be passed down for everyone's benefit.

_SECOND-STAGE SUPPORT



Joël Guillaume,
Artist blacksmith

Joël Guillaume works with different metals, primarily ferrous alloys, using hot and cold forging techniques. He makes practical and decorative pieces, furniture and large forged works. Eschewing mass production processes, Joël works by hand combining traditional techniques and technological innovations. He trains apprentices, including students from his guild, the Compagnons du Devoir.



_PARTNERSHIPS

Ateliers de Paris or the Bureau of Design, Fashion and Art professions

Established in 2005, the Ateliers de Paris incubator implements the City of Paris' policy of promoting the creative industries. It provides support for professionals working in fashion, design and the arts to develop their business. The Fondation Rémy Cointreau has supported the Bureau of Design, Fashion and Art professions since 2018. It is a sponsor of the creative awards, the *Grands Prix de la Création de la Ville de Paris* and the award to promote skills transmission, the *Prix Savoir-faire en transmission*.

Association des Ateliers des Maîtres d'Art et leurs Elèves

The Ateliers des Maîtres d'Art et leurs Élèves (AMAE, Association of Masters of Art and their Students) was founded in 2002 as part of the French government initiative creating the official title of *Maîtres d'Art Élèves* to preserve and teach valued and rare skills and ensure they are kept alive. The foundation has supported the AMAE since 2018, helping to promote initiatives to develop and nurture excellence in arts and crafts and to pass on these skills.

Institut National des Métiers d'Art (INMA)

INMA is a state organisation formed to promote arts and crafts and preserve France's living heritage. It operates under the auspices of the Ministry of Economy, Finance and the Recovery, the Ministry of Culture and the Ministry of Education. The Fondation Rémy Cointreau is an active supporter of INMA's award to support the next generation of artists and artisans, the *Prix Avenir Métiers d'Art*, now in its 20th year.

Schuch Productions

Schuch Productions is an independent film production company. It produces documentaries, musical shorts and noteworthy films on art and culture. Its latest project is a documentary, "Chercheurs d'Orgues" (loosely translating as "Organ Hunters"), a love letter to the world's largest instrument, the organ. The documentary takes us to meet some 20 organ builders and their organs around Europe. The partnership with Schuch Productions revolves around this documentary, which will screen in March 2022.

THE YEAR OF THE BRANDS IN 2021/2022

Significant investments, the boom in mixology and the shift upmarket were the main factors behind the outstanding growth achieved by the Group's brands this year alongside their continued focus on CSR.

Rémy Cointreau coupled excellent sales with considerable strides on CSR over the year. Marketing campaigns featuring singer-songwriter Usher in the US and actor Yifeng Li in China heralded double-digit growth for **Rémy Martin**. The exceptional **Louis XIII** cognac continues to break new ground: this year it introduced its N°XIII decanter ritual in a select few of the world's most exclusive nightclubs and ran its very first online game in the US. And the three pillars of the House's "Sustainable Exception" programme – guaranteeing sustainable terroirs and production processes, making its unique know-how a unifying force, and promoting a "long-term culture" – influenced every step it took over the year.

Liqueurs & Spirits enjoyed a boost from the popularity of at-home mixology. **Cointreau** made the most of this context with a wide range of actions promoting the iconic Margarita, while **The Botanist** gin hit a new milestone in its expansion in the United States. **Mount Gay's** many virtual tastings were a big hit, encouraging customers to try one of its higher-end rums, such as Black Barrel or XO.

Another major trend – one that served the Group's whiskies well – was the shift towards higher-end products. This trend resulted in a surge in growth for all three of Bruichladdich Distillery's single malts (**Bruichladdich**, **Port Charlotte** and **Octomore**). **Westland** continues to fly the flag for its American Single Malt and was crowned the world's Sustainable Distillery of the Year. And **Domaine des Hautes Glaces** was named "Spirit of the Year" by the prestigious *Revue du vin de France*. Both **St-Rémy** (the world leader in French brandy) and **Metaxa** (whose Metaxa 12 Stars fuelled impressive growth in Europe) likewise moved noticeably upmarket.

New to the Group in 2020, **Telmont** and **Belle de Brillet** are already enjoying a significant renaissance. The Telmont Champagne House has revisited its entire range and distribution model, setting itself ambitious sustainability targets. And Belle de Brillet has been busy laying the groundwork to broaden its customer base.

Across the board, each and every one of the brands kept up the all-important momentum towards achieving the Group's sustainability goals.

LOUIS XIII
Remy Martin
COGNAC FINE CHAMPAGNE



LOUIS XIII
Remy Martin
COGNAC FINE CHAMPAGNE



€948.3M

Sales of the
cognac division

34.1%

Current operating
margin of the
cognac division

COGNAC

Just how valuable the House of Rémy Martin's long-standing commitment to sustainable development is was borne out by the pandemic; the House poured more than ever before into its "Sustainable Exception" programme over 2021/2022. The three pillars of its CSR strategy permeated everything it did: guaranteeing sustainable terroirs and production processes, making its unique know-how a unifying force, promoting a "long-term culture".

The House's target of 70% HVE-certified partner areas among its terroirs by 2024 remains a priority. In April 2022, the fifth annual "Centaur of the Environment" awards ceremony saw another 32 of the House's winegrowers get certified. The House does everything it can to help its winegrowers in this respect: through its "Technical workshops", it offers them training to hone their skills.

Through HVE certification, the House fully espouses the principle of continuous improvement in ecological farming methods, and practices to address climate change. It is constantly looking for new ways to do this, conducting full-scale experiments on its estates. These have included developing resistant grape varieties, introducing biocontrol, working with BirdLife International's partner organisation in France to preserve biodiversity, etc. Over the past year, 15 of the House's winegrowing partners have been trialling the French Wine and Vine Institute's decision-support app, DeciTrait. This app assesses a vineyard's exposure to various

diseases (mildew, powdery mildew, black rot, etc.) and shows which treatments are indicated and when, to eliminate any unnecessary use of plant protection products. In time, the app will be made available to all Alliance Fine Champagne winegrowers.

The Sustainable Exception programme is also about motivating employees to help protect the House's terroirs – the aim behind the "We Care Days" organised with Les Jardins Respectueux over the past year. Les Jardins Respectueux manages community learning gardens in Chateaubernard to shine a spotlight on environmental issues locally. The House's teams joined in its "Charente River Rehabilitation" programme, focused on agroforestry and arable farming practices.

Sustainable hospitality was also a focus in the past year, expanding know-how and developing new talent in this field. The Nouvelle-Aquitaine's Regional Tourist Board named the House a "leading player" in sustainable tourism in 2021 – one of the rare wine tourism operators (accounting for just 5% of recipients) and the only major Cognac house to have been awarded this distinction.

The Directorate General for Enterprise and the non-profit Entreprise et Découverte invited the House to be part of the French government's call for know-how tourism projects. It sits on the Strategy Committee, alongside La Monnaie

de Paris and EDF, and is involved in devising a national action plan to showcase outstanding made-in-France expertise and to make France the European leader in this field. The most recent addition to the House's tourist offering is its "Savoir-Faire Discovery" tours, where visitors get to meet some of its top talents and see them at work. The first of these took place in January 2022. Other new tours were successfully launched in 2021: the "Sustainable Exception: Behind the Scenes" tour, where visitors hear all about what the House is doing for the environment, and the "Slow Exploration from the Vineyard to the Distillery" electric bike tour, set up in partnership with La Bulle Verte.

And then there is the House's "long-term culture". Since 2020, the House has been reducing and simplifying its packaging wherever possible. It uses the Packaging Performance Index (PPI) to measure the carbon footprint of its production processes and assess the environmental impact of its packagings, from the most environmentally friendly down to those that need rethinking. The aim is to minimise environmental impact and for the House to transition to 100% recyclable or re-usable packaging by 2024. The House is maximising shipping efficiency: it has an action plan to reduce its overall carbon footprint by 2.7% (equating to 2,200 tons of CO₂ savings). Overland transport and its impact are also under the microscope. Options include using greener,

sail-assisted cargo ships, optimising road haulage, switching to biogas, etc.

To be credible, the results must be clear to see, but the Group nonetheless has the power to promote its House's achievements through effective communications. This is why it has invited renowned French astrophysicist Christophe Galfard to be a brand ambassador and spokesperson for Rémy Cointreau's environmental commitments in France and internationally. The motto is "the better we understand the laws of nature, the better we can protect our planet". The House has also joined the International Dark Sky Association, or IDA. Founded in 1988, the IDA campaigns against light pollution to preserve starry night skies around the world. Working with the IDA ticks all the boxes in terms of the Group's environmental commitments: protecting biodiversity, improving people's well-being and reducing energy consumption.

Looking ahead, the Group's value strategy and long-term thinking mean that it will continue to invest in the brand awareness and luxury positioning of this House and its two brands: Rémy Martin and Louis XIII.

_RÉMY MARTIN

Excellent performance across all markets, boosted by successful global campaigns in the United States and China.

Rémy Martin enjoyed excellent growth across all of its markets in 2021/2022. Growth picked up sharply in the United States and China, fuelled by the success of the brand's transformation strategy to address the impacts of the pandemic in 2020. These measures included building on the brand's solid off-premises distribution channels and investing in e-commerce and digital marketing.

The year saw two major Rémy Martin campaign launches. First, the third edition of its "Team Up for Excellence" campaign in the United States featuring Rémy Martin 1738 Accord Royal and R&B singer-songwriter Usher. The campaign was heavily promoted both on digital channels and on billboards in the United States, South Africa, the United Kingdom and Nigeria. The film garnered over 220 million views in the US and won an award at the International Festival of Creativity in Cannes. Next was the launch of the brand's "Excellence Takes Time, Taste It Now" campaign, featuring Chinese actor Yifeng Li, which will accelerate the expansion of Rémy Martin XO in China. The film was released in January 2022 and has already been viewed over 200 million times.

Rémy Martin continues to build up its media presence in its key markets: investments in this area have almost tripled since 2018/2019. And it is paying off: it ranked third in *The Spirits Business's* list of the most influential brands on social media in 2021.¹

The brand has also been working on several other initiatives designed to boost its profile. For example, in September 2021 Rémy Martin announced that it had signed a two-year global partner agreement with the Michelin Guide. This partnership reflects Rémy Martin's values and celebrates the excellence of the chefs and restaurants. The House's values are likewise mirrored in Rémy Martin's support for the Guide's new Green Star – an award reserved for restaurants listed that are leading the way on sustainable gastronomy. There were also a number of new releases for the brand in 2021, including the limited editions Atelier Thierry XO

¹ US media report.



and L'Etape. The limited-edition XO decanter, as revisited by Parisian gilders Atelier Thierry, proved a big hit from the UK to China, benefitting from prestigious distribution channels and high-quality media coverage. The limited-edition L'Etape was only available in France and in very limited quantities to reinforce its exclusive aspect. This unique blend of eaux-de-vie from winegrowers committed to sustainable agriculture embodies the brand's efforts to preserve the Grande and Petite Champagne terroirs.

There were also actions specifically targeting the US market: the VSOP Mixtape limited-edition cognac inspired by music from the 80s and 90s;² the "Sobremesa" campaign celebrating Latinx culture with renowned chefs; and the "Family Spirit" campaign to mark the Chinese New Year, featuring fashion influencer Jessica Wang, Michelin-starred chef Brandon Jew and photographer and stylist Christina Paik.

In China, Rémy Martin's growth was nothing short of remarkable, driven primarily by Rémy Martin Club cognac. The limited-edition cognac designed

by Collectif Scale has also done particularly well since launching in Shenzhen in November. And China is now home to Rémy Martin's first ever stand-alone boutique, in Hainan.

In 2022/2023, Rémy Martin plans to continue with its value strategy and its move upmarket, making customers the focus of all campaigns and communications. The revamped identity of the entire range will be unveiled in 2022, cementing the brand's high-end positioning and its commitment to producing the very best Cognacs Fine Champagne. Rémy Martin also plans to step up its digital transformation and will keep working on shrinking its carbon footprint, in particular by making its cased bottles lighter.

² Q3 press release.



THE LAUNCH OF THE BRAND'S "EXCELLENCE TAKES TIME, TASTE IT NOW" CAMPAIGN, FEATURING CHINESE ACTOR YIFENG LI, WILL ACCELERATE THE EXPANSION OF RÉMY MARTIN XO IN CHINA.



_LOUIS XIII

Now back on a growth path, the emblematic Louis XIII cognac is looking to the future and trying out new territories.

Comeback

Demand for Louis XIII surged in 2021/2022 as the brand began to emerge from the pandemic, which had dramatically limited customer contact. It performed well across the board: in all regions and through all distribution channels. In addition to the welcome reopening of bars and restaurants, this growth was down in large part to the brand's strategy of promoting direct sales through its store network, its websites and its Private Client Directors. The brand's strategy was all about developing a closer bond with Louis XIII customers, offering them a more personal connection with this exceptional cognac.

New creative collaboration

Following on from its two-part "100 Years" campaign involving various high-profile international artists, Louis XIII has released a new artistic film entitled "Believe in Time". This third opus on the theme of time brings together US performance artist Solange Knowles, Chinese haute couture designer Guo Pei and Franco-Senegalese director Mati Diop (who took home one of the top awards at Cannes in 2019). The result is a powerful film that has been cited in some 1,000 articles worldwide and viewed over 20 million times.

N° XIII

Louis XIII is taking the nightlife scene by storm with its unique new tasting ritual. Designed exclusively for club-goers, the N°XIII Experience happens just once a night in a select few establishments such as the Master Club in Shanghai and the 1 OAK in Tokyo. At the appointed time, a red crystal decanter designed by Saint-Louis is paraded to the Louis XIII customer's table beneath a red LED-lit glass dome, together with six red crystal glasses. In a flourish at the table, the decanter is revealed, and the cognac served to the customer and their guests using a special pipette. The whole experience is bathed in red, encapsulating the energy of the night, and has created quite the buzz: the ritual has been viewed more than 160 million times on Chinese social media.

Gamification

In September 2021, Louis XIII shook up the luxury spirits market once again with its very first online game, launched in the United States: Louis XIII Mysteries. Players had to work out 13 riddles, deciphering codes from across the brand's various digital platforms (on its website, in emails, on its social media accounts, etc.). Players who made it through all 13 stages were entered into a prize draw for a real-life immersive Louis XIII experience for two. Existing Louis XIII customers could skip ahead to stage 7 by entering their unique decanter number. The game proved so popular that it attracted five times more players than originally expected. Stay tuned for the rerun.

Green thinking

Louis XIII is taking active steps to reduce its environmental impact by cutting down on non-recyclable materials in its packaging and visual merchandising. It also continues to work hand-in-hand with the House of Rémy Martin on implementing its ambitious CSR transformation plan, with actions now focusing on its Grande Champagne vineyard and the traditional production of its tierçons.

A bright and innovative future

Louis XIII has a whole host of new projects in the pipeline, all in keeping with its exceptional identity as a brand steeped in history yet constantly breaking new ground. These projects will be gradually rolled out over the course of 2022/2023.



LIQUEURS & SPIRITS

The Liqueurs & Spirits division's outstanding performance in 2021/2022 underlines the immense potential of the brands in the portfolio. Exceptional flavour, rich history and responsible values are all part of what makes these brands so desirable. Each member of the Liqueurs & Spirits family is on a mission to embody the very best in its class.

Cointreau rode the wave of the mixology boom, especially in the United States and the United Kingdom, confirming its status as a key ingredient in more than 500 cocktails – including the Margarita. It made the most of this iconic cocktail recipe in a successful promotional campaign that helped propel the orange liqueur's sales to record highs.

The Botanist gin reached a new milestone in the US and the UK. **Bruichladdich Distillery** posted strong growth across the entire Islay Single Malt Whisky portfolio (Bruichladdich, Port Charlotte and Octomore) with volumes up in all regions. Bruichladdich Distillery also published its first ever annual impact report marking its first year as a B Corp.

St-Rémy, the world leader in French brandy, continued to take the brand upmarket and to make gains in new target markets, such as the UK. Meanwhile, **Metaxa** officially opened Metaxa Liknon, its new home nestled at the heart of

Metaxa's vineyard on Samos in Greece, and launched its first global campaign.

In Barbados, **Mount Gay** saw another uplift in sales of its flagship Mount Gay Eclipse, and notched up successes with its higher-end expressions, Black Barrel and XO.

Newcomer **Telmont** is destined to become the first ever 100% organic fine champagne. The first fully rebranded bottles of Telmont Champagne have been delivered to a very select few outlets in a handful of major cosmopolitan cities around the world. Also new to the fold, **Belle de Brillet**, is enjoying renewed interest: the House has adjusted its blend to give an even more natural taste. It has also redesigned the bottle in preparation for more inroads to new markets.

Westland Distillery put in a record performance and was named the world's Sustainable Distillery of the Year for 2022. And in the Alps, **Domaine des Hautes Glaces**, garlanded by prestigious French wine publication *Revue du vin de France* as "Spirit of the Year", launched XO° to celebrate 10 years in existence.

2021/2022 was an exceptional year. All brands in the Liqueurs & Spirits division demonstrated just how much potential they have, while confirming their key contribution to realising the Group's strategic objectives.

€333.2M

Sales of the
Liqueurs & Spirits
division

10.6%

Current operating
margin of the Liqueurs
& Spirits division

_COINTREAU

Reaping the rewards of its strategy celebrating cocktail culture and above all its hero drinks: the Margarita and the Cosmopolitan.

At the heart of more than 500 cocktails and leader in its category, Cointreau smashed both its volume and its value records in 2021/2022. The brand has gone all-in on the Margarita since 2019 and is now reaping the rewards. As a key ingredient of the ultimate classic cocktail – the world's fifth most popular¹ – Cointreau is a must-have for bartenders and a firm favourite with customers. The resulting boom over the past year exceeded expectations and increased the brand's Liqueur market share in all key markets: the United States, England, France, Germany, Belgium and Australia.

Of all the factors behind this success, the brand's teams around the world come top of the list: they have outdone themselves in coming up with creative ways to promote the Margarita. In the United States, Cointreau received a boost from an exciting collaboration with Jessica Alba. In the United Kingdom, "Margarita Day" was relayed across a range of channels to reach as many people as possible: billboards, events (both in bars and at other venues), social media, home deliveries, etc. In Australia, a customised retro VW Kombi journeyed up and down the East coast, showcasing the versatility of this iconic tippie. And in France, Cointreau billboards once again caught the eye in the Metro and around points of sale. The brand did not neglect its long history with the influential hospitality sector either: one of the year's highlights was the second Margarita Challenge, which attracted entries from professional bartenders in no fewer than 47 countries.

In terms of sustainability, the House doubled down on its commitments over 2021/2022.

Solid action on sustainability issues from orange grove to glass is hardwired into Cointreau's approach to excellence. The House therefore has a CSR plan in addition to its sales and marketing plan. Aligned with the Group's sustainable development goals, it is built around three main pillars:

- preserving terroirs and biodiversity for future generations,
- committing to people by promoting more moderate consumption,
- respecting the value of time by engaging in the fight against climate change.

These commitments are part and parcel of how the brand operates. It works with suppliers holding internationally recognised sustainability certifications (57% of the groves from which it sources its sweet and bitter oranges are Global G.A.P. or Rainforest Alliance² certified). It promotes responsible drinking with its new Alternative cocktails³ (which now represent 10% of the Cointreau cocktail menu). And it has cut CO₂ emissions by introducing greener packaging and circular-economy principles (the 19 million Cointreau L'Unique bottles produced each year have been redesigned with the environment in mind and now contain two-thirds recycled glass – no mean feat given how hard recycled glass is to come by in France).

A new bottle design for Cointreau L'Unique will be released in 2022/2023 – its first update in 140 years! This release will coincide with a new marketing campaign emphasising Cointreau's transformative powers – "Cointreau changes everything". Rest assured though: the change concerns only the bottle, not its contents!

1. *Drinks International*, The World's Best-Selling Classic Cocktails 2021.

2. Global Good Agricultural Practice is a global organisation with a fundamental objective: promoting safe and sustainable agricultural production worldwide. The Rainforest Alliance is an international non-profit organisation working at the intersection of business, agriculture and forests to create a world where people and nature thrive in harmony.

3. Alternative cocktails are cocktails with an alcohol content of no more than 8% and whose ingredients do not exceed a combined equivalent of 25ml of 40% alcohol per glass.



A KEY INGREDIENT OF THE MARGARITA –
THE ULTIMATE CLASSIC COCKTAIL
AND THE WORLD'S FIFTH MOST POPULAR.

GROWTH, A SHIFT UPMARKET AND EDUCATING CONSUMERS
ON WHAT MAKES ST-RÉMY SO SPECIAL WERE THE MAIN FEATURES
OF THIS STRONG YEAR FOR THE BRAND.

_ST - RÉMY

St-Rémy has represented the French tradition of brandy making for over 130 years. The world leader in French brandy, it is made exclusively from French wine eaux-de-vie reflecting the diversity of our nation's vineyards, and is blended and aged in France and bottled in the Loire valley.

St-Rémy posted substantial growth in 2021/2022. This growth was present across virtually all of its markets but was strongest in the two largest: Canada and the USA. Travel retail, historically a key market for St-Rémy, bounced back impressively over the year. And the brand continued to expand in the UK.

The brand kept up its momentum in educating consumers about what makes French brandy – and St-Rémy in particular – so special: namely the fact that it is 100% made-in-France using exclusively French-sourced wine eaux-de-vie to achieve its heady blend of rich aromas and its distinctive fruity and harmonious style. Its latest digital campaign, The Wine Trip, and training sessions for industry professionals are examples of this push. St-Rémy invested heavily in its new St-Rémy Signature reference, with a campaign emphasising how it sits perfectly behind the bar or in a cocktail. The aim is to change how people

see brandy, updating its image to make it more appealing to a younger audience.

2021/2022 also marked the launch of St-Rémy's sixth opus in the Cask Finish Collection. This latest brandy benefits from an additional maturation period in Sauternes casks and has proven highly popular in Canada and Taiwan.

St-Rémy pursued its push for green design over the past year to cut CO₂ emissions and reduce its environmental impact. The brand no longer uses any virgin plastics in its packaging, having replaced it with 100% R-PET (Recycled Polyethylene Terephthalate). This will cut its CO₂ emissions by 29% and its water and energy consumption by a third, compared to bottles made with traditional PET. It also represents an annual saving of 50 tons of virgin plastic and 100 tons of CO₂.

St-Rémy plans to continue with its value creation strategy over the coming year. It will launch a new international communication campaign, designed to highlight its unique positioning and add to the brand's appeal for its target segments. St-Rémy Signature will pursue its expansion in the United States, the United Kingdom, Taiwan and New Zealand.



"METAXA LIKNON IS A TRIBUTE
TO THE PROVENANCE AND CRAFTMANSHIP
OF OUR HOUSE. BUT MOST OF ALL,
IT REPRESENTS OUR COMMITMENT
TO AN ORGANIC TERROIR
AND SUSTAINABLE FUTURE."

DOROTHÉE HERIARD DUBREUIL,
MANAGING DIRECTOR, HOUSE OF METAXA

_METAXA

Metaxa recorded double-digit growth in most of its key markets in 2021/2022, with especially compelling results in Poland, Germany, Romania and the Baltics. The Greek market and Travel Retail also bounced back as tourism picked up in summer 2021. There was uplift across all products in the portfolio, spearheaded by Metaxa 12 Stars, which enjoyed its best year ever, confirming that Metaxa's premiumisation is within reach.

Three events stand out in this very rich year:

- The launch of a new global campaign, "Taste the Unexpected", showcasing a collection of imaginative and surprising serves and inviting consumers to discover how the unexpected, fruity, aromatic flavours of Metaxa can enhance and add excitement to their traditional aperitifs.
- The opening of Metaxa's new Home in Samos: nestled at the heart of Metaxa's Muscat vineyard, Metaxa Liknon offers visitors a chance to experience authentic Greek hospitality while learning all about the House's history, terroir and unique craftsmanship.
- The release of Metaxa AEN III Generations: an exclusive and exceptional expression crafted from rare blends inherited from the founder of the House, Spyros Metaxa.

Metaxa has achieved a major milestone this year by securing a new source for its Muscat wine, creating a unique opportunity to partner directly with local farmers in Samos. With this new model, Metaxa's goal is the long-term preservation of the island's precious savoir-faire in wine-making.

The House of Metaxa intends to act as a role model on the island by endorsing and supporting sustainable and organic agricultural practices. By 2023, the Metaxa vineyards will be organically certified, enabling the House to showcase its best practices, and to educate and financially sponsor local farmers to help them follow a similar path. The House's goal is to have 10% of all sourced grapes certified organic by 2025 and 100% of its viticulture certified sustainable by 2027.

In financial year 2022/2023, Metaxa will ramp up the campaign in digital with the launch of a new brand website and a dedicated social and influencer campaign. It will also launch the new Metaxa 5 Stars Orange Limited Edition in its core markets, offering consumers a different way to enjoy Metaxa 5 Stars as an aperitif. Lastly, Metaxa plans to invite top mixologists to experience Liknon on Samos.

_THE BOTANIST

The Botanist hits new milestones.

In 2021/2022, The Botanist enjoyed a surge in growth over the year, fuelled particularly by at-home consumption and higher e-commerce sales. The brand hit new commercial milestones across the board, with strongest growth coming from the United States – where investment in the brand was significantly increased.

The Botanist held its global No. 4 ranking among the world's super-premium gins, closing in on some of its key competitors. The *Drinks International* report for 2022 placed The Botanist third amongst the top trending gin brands worldwide.

Advertising investments lived up to ambitions, including, for the first time, a 30-second spot for the 2022 Superbowl. Viewed over 13 million times, the ad was ranked second on social impact on the night. Meanwhile, the award-winning "Wild – A State of Mind" campaign continued to run across all key markets.

The brand's Martini strategy was a key growth driver, helping to make The Botanist Martini a firm fixture on cocktail menus and burnishing its – already – impeccable credentials. The launch of this drinking strategy was a success across all markets, prompting a variety of on-trade marketing pushes, and proved particularly popular in Dubai's exclusive bars and restaurants.

In celebration of the brands 10th anniversary, The Botanist chose the Fèis Ìle 2021 (Islay's music and whisky festival) to launch the brand's first ever innovation. A limited-edition, cask matured release, laid down in barrel in 2011 – the brand's inaugural year.



Established in 2015, The Botanist Foundation continued to support local conservation and biodiversity initiatives on the Isle of Islay and beyond, with donations up significantly on previous years. The brand also continued to support Botanic Garden Conservation International (BGCI), donating £5 from each sale of one of its new limited-run Plant Conservation Edition bottles – supporting the organisation's work to protect endangered plant species. The theme of conservation was reflected in The Botanist's gift packs for the year too: one was in fully recyclable packaging and the second came in a tin designed to be repurposed as a herb planter, earning the brand a PLD Innovation Award.

The Botanist has set ambitious growth targets for 2022/2023. A new global marketing campaign will launch in the second half of the year and further actions are planned for The Botanist Martini. Lastly, the innovation journey continues with a brand new release hitting the shelves, exclusively for Travel Retail, in the second half of 2022.

_BELLE DE BRILLET

A recent addition to the Rémy Cointreau Group, Belle de Brillet has been reborn this year and is now set for a bright future.

The intense burst of fruit from the Williams pear eaux-de-vie, coupled with the delicate complexity of the cognac: this perfect marriage between two classic French specialities, each with their own time-honoured distilling traditions, offers a delectable exploration of two exceptional terroirs. This French liqueur made from pear eaux-de-vie and cognac is brought to us by the House of Brillet. The Brillet family can trace their roots in the Charente region of France back as far as the 17th century.

Intense, smooth and delicate, this is a drink for hedonists looking for an authentic and indulgent experience. It is free of additives (no artificial flavourings, colourings or caramel) and contains no neutral alcohol.

Belle de Brillet (or La Belle to those in the know) has enjoyed renewed interest over the past year. In response to consumer demand, the House of Brillet adjusted its blend, replacing the natural pear flavourings it previously used with pear eau-de-vie. This gives richer aromas and an even more natural taste. It has also redesigned the bottle, giving the distinctive pear shape a more slender silhouette.

La Belle continued to gain ground over the past year in its traditional market of Quebec. The plan for 2022/2023 is to expand into new markets: launches are already scheduled for the USA, UK, Benelux and, of course, France.

A responsible choice

Most of the Williams pears used are from certified "environmentally responsible" orchards. This means that the growers are committed to protecting biodiversity through natural pollination techniques, introducing insect "hotels" to attract species that can help ward off diseases, and ensuring traceability throughout their production process. The cognac used has been awarded level 3 High Environmental Value certification – the highest level – as well as the "Certification Environnementale Cognac" label created by the industry body BNIC.



_TELMONT

Less than two years after coming into the Rémy Cointreau fold, the Telmont champagne house is determined to set an example by carving an exemplary path towards a 100% organic house using production methods with reduced impact on its natural surroundings. Telmont has decided to act "in the name of Mother Nature", thus advocating for the preservation of nature's gifts, leaving its essence untouched.



Since its official launch in June 2021, the House has been named official partner of the international Festival de Cannes and expanded into the international market. Champagne lovers in cities around the world can now find the Telmont brand in carefully selected outlets in New York, Miami, London, Paris, Geneva, Brussels, Singapore, Los Angeles, Dubai, San Francisco, Hong Kong, Taiwan, Shanghai, Tokyo and Kyoto.

As it grows its presence in the world market, this singular champagne house has also been busy at home. It completely revamped its estate and once again opened its doors to visitors for tasting experiences. And that's not all. Its new e-commerce site featuring the new brand identity is up and running in France, the UK and the United States.

Telmont Champagne is deeply committed to protecting the environment and limiting its impact by acting "In the name of Mother Nature". The House's teams have intensified their efforts to reduce the brand's carbon footprint acting on all fronts:

- ceasing the use and production of all giftboxes;
- banning air freight for its distribution;
- stopping the production of transparent bottles, made from 0% recycled glass, in favour of green bottles: 100% recyclable and made from 86% recycled glass;
- sourcing 100% of its electricity from renewable sources;
- promoting biodiversity throughout the estate with plans to plant 2,500 shrubs in the vineyards and to install "insect hotels";
- using compost over chemical fertilisers and employing mating disruption techniques to control pests;
- allowing grass to grow between the vines to protect soil microbial biodiversity.

Telmont Champagne has also renovated its site in Damery to improve insulation and reduce energy consumption. Teaming up with the local town of Épernay, the House plans to plant a micro-forest

near its vineyards. In another move to promote environment preservation, the House is partnering with Michelin green-starred chefs to nurture and encourage new talent while also promoting shared green values.

The House of Telmont unveiled its first organic vintage in 2021, Réserve de la Terre, the fruit of years of hard work and passion for its terroir. Telmont Champagne collected some well-deserved accolades in 2021, including for Best Organic Initiative and the Amorim Sustainability Award at the Drinks Business Green Awards. It was also to the fore in international competitions, notching up prizes at the Drinks Business Champagne Masters (Silver medal for the Sans Soufre, Gold for the Blanc de Noirs, Vinothèque 2012 and the Réserve Brut, and the coveted Master distinction for the Blanc de Blancs 2012). Prestigious institutions and wine critics took notice as well. It earned high ratings from reputed institutions such as Gault & Millau (Vinothèque 2012: 17.5/20, Blanc de Blancs: 17/20, Réserve de la Terre: 16.5/20), and Terre de Vins (Réserve Brut: 17/20) as well as renowned wine critics such as Jancis Robinson (Vinothèque 2012: 17/20).

The House has a busy year ahead as it continues to establish the brand in strategic cities around the world, while pursuing its all-important green objectives. For example, it has just announced the start of an exciting trial with French glassmaker Verallia to reduce the weight of the lightest champagne presently on the market: from 835g to a target of 800g. The lighter the bottles, the lesser the footprint. Preliminary tests are currently under way at the estate. The House is also introducing private workshops at Damery (including its Oenologist's Workshop, for which it was awarded a gold medal at the 2021 Wine Tourism Awards) and is proud to be returning as official supplier for the 2023 Festival de Cannes.

Telmont stays true to its values, doing always more to protect the environment.





_MOUNT GAY

Mount Gay continues the move into the high-end segment.

As Covid-19 raged around the world and bars and restaurants closed their doors, Mount Gay looked for new ways to engage with customers and followers. Rum was already moving into the high-end market segment, providing the perfect opportunity to educate spirits enthusiasts about why rum is so special.

During the early stages of the pandemic, consumers went back to basics. They turned to the tried-and-true brands they know and love. And Mount Gay Eclipse – the most recognised expression with a fiercely loyal fan base – was one of them. The higher-end expressions, Black Barrel and XO, also broke through to a new generation of rum drinkers looking to try new flavours in their home.

Mount Gay brands enjoyed the benefits of at-home consumption as consumers shopped online and explored home mixology. Virtual tastings were shining stars throughout 2020 and 2021, allowing the brand to connect with consumers and tell its brand story. This positive momentum accelerated when the on-trade channel reopened during 2021 in the US and then in the UK and Western Europe.

The push to promote the Black Barrel and XO higher-end expressions in the international market, the success of limited editions and the sophisticated master blender collection have all helped position Mount Gay as *the* high-end sought-after rum with rum aficionados.

Former Master Blender Allen Smith launched the Master Blender Collection, a creative and sophisticated range geared towards rum enthusiasts. When Trudiann Branker stepped into the Master Blender role in 2019, she continued to add to this collection every year. October 2021 saw the launch of Andean Oak Cask on the global market, the fourth edition of its Master Blender Collection. For this release, Branker turned to Andean Oak, (a rare oak grown in the mountains of Colombia in sustainably managed forests), a non-traditional

wood choice to age Mount Gay rums. She created a single batch of rums distilled twice in a traditional copper pot still, aged for 14 years in ex-Bourbon casks and finished for 11 months in virgin Andean Oak casks. The result is a delicate yet opulent blend with layers of spice, nutmeg, vanilla, ripe pear and toasted coconut on the palate. The 2022 Master Blender Collection is due to launch in a matter of months.

At Mount Gay, sustainability is a key priority, second only to making rum. One of the highlights of 2020/2021 was obtaining Bonsucro certification (the leading global sustainability standard for sugarcane) for the distillery. It continues to import only 100% Bonsucro-certified molasses. In another milestone, the LNG plant was commissioned in 2021 and will further reduce CO₂ emissions. And in 2022, Mount Gay will install more roof-mounted solar panels. Mount Gay is committed to achieving 100% sustainable agriculture by 2024, 100% renewable energy by 2028 and carbon neutrality by 2030. It has also pledged to improve its water and waste management and to reduce the weight of its bottles. Lastly, Mount Gay has partnered with 4ocean in the US to help clean our oceans.

It has also developed a field-to-fork forest to grow food for its team, planting trees and vetiver grass throughout the year. Mount Gay currently has 20 beehives that help pollinate crops.

Mount Gay prides itself on being one of the oldest companies in Barbados, and it keeps its promise to its team and the wider community to look after both its people and the land. In 2022, this culminated in a special Republic Blend launch for the local community to celebrate Barbados becoming a republic.

As the world's oldest running rum distillery with a long history on Barbados, Mount Gay is proudly committed to ensuring the land it uses has a rich future ahead.

WHISKIES

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

The Whisky Division comprises five single malts, all sharing the same values of excellence: Bruichladdich, Port Charlotte and Octomore are distilled at Bruichladdich Distillery, in Islay (Scotland); Westland is located in Seattle in the United States; and Domaine des Hautes Glaces farm distillery is in the French Alps and has just celebrated its 10th anniversary.

Growth in the single malt portfolio in 2021/2022 was nothing less than remarkable. A number of factors fuelled this performance: major investments over recent years to boost the profile and appeal of the division's brands, the development of brand-specific e-commerce sites and a push to educate consumers through social media campaigns on "provenance". Whisky drinking took off in the Asia-Pacific region, making the market 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 opened a new distillery and with it a new chapter in its history, marking 10 years of crafting terroir whisky. The new facility increases its distilling capacity, but its ethos remains the same: single malts made only from organic grains grown in the Trièves Mountains.





_BRUICHLADDICH DISTILLERY MALTS

Bruichladdich Distillery combines strong growth across all brands with progress on sustainability, publishing its first ever impact report as a certified B Corp.

2021/2022 was another year of solid growth for the Islay Single Malt Whisky portfolio (Bruichladdich, Port Charlotte and Octomore), despite the enduring pandemic. Government restrictions to curb the spread of the virus continued to dampen on-trade sales but this was offset by strong at-home consumption and direct sales.

Bruichladdich did extremely well worldwide, with a sharp increase in sales driven primarily by its flagship whisky, The Classic Laddie, on which the brand has focused its commercial efforts. Volumes were up significantly in the United States, China and the EMEA region – all key markets for Bruichladdich. In the UK, the unconventional "We Also Make Whisky" campaign was launched as a market first – appearing on Channel 4, in *The Guardian* and on painted billboards from London to Edinburgh and Glasgow – and was very well received. Coupled with this, the "No Hidden Measures" campaign, focusing on traceability, continued to bring more transparency to single malt Scotch across the key markets.

Global sales of Port Charlotte were also up significantly across all strategic markets, but most significantly in China and the United States, buoyed by demand for heavily peated malts as well as by the brand's unique positioning. The Whisky Exchange (the world's leading whisky retailer) named the Port Charlotte 10 Year Old its "Whisky of the Year".

Octomore's limited edition releases continued to meet with resounding success: demand for the Octomore 12 series greatly exceeded expectations with two-thirds of the 3,000 bottles of Octomore 12's 10-year-old release snapped up within 24 hours of going on sale online.

Having become a certified B Corp in 2020/2021, Bruichladdich Distillery published its first ever annual impact report in 2021. Not content to rest on its laurels, the distillery continues to reflect on how best to balance people, planet and performance. Its efforts focus on four sustainability pillars:

- **energy and emissions** – the distillery is looking into green hydrogen, through its HyLaddie Project, as well as biofuel options for its distillation process, and has invested in electric vehicles;

- **packaging and waste** – the distillery encourages customers to forego outer packaging with its "Go One Tin Lighter" campaign and is also working on lightweight bottle designs;
- **agriculture and biodiversity** – working hand-in-hand with its 27 farming partners, Bruichladdich encourages sustainable farming and crop rotation, allots part of its land to research and spreads the word on biodynamic farming and how to cut back on chemical inputs
- **Islay and community** – Islay's largest private employer, the distillery provides management training, funds bursaries for school students and encourages volunteering in the community (its employees have notched up around 500 hours of voluntary work).

Also of note among the distillery's sustainable economy efforts was the launch of the Bruichladdich Biodynamic Single Malt, the first ever biodynamic single malt Scotch. The 3,000 bottles of this limited-edition whisky show that alternative farming methods can be good for the planet without compromising on taste. A perfect example of Bruichladdich Distillery's efforts over the past two decades to realise its vision of connecting its spirits back to the land.

Lastly, Bruichladdich Distillery worked with Edinburgh-based Vault City Brewing to help make a limited B Corp Beer. Sales of this beer funded the supply of more than 3 million litres of clean drinking water to communities around the world as part of the "Billion Pint Pledge" run by fellow B Corp, Brewgooder.

Bruichladdich Distillery has big plans for its brands in 2022/2023. Innovation will remain the watchword, with the launch of new products, new direct sales experiences and the rollout of more sustainability initiatives. Port Charlotte will ditch outer packaging as part of its drive to make the whisky business more sustainable. As well as reducing waste, this will cut down on weight and carbon emissions. And in marketing, the "We Also Make Whisky" campaign is set to go global.

_DOMAINE DES HAUTES GLACES

10 years after it was established, Domaine des Hautes Glaces is crowned "Spirit of the Year" by prestigious French wine publication, *Revue du vin de France*.

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 continue to be 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.

In 2022, Domaine des Hautes Glaces was named "Spirit of the year" by the prestigious *Revue du vin de France*. This distinction rewards the dedication and hard work of everyone who has had a hand in the distillery's bold adventure over the past 10 years: farmers, distillers, wine and spirit merchants, restaurant owners, sommeliers and customers. The distinction also underlines the benefits of ecological farming methods and practices, not only in addressing environmental and climate challenges, but also in delivering on taste, especially for this new category of spirits currently making headlines in the industry: French whisky.

Introducing X0° was another high point of the year. The Domaine's first 10-year matured whisky, the fruit of 10 years of organic, regenerative agricultural practices and a decade dedicated to finding a new and different approach to making whisky. X0° is diverse. The whisky is made by putting together barley and rye grown in Domaine des Hautes Glaces with a micro-blend of a few dozen litres from aged cognac, yellow wine and Armagnac casks. Another special feature of this limited edition of 352 numbered bottles is its maturity in 250-litre amphorae. X0° launched in November 2021 – to resounding success with whisky-drinkers.

2022/2023 will see Domaine des Hautes Glaces inaugurate its new malting plant, completing its mastery over every single stage in the creation of its spirits. The Domaine has also developed the grounds around the distillery, and opened a shop and two tasting rooms for an all-round visitor experience.



_WESTLAND DISTILLERY

Westland crowned the world's Sustainable Distillery of the year for 2022.

2021/2022 saw Westland Distillery's strongest sales growth yet. A number of factors contributed to this exceptional performance from the distillery renowned for its pioneering American Single Malt Whisky: the efforts of its brand ambassadors in the US, the successful launch of its flagship Westland American Single-Malt, and the particularly effective "Judgement of Westland" campaign.

This campaign was Westland's main marketing initiative for the year. It takes its name from the famous 1976 Judgement of Paris blind tasting, at which a New World wine was preferred over a Grand Cru Bordeaux for the very first time. At the whisky equivalent, a tasting of 2,000 comparably priced single malts from around the world, Westland stormed to joint first place, throwing the traditionally all-Scottish leader board into disarray. The Judgement of Westland campaign (expertly run by consultants Dave Broom and Sam Simmons) was named the world's best brand campaign at the 2022 World Whiskies Awards.

Westland has consistently sought to lead the way on the green transition, and the past year

has been no exception. In May 2021, it released the very first edition of its Westland Colere whisky ("colere" from the Latin, meaning "to cultivate/tend"), made using a new variety of barley called Alba. This six-rowed barley is grown as sustainably as possible, practising crop rotation to reduce the need for chemical inputs, for example. At the same time, Westland is pursuing its research project with Washington State University to select seeds that can thrive in certified organic environments. The distillery's efforts in terms of sustainable barley production have not gone unnoticed: it won the title of Global Sustainable Distillery of the Year at the last World Whiskies Awards.

Looking ahead, Westland plans to hold more tasting events over the coming year and will exhibit at all the major international whisky fairs (now back after a two-year hiatus imposed by the pandemic). It will also begin to gradually release its flagship American Single-Malt to export markets – an eagerly awaited step that will boost the brand's profile around the world.

THE MARKETS

_AMERICAS

In North America, the long-term trends seen previously continue:

- **Trading up** – Consumers continue to trade up to premium plus-priced brands, seeking out authenticity and provenance in their choices. Our brand portfolio is well positioned in this respect.
- **Convenience** – E-commerce continues to create multiple opportunities to reach LDA (legal drinking age) consumers, educate on how they can enjoy Rémy Cointreau brands from the comfort of their own homes with at-home mixology, and activate across the brand portfolio, as with the successful joint Rémy Martin 1738 & Cointreau activations to mark 100 years of the Sidecar in late summer.
- **Mixology** – Consumers continue to increasingly experiment with cocktails at home and show a growing interest in classic cocktails such as the Cointreau Cosmopolitan in the on-premise market.

Latin America has been buoyant, driven by rapidly improving tourism traffic in the region and increased interest in cocktails in both the on- and off-premises markets.

The region continued to invest in its brands to help drive awareness, desirability and conversion to purchase, notably with a new Team Up for Excellence campaign featuring Usher, a new Cointreau x Cosmos campaign featuring Jessica Alba, and The Botanist's first TV campaign – The Spirit of Community – launched during the Super Bowl LVI. This campaign marks the beginning of an ambitious new plan to make The Botanist the leading ultra-premium gin.

To reduce its environmental impact, the region has continued to cut down on its gift packaging/boxes – now kept for limited editions only. And it is working with its partners to see how it can develop a more collaborative supply chain.

The region looks ahead to 2022/2023 with continued confidence. And with renewed distribution contracts in place for the US and Canadian business from 1 April 2022, it remains optimistic that it will achieve its goals.

_ASIA-PACIFIC

The region posted remarkable growth over 2021/2022, despite Covid-19 restrictions continuing to shut down on-trade establishments in some places. This success can be put down to the region's marketing efforts:

- Louis XIII: the Shanghai Plaza 66 shopping centre welcomed the fifth stand-alone boutique. Louis XIII also named famous Chinese singer and actor William Chan as its first ever brand ambassador in China. As part of his new role, Chan broke the seal on the first N°XIII (one of just 200 ultra-limited-edition red decanters).
- Rémy Martin: the new Rémy Martin XO campaign ("Excellence Takes Time, Taste It Now", featuring new brand ambassador, actor Li Yifeng) was very favourably received. The brand also opened its first stand-alone boutique, in Haikou Mission Hills, Hainan province.
- Liqueurs and spirits: sales of Bruichladdich soared and its top-shelf range was in especially high demand. Cocktails were in vogue too – in particular the Cointreau Margarita. The brand's intensive focus on this iconic drink in its on-trade marketing campaigns propelled the Margarita into China's top 3 cocktails last summer.

Performance improved in Hong Kong, driven by the higher-end segment. In Taiwan, eye-catching, punchy campaigns worked well for Rémy Martin 1738 and whiskies. In Macau, sales shot up as tourists flooded back and Rémy Martin opened its first ever pop-up store.

In Southeast Asia, Single Malt continued to outperform forecasts. Sales of Louis XIII continued to improve too, especially in the second half. Cointreau's recent investments in Australia and New Zealand started to pay off and Telmont launched in Japan and Singapore.

Robust consumption trends in China¹ and the lifting of Covid-19 restrictions elsewhere in Asia give the region every reason to be optimistic going into 2022/2023.

¹ Including Hong Kong, Macau and Taiwan.

_EUROPE, MIDDLE EAST AND AFRICA

Despite the persistence of Covid-19 in the first half, growth in the Europe, Middle East and Africa region was strong in all key markets, most notably in the UK, France, Germany and Benelux.

In Europe, sales rose as bars and restaurants reopened their doors and tourists gradually returned. Greece stands out with a resounding performance from Metaxa and a firm move upmarket. Across the region, Cointreau is reaping the rewards of its Margarita cocktail campaigns. And The Botanist continues to go from strength to strength. Telmont champagne made a successful entrance to the UK market and Germany took delivery of its first Westland whiskies. In France, the newly established distribution subsidiary, Rémy Cointreau France Distribution (RCFD), posted double-digit growth. Paris is also home to a team dedicated to incubation brands (Domaine des Hautes Glaces and Westland).

The pandemic has hit some regions in Africa and the Middle East harder than others. Tight restrictions continued in some key markets like South Africa, while in others, such as Israel and the United Arab Emirates, it was almost business-as-usual. The challenges were considerable, but Rémy Cointreau enjoyed solid growth and continued its move to the high end across all the region's markets, helped by a very active social media presence.

In 2022/2023, the EMEA region is expected to benefit from further recovery with a return to more balanced growth across the various distribution channels.

_GLOBAL TRAVEL RETAIL

Global travel continued to show the effects of the pandemic in 2021/2022. But it wasn't all bad news: the recovery in Europe has been better than expected, followed by the Americas and the Middle East. The rising tide also lifted Rémy Cointreau sales with a net increase in the value of its brand portfolio reflecting customers' move upmarket.

During the summer, the brand launched several initiatives to raise its profile across Europe. In Greece, a digital campaign that broke through to an audience of 1.6 million encouraged travellers to take home "A piece of Greece with Metaxa". Sales surged three-fold compared with 2020, with high-end products doing exceptionally well. In Rome, Hamburg, Copenhagen and London, Rémy Cointreau Global Travel Retail brought mixology to airports, shaking up cocktails to greet customers and showcase the brands' versatility. Sales outperformed global recovery trends during these campaigns and, in some cases, even outstripped 2019 sales.

Keeping the environment at the top of the agenda, Rémy Cointreau cut back on travel by keeping the e-learning platforms for the sales force and organising an innovative virtual annual summit for its partners around the world. In other carbon-shrinking news, Rémy Cointreau is about to discontinue the use of outer packaging on its main products.

The outlook for 2022/2023 is cautiously optimistic. The brand expects travel to recover gradually, especially in the second half. Global Travel Retail – a strategic channel for brand awareness, customer engagement and expanding the range – intends to continue its investments in anticipation of international travel returning to rude health.



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 corporate purpose

SUSTAINABLE EXCEPTION

The secret to Rémy Cointreau’s excellence lies not only in the quality of its products but also in the sincerity of its values, hardwired into the Group’s DNA.

While Rémy Cointreau has always been committed to corporate social responsibility, the international context over the past few years has only served to confirm – and strengthen – its resolve. The Group’s CSR policy underpins its entire strategy and is a key part of how it creates value, building on its pivotal commitment to the Global Compact in 2003.

Sustainable development: a strategic priority and one of the four main pillars of the Group’s transformation roadmap.

In adopting the signature "Terroirs, People and Time" in 2017, Rémy Cointreau wanted to demonstrate its lasting dedication to a cause much bigger than itself, a cause it wholeheartedly supports.

In 2020, the Group embarked upon a new phase in its far-reaching transformation programme, designed to bring Rémy Cointreau up to speed on current trends. Sustainable development is one of the four main pillars of this programme and a strategic priority for the Group’s teams, as reflected in its "Sustainable Exception" plan.

This plan will see the Group devote €80 million to sustainable development initiatives over the next 10 years.



Our CSR manifesto

At Rémy Cointreau, our story is one of transmission.

For the last 300 years, we have embraced our role as guardians, passing our know-how, terroirs and vision on to the next generation.

Our family company has been planning our next century, for centuries. For this reason, sustainability is not a concept for us. It is rooted in existential and daily actions.

Rémy Cointreau, built on generations, for generations.

Because climate change impacts the very existence of our terroirs.

We commit with winemakers and farmers to deploy agro-ecological farming practices that not only increase soil resilience, but make a positive climate and biodiversity impact.

Because together, making a difference is possible.

Rémy Cointreau is a company, for sure. But more importantly, we are a united and inclusive community of women and men. All of us are driven by the desire to commit together as employees, but also to stand as unwavering partners: from our agricultural suppliers to our bartenders.

Because positive change needs time.

Only by embracing the true pace of nature can we bring life to the most iconic spirits, while safeguarding resources and passing on our know-how to the future generation, in all its integrity.

At Rémy Cointreau, we believe that making exceptional wines and spirits means setting an example, with sincerity and transparency, from more responsible environmental practices all the way to responsible consumption.

To pass on and to lead the way.

This is what The Sustainable Exception is all about.

12 KEY FIGURES FROM 2021/2022

<div>AGRICULTURE</div> <div>78%</div> <div>of terroirs committed to certification</div> <div>Target: 100% by 2025</div>	<div>BIODIVERSITY</div> <div>70%</div> <div>of the Houses pursuing a project</div> <div>Target: 100% by 2025</div>	<div>ZERO DEFORESTATION</div> <div>55%</div> <div>of new casks sourced from sustainable forests</div> <div>Target: 100% by 2025</div>	<div>CLIMATE-RESILIENT VARIETIES</div> <div>10</div> <div>projects ongoing</div> <div>Target: 100% identified by 2030</div>	<div>GENDER PARITY</div> <div>33%*</div> <div>women on the Executive Committee</div> <div>Target: 40% by 2025</div>	<div>EMPLOYEE SHAREHOLDERS</div> <div>77%</div> <div>in France</div> <div>Target: 50% Group-wide by 2025</div>
<div>GIVE BACK TO COMMUNITY</div> <div>€1.2M</div> <div>donated to community causes</div>	<div>LAUNCH OF THE R.E.S.P.E.C.T. RESPONSIBLE TASTING RITUAL</div> <div>Target: 100% of employees trained by 2023</div>	<div>ELIMINATION OF SECONDARY PACKAGING</div> <div>76%</div> <div>"naked" bottles</div> <div>Target: 85% by 2025</div>	<div>RENEWABLE ENERGY</div> <div>44%</div> <div>of energy consumed by the Group's sites</div> <div>Target: 100% by 2030</div>	<div>CO₂ EMISSIONS PER BOTTLE</div> <div>-9%</div> <div>Target: -50% by 2030</div>	<div>COMMUNITY-BASED CLIMATE ACTIONS</div> <div>100%</div> <div>carbon footprint offset</div>

* Appointments announced (effective in 2022/2023)



PRESERVING THE GROUP'S TERROIRS AND PROMOTING ITS SOILS AS ALLIES IN THE FIGHT AGAINST GLOBAL WARMING, WITH THE "NEW GENERATION TERROIRS" PROJECT

The Group's Houses have withstood the test of time – over several centuries in most cases – by looking ahead and managing their natural and human resources sustainably. Over the past 10 years, the Group has pursued an ambitious certification drive across all of its terroirs to promote responsible and sustainable agricultural practices.

Its "New Generation Terroirs" programme – the Group's latest land conservation initiative – focuses on three main areas:

- **improving soil resilience** through the use of agro-ecological farming methods, which focus on soil health as the foundation for healthy ecosystems;
- **identifying climate-resilient varieties** of agricultural raw materials, capable of withstanding disease and higher temperatures;
- **trialling and rolling out hi-tech solutions** to preserve yields and quality in the face of extreme weather events.



_MEASURING AND BOOSTING SOIL RESILIENCE

100% of the Group's terroirs certified by 2025

Over the last decade or so, the Group's terroirs have been seeking various French and international certifications (HVE, Bonsucro, Global GAP, Rainforest Alliance, Agriculture Biologique (AB), etc.). These certifications promote the terroirs' excellence and guide practices. They cover a range of topics, from protecting biodiversity to managing water use, reducing inputs and ensuring good working conditions.

78% of the agricultural raw materials grown or bought in by the Group are or will soon be certified (up from 64% just a year ago). The Group is thus well on its way towards its target of 100% certification commitment by 2025.

This leap in the certification rate over 2021/2022 is in large part down to progress in Barbados, where the Group now sources 86% of its sugarcane from Bonsucro-certified suppliers. Cointreau's

efforts also pushed the figure higher: 64% of its oranges are now certified (Global GAP or Rainforest Alliance, depending on their country of origin).

78%

of the agricultural raw materials grown or bought in by the Group are or will soon be certified

Telmont Champagne House – a new arrival in the Group – contributed to this certification drive too, with its 79%-certified vineyards (AB and HVE). The champagne house has committed to going fully organic on its own vineyards by 2025 (and for 100% of its total supply by 2030) – a noteworthy ambition, given that only 4% of vines in Champagne are currently AB-certified (or in the process of converting).

The House of Rémy Martin and the Domaine des Hautes Glaces are both already fully committed to a certification (HVE for the former, AB for the latter).



Accelerating the transition of the Group's terroirs to agro-ecology

Adopting agro-ecological practices to make the Group's terroirs more resilient

Healthy, properly replenished soil is more resilient to prolonged drought, late frosts and sudden downpours. The Group, led by certain pioneering Houses, is thus keen to adopt agro-ecological practices that put soil health front and centre, as a way of getting its terroirs ready to face the challenges of climate change. Cover cropping, supply of organic matter, agroforestry, reduced ploughing, limited synthetic inputs: all these things promote biodiversity and carbon sequestration in soils, as well as preserving soil capital and fertility.

The Domaine des Hautes Glaces: developing regenerative practices

The Domaine des Hautes Glaces is well-versed in organic regenerative agriculture, having been committed to working in a way that respects the land for over twelve years now.

The distillery (Europe's highest) has joined forces with local farmers equally committed to the cause, establishing a new organic supply chain for barley, rye, spelt, oats and triticale. As well as respecting the land (crop rotation, cover cropping, parcelling, agroforestry, zero synthetic inputs), the House has found a new balance based on the principles of agricultural economics – an approach that resonates with the Group's values.

Its local supply chain offers a new vision for regional development, as well as sustainable opportunities in converting farms to organic regenerative agriculture. Being relatively small and agile, the Domaine des Hautes Glaces is the perfect testing ground. It explores and revives centuries-old local expertise in grain farming and craftsmanship. Its still, for example, is made by a local boilermaker and heated by a wood pellet burner. The Domaine des Hautes Glaces is forging ahead, setting an example and developing best practices for the Group's other Houses.

The Group’s estates: open-air laboratories

The Group’s estates are conducting large-scale trials of various new techniques in a bid to achieve a smooth transition to agro-ecological practices and fully embody the Rémy Cointreau vision.



Precision viticulture in Cognac.

In Cognac, the Rémy Martin Estates have for several years now been experimenting with natural fertilisation (trialling various types of cover cropping and grassing) and strategies to reduce the need for pesticides.

For example, the Biocontrol and Ecosystem Balance project, launched in 2018, studies natural plant protection mechanisms with a view to cutting the Treatment Frequency Index (TFI) by 75%.



A transition in progress on Islay, Barbados and Samos.

Islay began to implement regenerative agricultural processes on its estate in 2021/2022, with the seeding of cover crops to improve soil fertility, drainage and organic matter composition. The distillery rotates its barley crop with other grains and no fewer than 23 different types of legumes, grasses and other graminaceous plants.

In 2018, Mount Gay acquired 134 hectares of land in Barbados to set up its own sugarcane plantation. Consulting with specialist agronomists, it has since then gradually implemented a range of techniques to restore and replenish the soil. The goal is for Estate Mount Gay to be Bonsucro-certified by 2023/2024, and AB-certified by 2025.

In 2017, the House of Metaxa acquired a plot of land on Samos and in 2021, it inaugurated "Liknon" ("cradle" in Greek). Liknon is a multi-faceted project that includes a cellar and guesthouse in addition to the agricultural land. Since 2017, the land has been farmed in a regenerative and organic way, with the goal of being certified by 2023. Over the course of 2021, the House planted 2,000 vines at Liknon, as well as 1,500 bushes and trees native to the Mediterranean.

Partnership with Genesis: a pioneering, innovative approach to measure soil health scientifically

On the back of a successful pilot project involving nine of Rémy Martin’s winegrowing partners in 2020, the Rémy Cointreau Group entered into an official partnership with Genesis – the world’s first soil-health rating agency – in 2021. Genesis

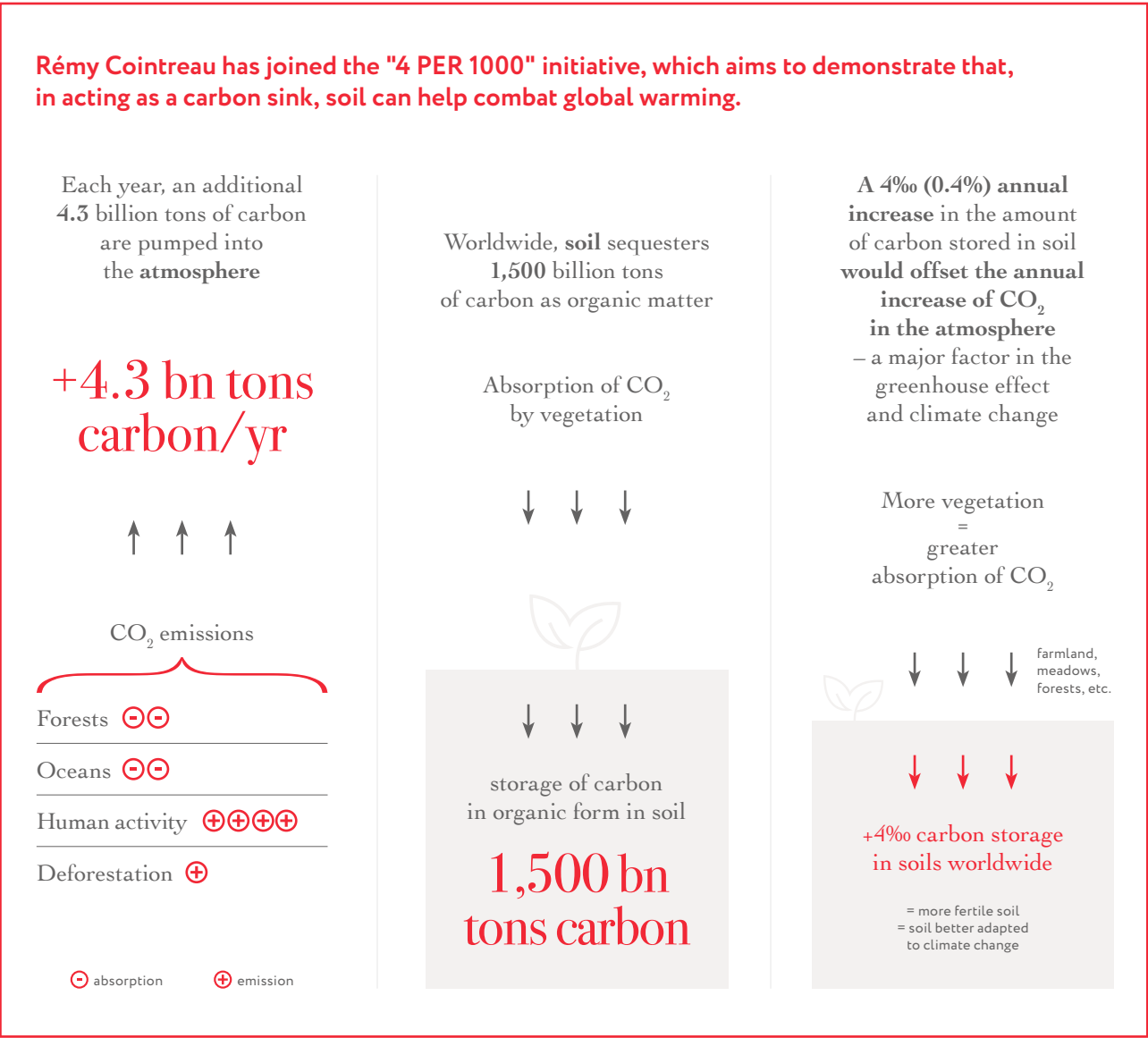
analyses soil health based on three key indicators: pollution, biodiversity and carbon sequestration. Its soil study of Petite and Grande Champagne involves some twenty winegrowing partners in addition to the Rémy Martin Estates. Samples were taken from around 100 plots at the end of 2021 and then again in spring 2022, the aim being to get a clearer understanding of how the soils work, identify what can be done better and see which practices have a positive impact.

A similar process was undertaken with the Domaine des Hautes Glaces and its partners in late 2021.

The Group intends to continue with this soil-health mapping exercise, starting with its vines and grain crops, to assess the impact of its new agricultural practices over time, particularly on biodiversity and carbon sequestration.

Genesis

Genesis is the first worldwide agency to rate the environmental health of soils. Founded in 2019, it has worked with both public (CNRS-ENS) and private (Mérieux, Trace Genomics) laboratories to develop a system for evaluating carbon, biodiversity and pollution levels in soil. The resulting rating, correlated with farming practices, is designed to improve soil health, yield and resilience.





70 %

of the Houses pursued
at least one biodiversity
project in 2021/2022

100%

new casks purchased
by the Group FSC/PEFC-
certified by 2025

CONSERVING THE UNIQUE BIODIVERSITY OF EACH TERROIR

Biodiversity is a key indicator of soil fertility and resilience. The Group places considerable emphasis on biodiversity conservation and is already involved in a number of programmes. Yet it is constantly looking to go further and is now rolling out new agro-ecological practices across its terroirs, promoting soil health as the foundation for healthy ecosystems.

Each region has its own unique biodiversity – a large part of what makes Rémy Cointreau spirits so distinctive. Conserving this biodiversity, and respecting its terroirs and the natural resources used, is therefore crucial for the Group. From the Charente region of France to the Pacific Northwest in the US, Rémy Cointreau takes care of the regions in which it works, preserving their biodiversity. In doing so, it is also preserving the future of its exceptional products. **The Group has therefore announced that each of its Houses will pursue at least one biodiversity project by 2025 (70% did so in 2021/2022).**

Moreover, the Group has undertaken to promote responsible, hierarchical and circular use of forest resources when sourcing wood for its casks. Accordingly, **by 2025, 100% of the new casks it purchases will come from sustainably managed forests (FSC/PEFC-certified).**

As part of this push, **Rémy Cointreau joined the act4nature alliance in 2018** (its commitment was recognised as SMART in 2020). This involved it signing the joint declaration to integrate nature (flora, fauna, ecosystems, etc.) into its strategy. Act4nature is about taking active steps to preserve and restore biodiversity.



The Group acts on various fronts to conserve biodiversity – pursuing corporate sponsorship, adopting agroforestry techniques and protecting pollinators

Rémy Martin’s partnership with the French Forestry Commission (ONF)

Forest cover helps protect biodiversity by preserving natural habitats. Rémy Martin has been involved in forest conservation in France for over ten years, sponsoring programmes through the French Forestry Commission’s endowment fund, **ONF-Agir pour la forêt**.

In 2021/2022, Rémy Martin focused its attention on the pedunculate oak – used to produce the barrels in which its cognacs are aged – and how it is developing and adapting to climate change. The House is sponsoring the "Eco-Horte: une forêt école" programme coordinated by the ONF and the CPIE Périgord Limousin (a State-sponsored network of non-profits that supports environmental initiatives). This innovative, participatory biodiversity programme in the 1,140-hectare Forêt d’Horte involves monitoring the forest’s trees (especially the pedunculate oak) and raising awareness among the general public.

The Botanist Foundation’s partnership with Botanic Gardens Conservation International (BGCI)

As part of its efforts to preserve Islay’s biodiversity, The Botanist Foundation has teamed up with Botanic Gardens Conservation International (BGCI).

To mark this partnership, The Botanist launched its The Botanist x BGCI limited edition bottle in 2021/2022. For each bottle sold, £5 was donated to BGCI to support its plant conservation and biodiversity projects around the world. Thanks to this initiative, 20 botanical gardens are to receive funding to help save endangered plant species.

Barbados: over 1,000 trees planted in 2021/2022

Mount Gay actively supports the "We Plantin" national tree replanting project in Barbados, the goal of which is to plant one million trees on the island.

In 2021/2022, the House exceeded its annual target of 1,000 trees, planting a total of 1,016 over the year. It chose a wide variety of species, including many indigenous fruit trees (coconut, avocado, cashew, quince, Bajan and Surinam cherry, star fruit, passion fruit, guava, papaya, mango, Malay apple, pomegranate, blackberry, tamarind, ackee, lime, banana), as well as mahogany trees, bay laurels, flame trees, and more.

Telmont: 2,500 trees by 2023

Telmont planted 60 hornbeam shrubs on its land over 2021/2022, working towards its goal of planting 2,500 to form hedges by 2023. Hornbeam hedges protect against erosion, reduce the dispersal of plant protection products and promote biodiversity (insects and birdlife). They also attract tit colonies, which represent a natural way of controlling parasites.

Metaxa: protecting the birds of Samos island

In Samos, Greece, Metaxa is partnering 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 educational 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.

Exceptional products that reflect how the Group cares for its terroirs and their biodiversity

Bruichladdich launched its very first biodynamic whisky this year. The distillery rotates its biodynamically farmed barley crop with other grains and a meadow containing 28 different grasses. The legumes and graminaceous plants thrive on this diversity and replenish the soil’s organic matter microorganisms, contributing to a symbiotic system both above and below ground.





IDENTIFYING RESISTANT VARIETIES FOR ALL OF THE GROUP'S AGRICULTURAL RAW MATERIALS

Identifying and planting varieties that can withstand global warming and diseases is a priority issue for the Group. It hopes to have identified **100% climate-resilient varieties for its agricultural raw materials by 2030** – whether vines, orange trees, grains or sugarcane.

Target

100% climate-resilient varieties by 2030.

Developing precision viticulture to protect terroirs

In addition to agricultural R&D, new technologies are also being put to use to help preserve the Group's terroirs. Research into digital technologies and satellite crop imagery is an essential part of the shift towards precision agriculture. Such tools allow farmers and winegrowers to adjust how they protect, manage and treat each plot to reflect its specific needs. Rémy Martin uses on-board systems on its tractors to gather and analyse real-time data on its land. It can then fertilise accordingly, significantly reducing treatment applications.

It also relies on new technologies such as UV boosters to make its seedlings more resistant to diseases and water shortages.

In another step towards precision viticulture, the estates are also trialling "DeciTrait", an app designed to help winegrowers decide when to treat vines for mildew and powdery mildew based on weather data updated in real time on their smartphones.



Vine adaptation

Scientists are studying vines to identify varieties that are more tolerant to prolonged drought and fungal diseases such as mildew and powdery mildew, which could become more prevalent as temperatures rise. Several large-scale studies are already under way at the Rémy Martin Estates in Cognac and others will be launched before the end of 2022:

- **Monbadon tolerance:** an 80-acre plot was planted with Monbadon vines (an old variety) in 2018. The study will monitor grape harvests and distillation of the wines obtained over a ten-year period. Results so far have been encouraging: good yield and later maturity, giving wines that distill into high-quality eaux-de-vie.

- **Vines that are resistant to mildew and powdery mildew:** the test phase of this study, undertaken in association with the research site managed by the BNIC (national Cognac industry body) and the INRAE (France's national research institute for agriculture, food and environment), likewise began in 2018 and will run until 2028. The vines demonstrated good resistance to both mildew and powdery mildew in 2021/2022, requiring 80-90% less treatments.



Orange tree adaptation

Cointreau is keen to do what it can to help protect sweet and bitter orange trees. It thus supports the INRAE's research programme into genetic diversity in both varieties.

In Corsica, the House entered into a partnership with the San-Giuliano research platform two years ago and **helps maintain a 13-hectare orchard of 1,200 citrus fruit varieties**. The platform's teams study the fruit trees' properties so as to improve production.



Sugarcane adaptation

Mount Gay has set up a sugarcane nursery to test and develop different varieties. It currently has 12 varieties under evaluation to assess their performance, yield and the organoleptic qualities of their juice. **Over time, the idea is to develop a ready source of seedlings that are naturally resistant to the pests and diseases to which sugarcane is typically prone.** The nursery will also preserve old varieties of sugarcane that are no longer found on Barbados.



Barley adaptation

Westland has strengthened its partnership with Washington State University, where it funds a PhD student's research into developing more resistant varieties of barley. The first large-scale test plots were seeded in 2021 and are all certified organic.

The region's grain crop suffered from the record-high temperatures in June 2021, but the results with the new seedlings Westland is testing have been very promising.

In partnership with the Clermont Ferrand INRAE, the Domaine des Hautes Glaces is experimenting with a number of old barley varieties. Studies on seeds from the Queyras region (Vallée des Hautes Alpes) aim to produce varieties that are more tolerant of high temperatures and drought, making them more climate-proof.



RALLYING OUR COMMUNITY TO ACCELERATE THE GROUP'S TRANSFORMATION

A responsible and ethical commitment to people is a central pillar of the Group's CSR policy. Over the centuries, it has built a **community of agents of change** who all embrace the values of excellence, humanism and sincerity.

To step up the drive to generate meaningful change, **this year the Group appointed a team of 100 dedicated and enthusiastic CSR champions around the world to nourish and develop collective intelligence.** They are tasked with accelerating sustainable transformation at all levels of the Group and implementing the roadmap actions.

Encouraging responsible drinking was a focus in 2021/2022. Actions included launching R.E.S.P.E.C.T., Rémy Cointreau's proprietary tasting ritual to enjoy alcohol sensibly, as well as other initiatives to raise awareness and deepen understanding within the company and get the message across to consumers.

People come first at Rémy Cointreau. We believe in cultivating a diverse and inclusive workforce. The Group's diversity and inclusion policy is an essential component of its sustainable transformation strategy. It promotes parity and inclusion, nurturing the expertise of its teams and their distinctive local characteristics. Day after day. Year after year.

Our community is the bedrock of the Group's excellence and long history.

Training and awareness campaigns for our teams:
a key stage in encouraging responsible drinking



A working group was formed in 2021/2022 with representatives of the Group, its sites, Houses and markets to draw up a programme to encourage responsible drinking. The aim is two-fold: embed these best practices inside the company and spread the message to the public.

Within the Group, the first step was the **proprietary "R.E.S.P.E.C.T." programme, launched just before the holidays in December to promote responsible drinking.** It aims to encourage the Group's men and women to enjoy its exceptional wines and spirits responsibly through a ritual of seven easy and memorable steps (see sidebar).

This initial stage will be followed by the launch in June 2022 of a compulsory e-learning module

on responsible drinking. It will include key figures, best practice and simulation exercises and a self-assessment test, all available in Chinese, English and French, to deepen awareness about how important it is to consume alcohol sensibly. This is a decisive step in the Group's approach to this important issue. The policy also includes supporting key people, including the sales teams, brand ambassadors, Cellar Masters and their teams, as well as the House CEOs, who often front our commercial representation.

The Group has also introduced zero tolerance for drink driving for its international ambassadors, who have car key breathalysers to self-test before they turn on the ignition. Ambassadors are also encouraged – insofar as possible – to suggest customers get a feel for its products by appreciating their aromas rather than actually tasting them. This innovative and alternative approach is another way of encouraging people to discover and appreciate the sublime flavours of the Group's products. The method is included in the training for sales personnel at airports and bartenders.

Turning to external communications, the Group's Houses will be encouraged to contribute to these alcohol awareness campaigns. The House of Cointreau launched "alternative cocktails", a novel idea to encourage people to drink responsibly. "Alternative cocktails" are a separate category with an alcohol content in the range of 1.2° to 8° and whose ingredients do not exceed a combined equivalent of 25 ml of 40° alcohol per glass. Because they are not alcohol-free, the brand encourages consumers to embrace moderation and drink responsibly. "Alternative cocktails" now make up 10% of Cointreau's cocktail recipes, a share set to rise to 20% by 2025.



"R.E.S.P.E.C.T."

A new approach to responsible drinking
for employees and customers

In 2021, the Group developed a new ritual to encourage people to enjoy its products sensibly. Launched to coincide with the end-of-year festivities, R.E.S.P.E.C.T. is a simple and easy-to-remember series of steps to support staff to adopt good reflexes and share how best to enjoy alcohol sensibly.

Each letter points to a reflex, best practice or method to prompt responsible enjoyment of the Group's products.

R	for get READY	"Get Ready, by drinking water"
E	for EAT	"Eat before and during the tasting"
S	for SIP	"Smell and Sip Slowly"
P	for PAUSE	"Pause by drinking water before a second glass of alcohol"
E	for ENJOY	"Enjoy responsibly: check your limits with your favourite Drink Control App"
C	for CAPTAIN	"Be the Captain by making sure your friends are celebrating responsibly too"
T	for TIME	"Take your Time"



GOING FURTHER AND DEEPENING OUR COMMITMENTS TO DIVERSITY AND GENDER PARITY IN THE GROUP

Cultivating and nurturing diversity in our community

At Rémy Cointreau, we are committed to increasing diversity and making sure our governance is the example to follow. Rémy Cointreau's target is for women to make up 40% of the Executive Committee by 2025 and 50% before 2030. This target goes hand-in-hand with our bold vision of scoring 90/100 on the gender equality index in France by 2025 and 85/100 on the global index by 2030. Rémy Cointreau is currently at 84/100 on this equality index in France, up one point from the prior year's score.

Also by 2030, the Group intends to prioritise placing social and cultural diversity at the heart of policy to form even more multicultural teams and develop programmes at all levels – at head office, in our Houses and markets – to celebrate diversity and strengthen our position as a leader in creating positive impact. In the United States, the Group set up a Diversity Council to define an ad hoc programme and promote diversity and inclusion both in and outside the Group.

It also created three internal communities to advance diversity and bring our American staff on board: "Oui are one" (cultural diversity), Women in Spirits (to promote women) and the Parents & Families alliance. On the other side of the world, the South-East Asia region kicked off #BreakTheBias, a programme to share information about bias in the workplace and identify opportunities for improvement.

Turning to disability, the Group performed an assessment at its French sites and is currently working on recruitment programmes in addition to other ongoing actions. All of the Group's houses share this commitment to inclusion. For example, the House of Rémy Martin helped create "Handiwe", an initiative to connect employers in the region with disabled talent.

Rémy Cointreau's target is for women to make up 40% of the Executive Committee by 2025 and 50% before 2030.

Building a community of "sustainability champions"

This year marked a turning point as the Group stepped up its CSR strategy. Rémy Cointreau formed a team of around 100 CSR Champions to galvanise its teams and partners around its commitments. Passionate about their mission, the CSR Champions are deployed in different departments, sites, brands and markets. They tailor their actions to the region and business and are accountable to the Group's Head of CSR. Workshops, climate talks and internal communication and educational initiatives are organised across the Group on a regular basis.



Strengthening engagement through an employee shareholding plan

To strengthen the sense of belonging and nurture good employee relations, in 2021, the Group introduced "My Rémy Cointreau", its first employee shareholding plan for personnel in France.

The initiative is part of the Group's 2030 transformation strategy and offers employees the opportunity to buy shares in the company at a discount.

Enthusiastically welcomed by employees, the plan has been a resounding success with a share subscription rate of almost 77%, confirming how much employees care about the company and their long-term commitment to achieving its aims.

Putting employees first by promoting well-being and skills development

Employees' well-being and fulfilment are key to the success of the Group as a whole. To ensure everyone plays a role in advancing the Group's CSR commitment, Rémy Cointreau fosters a sustainable approach to management to support employees over the long term.

To do this, the Group continues its unstinting proactive approach to strengthening social dialogue. It is committed to regular dialogue with the social partners through specific company agreements. For example in France, there are agreements in place covering strategic workforce planning, profit-sharing and a Group retirement savings plan. Similarly, employees in France are offered a free medical check-up every two years.

And the Group is committed to maintaining salaries and conditions that are significantly better than the international standard (it is currently 105 on the scale).

Human Resources policy must constantly anticipate the Group's requirements, especially where training is concerned. Internal sessions tailored to the diversity of the Group's businesses include the Brand Academy, to gain more insight into our brands, the Art of Selling Academy, for sales skills, the Finance Academy, to learn about finance, and the Quality Academy on products and their presentation. Three new academies will soon follow: the Digital Academy, the Management Academy and the We Care Academy.



_BUILDING A COMMUNITY FOR CHANGE

Actively contributing to creating positive impacts for our ecosystem throughout the world

What we do inside the Group is tightly woven into what we do outside and with our commitments to partners in local communities. Support to give back to the community in the form of **sponsorship, direct and indirect actions** totalled €1.2 million in 2021/2022.

Rémy Cointreau is closely involved with the local communities around its production sites in France (Cognac, Angers, Champagne and Trièves), Scotland (Islay), the United States (Seattle) and Barbados. It is also deeply invested in supporting local voluntary groups in its main markets. The Group cares deeply about expanding, protecting and preserving the regions it relies on for its resources, convinced that it must play a role in their development according to shared values.



In the United States

Early in 2020, Rémy Cointreau made a donation of \$200,000 to the US Bartenders Guild National Charity Foundation, a foundation that supports bar staff whose places of work were closed by the pandemic. It followed up that initiative with a communication campaign during the 2021 Super Bowl highlighting its support for the Independent Restaurant Coalition (IRC). The Group renewed support for the IRC in 2022 with a new donation and The Botanist ad campaign – The Spirit of Community – during the Super Bowl.



In Barbados

Mount Gay supports 40cean. Two beach clean-up operations were organised in 2021, with the support of staff and their families. The House also lent its support to many good causes espoused by its employees, partners and local communities, such as supporting students on internships or apprenticeships and planting 110 fruit trees in primary schools around the island.



In Islay

Bruichladdich is the biggest employer in Islay. So naturally it is very much part of the local community with a deep and sincere engagement, certified by B-Corp in 2020. In 2021/2022, it financed the design and build of a local cycle path and walk, Loch Indaal Way. This traffic-free path runs for two miles connecting Bruichladdich and Port Charlotte.



In France

In **Cognac**, the House of Rémy Martin is behind many initiatives to promote local tourism and access to the job market. As a big player in the local economy, Rémy Martin helps fly the flag for the Charente region's rich cultural heritage. This means encouraging people to learn more about the terroir and developing the area's appeal for tourists.

A wine tourism pioneer

The House was chosen to be part of the French government's call for tourism projects based around Made in France skills and crafts. It is working alongside the Monnaie de Paris and EDF to design a national action plan to promote French companies' tradition of excellence and position France as a European leader.

Acting responsibly to encourage inclusion of young recent graduates from disadvantaged backgrounds

This initiative is part of the 2014 partnership with "Nos Quartiers ont du Talent", a voluntary group supporting graduates from modest backgrounds. Sponsors in the company support these young people, who often lack confidence and are concerned about their future, with help and advice on job interviews and on how to build

their professional network. Since its inception in 2014, this initiative has helped 52 young people to find jobs on permanent or fixed term contracts.

In 2019, the **Domaine des Hautes Glaces** established a local and organic supply chain, "Graines des Cîmes" ("seeds from the heights"). This year, 17 Trièves farmers showcased their know-how and best agricultural practice as part of this organic initiative in the mountain region. Partnerships with other tourism and green bodies in the area are emerging for next year to promote all that Trièves has to offer and celebrate environmentally friendly practices.

This year, Telmont is putting local first: it introduced a purchasing policy to prioritise local procurement and partnerships in the Champagne economy. Their suppliers of bottles, labels, champagne hoops, transport crates and caps – the main dry materials – are all sourced within a radius of 30 km around the estate, and more than 80% of suppliers are located in Champagne.





BRINGING A NEW DIMENSION TO OUR CLIMATE STRATEGY WITH "A PLANET OF EXCEPTION"

Taking climate action is imperative and a path to change. Keenly aware that we are the last generation that can reverse the trend, Rémy Cointreau has made limiting climate change a top CSR priority.

The Group is stepping up its climate strategy with "**A planet of Exception**", a project launched in 2021 during COP 26. Two commitments form the core of this ambitious project to go bolder and contribute even more actively to combating global warming. **First, a commitment to shrinking the Group's carbon footprint by 90% to reach net zero in 2050.** Rémy Cointreau has signed up to the Science Based Targets initiative ("Business ambition for 1.5°C") and is in the process of defining its trajectory to reduce greenhouse gas emissions. It aims to reduce emissions per bottle by 50% by 2030.

But the planet cannot wait. Thus, the Group is also committed to contribute to its carbon neutrality until its reduction targets are reached. Starting in 2021/2022, the Group offsets all of its residual emissions across the value chain with joint community-based actions that sequester carbon or avoid emissions. Rémy Cointreau is the first global wine and spirit group to be carbon neutral.

_CHANGING OUR PRACTICES TO CUT
CARBON EMISSIONS BY 50% PER BOTTLE BY 2030
AND ACHIEVE NET ZERO IN 2050

Rémy Cointreau has reduced its carbon footprint
per bottle by 9% this year

Since the signature of the Paris climate accords (COP 21) in 2015, Rémy Cointreau has made reducing its carbon footprint a core strategic aim to take active steps towards halting global warming.

In 2021, the Group announced it is officially committed to the Science Based Target initiative (SBTi) and has joined the "Business Ambition for 1.5°C" initiative, which brings together corporate leaders with the most ambitious SBTs.

This commitment aims to reach net zero by 2050 – a target that means reducing the Group’s own emissions by 90%, and cutting emissions per bottle by 50% as an interim goal.

For a successful net zero transition, Rémy Cointreau must reduce the carbon impact of every single stage in the creation of its champagne and spirits, from field to waste management (agricultural raw materials, distilling and green packaging design, transport and waste).

This is a big challenge, considering that scopes 1 & 2 (emissions that the Group controls directly) make up a mere 5% of its total carbon footprint, whereas scope 3 (emissions by partners up and down the value chain over which the Group has little control) accounts for 95%. This is why the Group works so closely with all its partners (farmers, glassmakers and transporters) to reach this bold and ambitious target.

To reduce its environmental impact, Rémy Cointreau has stepped up efforts across the value chain and set priorities based on three main levers: packaging

(41% of the Group’s total carbon footprint), energy and agricultural raw materials (28%) and transport (17%).

In 2021/2022, these reduction steps amounted to nearly 13,000 tonnes of CO₂, **which shrank the Group’s carbon footprint by 9% per bottle compared with the previous year.** The more than 200 actions under way could cut CO₂ emissions further, by 20,000 tonnes in total, over the next three years.

Target

-50%

CO₂ reduction per bottle by 2030

The Science Based Target initiative encourages companies to define a pathway towards reducing greenhouse gas emissions

The project is a partnership between the Carbon Disclosure Project, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund to help show companies how to cut their carbon emissions and make an active contribution to limit warming to below 2°C – or below 1.5°C – above pre-industrial temperatures.





Aiming for 100% renewable energies for the Group's production site by 2030

This year, 44% of energy used in all the Group's sites came from renewable sources (up from 26% last year), progress that brings Rémy Cointreau closer to its target of 100% renewable energy by 2030.

The majority of the Group's Houses use distilling – a very energy-hungry stage in the process. Depending on what they produce, biogas, hydrogen, solar or certified wood are just some of the possibilities they are looking into or trialling to replace fossil fuels.

Biogas in Cognac (House of Rémy Martin) and Angers (Houses of Cointreau and St-Rémy)

For the past year, all gas consumed at the Angers and Cognac sites has been biogas, a renewable fuel primarily from organic agricultural matter sourced from the Pays de la Loire (for Angers) and Nouvelle Aquitaine (for Cognac). Using this green gas for distilling eaux-de-vie shrinks carbon emissions by 80%.

The House of Rémy Martin is nudging some of the winegrowers in its Alliance Fine Champagne (AFC) cooperative to follow its example and switch to biogas by offering to finance the extra cost this will entail. The House is also helping

to fund a "Sustainable Distilling" trial at one of its professional distillers to test a new steam-heated distilling process to produce quality eaux-de-vie, but with lower GHG emissions.

In addition, in 2022, the Cognac site started the process of obtaining approvals to extend the use of biofuel (recycled frying oil) to the agricultural machines on its estates.

And there's more:

- **Solar power in Barbados.** Mount Gay has high ambitions. By 2030 it wants all its energy to be solar. The solar panels at the distillery site provided 23% of its energy needs this year. Next year, new panels will be installed to bring that figure to 30% by 2025.
- **Hydrogen tested at Islay.** In Scotland, Bruichladdich is taking part in the pioneering Hyladdie green hydrogen distilling project to test the feasibility of the technology using a one-of-a-kind prototype in the UK.

Eco-design 100% of products by 2025

Accounting for 41% of the Group's carbon emissions, packaging (glass bottles and their box) is a critical lever to reach our CO₂ reduction targets. To design greener and leaner packaging and reduce waste, the Packaging Development teams use the 3R method: **reduce, reuse, recycle**.

Whenever possible, the Group's brands reduce the weight of glass in their bottles, eliminate secondary packaging and use recycled materials, which in turn reduces the carbon emissions of their production and transport methods.

Environmental Performance Index, a tool to measure eco-design.

In a first for the spirits industry, Rémy Cointreau uses this tool to calculate the environmental performance index (EPI) of its packaging. How does it work? The engineer inputs the technical data for each packaging component to gauge its environmental footprint based on four criteria: carbon emissions, depletion of natural resources, aquatic toxicity and water consumption. With two years of work behind them, the development teams have completed a comprehensive analysis of all Group products to determine which types of packaging are greenest and which need rethinking.



2025 targets

100%

eco-designed bottles

100%

recyclable or reusable bottles

85%

of bottles sold without secondary packaging

100%

recycled and recyclable plastic for plastic bottles and accessories at points of sale

0%

Zero single-use plastic

A bold and pioneering move: take away secondary packaging

The Group is continuing its efforts to eliminate all case packaging and gift boxes. 76% of its bottles are now sold without outer packaging, compared with 21% when the initiative was introduced two years ago.

The Rémy Martin brand was one of the first to embrace the idea. 58% of its bottles by volume are now sold unwrapped and the entire VSOP range in the United States comes without outer packaging.

Telmont in Champagne is also a disrupter: it has stopped all packaging except recyclable tissue paper for some of its vintages under the slogan: "the bottle and nothing but the bottle".

In Islay, Bruichladdich continued the "One Tin Lighter" campaign. In a bid to use less and better, the distillery asks customers to leave the tin behind when purchasing its products online or at the distillery.

The Group's target is to have 85% of bottles without secondary packaging by 2025.

In tandem, it is radically overhauling existing case packaging to use only mono materials and recycled materials.

Lighter glass bottles and a higher proportion of recycled glass

Glass is infinitely recyclable, but it also emits a lot of CO₂ when manufactured. Hence the importance of reducing bottle weight and increasing the percentage of recycled glass.

St-Rémy VSOP and XO bottles are now made from around two-thirds recycled glass and VSOP and Cointreau are 60% recycled glass. And the Group wants all its brands to follow this trend. This year, Champagne Telmont stopped using virgin extra-flint glass (transparent bottles) and is moving exclusively to green bottles made from 85% recycled glass.



Preparing for the future and helping to decarbonise the glass industry

In February 2022, Rémy Cointreau joined the Glass Futures consortium, the Global Centre of Excellence working to accelerate the sustainable transformation of the glass industry through innovation and collaboration. **Glass Futures is testing different sources of renewable energy to manufacture glass and optimise heat recovery techniques.** The pilot plant in St Helens in the UK uses renewable energy and artificial intelligence.



Making maritime transport more sustainable

Transport by sea is less carbon intensive compared to other modes of transport. Maritime transport accounts for 81% of the kilometres travelled by the Group's products, but only 30% of its CO₂ emissions. Rémy Cointreau wants to help decarbonise maritime transport. In September 2021, the Group signed an agreement with NEOLINE to open up a route between Saint-Nazaire and Baltimore by wind-powered cargo ships for 200 containers annually (250,000 bottles). The route should be operational in December 2024. Powered by clean and renewable wind energy, this hybrid cargo will cut the carbon footprint of transatlantic transport by as much as 90%.

Optimising how our products are transported and helping to decarbonise the transport sector

Transport (both upstream and downstream) makes up 17% of the Group's carbon emissions. The Group introduced major initiatives this year to accelerate the transition to more sustainable transport.

Accurately measuring carbon emissions from downstream transport

It is important to measure the carbon footprint of all goods flows as accurately as possible. Rémy Cointreau now includes 100% of its transportation partners' data in the "TK Blue" reporting tool, a calculator that converts the kilometres travelled and the loads into CO₂ emissions. Rollout of "TK Blue" was completed in 2021/2022, providing precise data to inform choices about more sustainable transport alternatives.

and travel the short distance between Cognac and Bordeaux. They are then transferred onto freight trains for the Bordeaux – Le Havre leg, where they are loaded onto cargo ships.

Following a successful pilot on 17 containers, this new route should be up and running in 2022/2023 with plans to extend it to the Angers site.

Between them, Cognac and Angers make up almost 80% of the Group's total flows; therefore the rail link between Bordeaux and Le Havre should shrink GHG emissions on this section by 76%.

Encouraging "Zero flights" for its goods

Although air freight accounted for a mere 0.1% of the distance travelled by its products before, this new commitment further reduced (-42%) the use of air cargo in 2021/2022.

Preparing to use more biofuel

Tests to switch from diesel to biofuel are under way with our transport partners. Green energy has the potential to reduce the Group's carbon emissions from road transport by 65%.

Opting for low-carbon transport alternatives

This year the Group overhauled how goods are transported from production facilities to shipping sites. The aim was to find low-carbon alternatives to transport by road, which accounts for only 18% of the distance travelled but 67% of the CO₂ emissions of downstream transport alone.

GreenWin, the project launched in 2021/2022, aims to reduce road transport and increase rail freight between the Cognac site and the Port of Le Havre for products going to China and the United States. Under the new system, containers are loaded onto trucks powered by biodiesel

-42%

less air freight in the Group in 2021/2022

81%

of the distances travelled by the Group's products are by sea.

_CONTRIBUTING NOW TO THE GROUP’S CARBON NEUTRALITY, PUSHING FORWARD THE ENERGY TRANSITION AND LIMITING CLIMATE CHANGE IN OUR MAIN MARKETS

Rémy Cointreau is confident in its ability to achieve its 2030 and 2050 reduction targets. But the planet cannot wait.

Rémy Cointreau is the first global wine and spirit group to be carbon neutral.

To give employees and partners time and to ensure we reach net zero by 2050, Rémy Cointreau is committed to climate actions that sequester or avoid carbon in its main markets in the United States and China, in addition to its efforts to cut carbon emissions. These steps will offset all of the Group’s residual emissions across the value chain.

Taken together, what it is doing to cut emissions inside the company and to offset them through other external measures has made Rémy Cointreau the first global wine and spirits Group not only to reach carbon neutrality, but also to promise to remain carbon neutral in the long-term until it achieves its carbon reduction targets.

South Pole, a key partner for solidarity-based climate actions that resonate with the Group’s values

Starting in 2006, South Pole and its team of more than 500 experts advise and support companies and institutions around the world to develop and implement ambitious and integrated sustainability strategies to turn ambition into action. South Pole is a pioneering force working to accelerate climate actions. Its projects are certified to the most stringent standards to reduce carbon emissions around the world, while supporting initiatives to protect the regions and communities that are most vulnerable to the impacts of climate change.



Reforestation in the Karst region in China (a UNESCO World Heritage Site)



Rémy Cointreau is committed to climate actions that sequester or avoid carbon in its main markets in the United States and China, in addition to its efforts to cut carbon emissions.



Rémy Cointreau is financing six solidarity-based climate actions in the United States and China, its two biggest markets, to capture or avoid more than 600,000 tonnes of carbon, which represents around four years' carbon neutrality for the Group. The projects will also support initiatives to protect the regions and communities most vulnerable to the effects of climate change.

Three projects in the United States:

- **Restoration planting of the fluvial ecosystems with the Pierce Conservation District:** the Group is a partner in the project to improve the habitat of rivers and streams in the State of Washington where the Westland distillery is located. The project aims to re-establish 6,000 native trees and shrubs, such as red cedar, fir, maple and alder, along the banks of the rivers and streams in the region, to enhance the habitat of wild salmon and sequester carbon dioxide.
- **Sustainable forest stewardship and protection of biodiversity with the Boone Conservation District:** in the south-east of Kentucky in the Appalachian mountains, the Group is part of the Boone Forestry Project to encourage sustainable forest management. Besides reducing greenhouse gases, the programme promotes better freshwater runoff from this rugged region and protects the recently re-established elk population in the area.
- **Energy transition with the University of Illinois Urbana-Champaign:** the Group is also involved in the University of Illinois Urbana-Champaign (UIUC) energy efficiency programme, working with students and teaching staff. The project has earned UIUC Second Nature's climate leadership award.

Three projects in China:

- Reforestation in the Karst region: the Group has helped replant 33,000 hectares with native plants in the Karst region (a UNESCO World Heritage site) in southern China. This vast reforestation programme in a rocky and increasingly desertified region is important for both the environment and for the people that live there. It will create job and training opportunities for the 30,000 people in the local community, many of whom are women and from minority groups.

Funding hydropower projects

- **Huóshui Grouped Small Hydropower project:** Rémy Cointreau contributes to funding the construction of 100 hydropower plants in this remote mountain region in south-east China to provide clean energy to the local rural communities.
- **In Hezhou:** it has also co-financed another hydropower project in Hezhou, a town in the eastern region of Guangxi.

The six projects the Group is involved in deliver a range of benefits for all stakeholders:

+75,000

hectares of natural ecosystems protected or replanted

+25

animal species protected, including deer, black bear and American elk










+3,000

jobs created and thousands of people gaining a long-term income

+1,000

given access to green energy

CHART OF PROGRESS AND MONITORING INDICATORS

PILLARS	SUSTAINABLE DEVELOPMENT GOAL (SDG)	RÉMY COINTREAU'S CHALLENGES	RISKS RELATING TO THE CHALLENGE	RISK-RELATED INDICATORS	
				INDICATORS	SCOPE
TERROIR		Sustainable agriculture and biodiversity conservation	Sustainability of terroirs and of production of agricultural raw materials	Percentage of agricultural land managed sustainably, in % ⁽¹⁾	World
				Percentage HVE certification of vineyards in the Cognac wine-growing cooperative (AFC), in % ⁽¹⁾	Cognac site
				Percentage of Houses pursuing at least one biodiversity programme, in % ⁽¹⁾	World
PEOPLE		Good health and well-being	Responsible consumption	Binding regulatory and fiscal framework and work-related alcohol consumption	World
		Quality education	Internal training/skills development	Percentage of employees completing at least one training course per year, in % ⁽²⁾	Production sites World/ Subsidiaries World (> 20 employees)
				Hours of training per employee	
		Gender equality	Non-discrimination and internal social balance	Ratio of male/female managers, in %	Production sites World/ Subsidiaries World (> 20 employees)
				Gender Equality Index, scored out of 100	France
				Percentage of women on the Executive Committee, in %	World
		Decent work and economic growth	Employee well-being	Turnover, in %	World
				Absenteeism, in %	France/Production sites World
				Average age ⁽²⁾	Production sites World/ Subsidiaries World
				Seniority ⁽²⁾	
			Responsible purchasing	Percentage of strategic suppliers who are "active" SEDEX members, in %	World
				Percentage of strategic suppliers who are SEDEX members and who provided all the information requested in the self-assessment questionnaire, in %	
			Company's reputation in terms of deforestation	Percentage of PEFC/FSC-certified new casks, in %	
			Local impact (sustainable regional development)	Lack of appeal and reputation of the company	Percentage of sites doing at least one thing for regional development, in % ⁽¹⁾
		Peace, justice and strong institutions	Governance/Business ethics	Binding regulatory and fiscal framework (prohibition)	World
TIME		Clean water and sanitation	Water management	Water availability and quality	Production sites World
				Water consumption, in m³	
		Responsible consumption and production	Circular economy and reduction of raw materials consumption	Volume of liquid waste recovered from distillation, in %	
				Percentage of products sold without secondary packaging, in %	All brands
		Climate action	Contribution to the global effort (well below 2°C scenario) and sustainability of the company	Volume of solid waste recovered, in %	Production sites World
				CO ₂ emissions – total for Scopes 1, 2 & 3, in tCO ₂ eq	Production sites World
				CO ₂ emissions reduction rate – Scopes 1, 2 & 3, in intensity, in % ⁽¹⁾	
				CO ₂ emissions reduction rate – Scopes 1 & 2, in absolute terms, in % ⁽¹⁾	
				CO ₂ emissions reduction rate – Scope 3 (target of more than 2/3 of Scope 3), in absolute terms, in % ⁽¹⁾	
				Total energy consumption, in MWh ⁽²⁾ – GRI Standard 302-1	World
				Renewable energy consumption, in % ⁽¹⁾	
				– of which renewable electricity consumption, in % ⁽¹⁾	

⁽¹⁾ Progress indicators
⁽²⁾ Monitoring indicators
⁽³⁾ Management indicators

INDICATOR HISTORY							CSR TARGETS	
_2015 2016	_2016 2017	_2017 2018	_2018 2019	_2019 2020	_2020 2021	_2021 2022	_2024 2025	_2030 2031
		36	52	58	64	78	100	
		23	42	50	54	56	70	100% BY 2028/2029
						70	100	
							100% EMPLOYEES TRAINED BY 2023	
			68	74	69	80	80	
	10.2	13.3	13.9	17.1	10.9	15.8	ANNUAL MONITORING	
		43	44	45	46	48	50	
				83	83	84	90	
17	17	17	17	17	10	33 ^(B)	40	50
		14.8	13.2	13.8	13.6	15.6	<17	
4.6	3	2.3	2	2.3	2	1.8	<4	
41	41	41	40	41	41	41	ANNUAL MONITORING	
9.4	9.1	8.4	7.9	8	7.9	7.6		
					82	78	100	
					49	82	100	
						55	100	
						86	100	
		80	-	86	80	84	100	
123 729	133 418	174 945	195 096	189 287	200 838	237 536	ANNUAL MONITORING	
				23	32	56	70	
				21	74	76	85	
91	89	92	94	93	95	95	99	
	145 789	135 528	174 842 ^(A)	180 449	121 189	148 483		
						(9) ^(C)		(50)
						(18) ^(C)		(42)
						9 ^(C)		(25)
36 235	41 854	39 656	38 495	39 261	40 125	43 511		
					26	44		100
	78	77	79	82	86	87	100	

^(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) Appointments announced in 2021/2022, effective in 2022/2023.
^(C) Difference compared to pro-forma figure for 2020/2021 (138,688 tCO₂eq) as recorded when switching to SBT approach.

C4 FINANCE

Rémy Cointreau delivers a record year

Rémy Cointreau's sales were up +27.3% in organic terms¹, including a +9.2% increase in the price/mix effect and an exceptional increase in volumes of +18.2%. The Group recorded an increase in organic growth of +29.4% compared to 2019/2020.

All regions contributed to Rémy Cointreau's very strong organic performance. The **Americas** region generated excellent growth of +30.0%, up +54.2% compared to 2019/2020. The **APAC**² region posted solid growth of +25.8%, representing a +19.8% increase in sales compared to 2019/2020. Finally, the **EMEA**³ region benefited from the economic recovery and the strong momentum of the on-trade channel. Up +22.4%, the region is now on track to quickly return to its 2019/2020 activity levels (-3.5%).

¹ All references to "organic growth" in this document correspond to sales growth at constant currency and scope.

² Asia-Pacific.

³ Europe, Middle East and Africa.



CONSOLIDATED ANNUAL RESULTS 2021/2022

Rémy Cointreau posted **consolidated sales** of €1,312.9 million in 2021/2022, up +27.3% on an organic basis (+29.4% compared to 2019/2020). The Group reaped the full benefits of rapid growth in new consumption trends, including in particular upmarket movement and the rise of mixology.

Current Operating Profit came in at €334.4 million, equating to exceptional organic growth of +39.9% (+56.9% compared to 2019/2020). This resulted in strong growth in the **Current Operating Margin**, up +2.3 percentage points (pp) on an organic basis to an all-time high of 25.5% (up +4.6 pp compared to 2019/2020).

_COGNAC

Sales at the **Cognac** division grew a remarkable +26.3% on an organic basis in 2021/2022 (+30.7% compared to 2019/2020), with volume growth contributing +12.5% and price/mix effects +13.8% thanks to the growing contribution from high-end and mid-range products (Club in China and 1738 in the United States) and price increases. All regions contributed to this excellent performance.

Current Operating Profit rose +43.8% on an organic basis to €323.0 million (+58.9% compared to 2019/2020). Consequently, the margin rose +4.2 pp on an organic basis to 34.1% (+6.1 pp compared to 2019/2020). The significant increase in marketing and communications investment was largely absorbed by very strong growth in the division's gross margin (evenly split between volume and price/mix effects) and its high operating leverage.

_LIQUEURS & SPIRITS

Sales at the **Liqueurs & Spirits** division grew +31.7% in 2021/2022 (+27.5% compared to 2019/2020), with volume growth contributing +24.6% and price/mix effects +7.1%. The division benefited in particular from excellent performance by Cointreau and Bruichladdich whiskies and the ramp-up in sales of The Botanist.

Current Operating Profit came in at €35.5 million, up +10.6% on an organic basis (+16.5% compared to 2019/2020). The current operating margin came in at 10.6% (down -2.1 pp on an organic basis). On the strength of its progress against its strategic priorities, the Group opted to reinvest much of its gross margin gains (up +1.5 pp vs. 2020/2021 and +3.5 pp vs. 2019/2020) in marketing and communications to boost brand awareness and desirability (notably for Cointreau, The Botanist and Bruichladdich whiskies) and pave the way for future growth. At the same time, the Group maintained strict control over its overhead costs.

_PARTNER BRANDS

Partner Brand sales grew +15.2% on an organic basis in 2021/2022 (+13.5% compared to 2019/2020), supported by favourable trends in Europe, their main market.

In terms of **Current Operating Profit**, Partner Brands broke even in 2021/2022 after posting a -€0.8 million loss in 2020/2021.

CONSOLIDATED RESULTS

Current Operating Profit (COP) came in at €334.4 million, up +39.9% on an organic basis (up +41.6% on a reported basis). This performance was mainly driven by exceptional growth in Current Operating Profit from Group Brands (up +39.5% on an organic basis) and takes into account a €6.9 million increase in holding company costs consisting of a €2.0 million donation to the Rémy Cointreau Foundation and €4.9 million in respect of medium- and long-term retention measures, employee savings and the employee share ownership plan.

This performance also includes **favourable currency effects** (+€6.4 million), mainly as a result of the favourable trend in the euro/yuan exchange rate. Furthermore, the average euro/dollar conversion rate improved from 1.17 in 2020/2021 to 1.16 in 2021/2022, while the average collection rate (linked to the Group's hedging policy) came out at 1.17 in 2021/2022, stable year on year. Lastly, this performance takes into account **adverse consolidation scope effects** of -€2.4 million arising from the acquisition of Brillet and Telmont.

The **Current Operating Margin** thus rose sharply, up +2.1 pp on a reported basis to an all-time high of 25.5% (up +2.3 pp on an organic basis). This strong organic growth reflects the following:

- a +1.5 pp increase in the **gross margin** (up +2.1 pp vs. 2019/2020) to its highest ever level of 68.6%, driven by very favourable price/mix effects and strong growth in volumes;
- excellent absorption of **overheads** (with the overhead ratio down 2.3 pp on an organic basis);
- **increased investment in marketing and communications** (with the ratio up 1.5 pp on an organic basis) to boost brands' medium-term growth potential;

In addition, the Group recorded neutral **currency effects** and adverse consolidation **scope effects** (-0.2 pp).

Operating profit came in at €320.3 million, up +35.8% on a reported basis, after taking into account -€14.1 million in non-recurring items.

The **net financial expense** improved from -€14.6 million in 2020/2021 to -€13.2 million in 2021/2022.

The **tax expense** totalled €95.6 million, giving an effective tax rate of 31.1% (29.3% excluding non-recurring items), a significant improvement on 2020/2021 (35.1% on a reported basis and 33.5% excluding non-recurring items). This improvement was mainly the result of a reduction in the tax rate in France and a favourable geographical mix.

After taking into account the Group's share of net income from associates, **net profit attributable to the Group** came in at €212.5 million, up +47.0% on a reported basis (up +45.7% on an organic basis).

Excluding non-recurring items, net profit attributable to the Group came in at €228.1 million, up +53.9% on a reported basis (up +52.6% on an organic basis), giving a net margin of 17.4%, up +2.7 pp on a reported basis (up +2.9 pp on an organic basis).

Earnings per share (excluding non-recurring items) came out at €4.52, up +52.8% on a reported basis.

Net debt stood at €353.3 million, up €39.0 million from the position at 31 March 2021. In addition to free cash flow, this improvement in net debt mainly reflects the non-cash effect of the early conversion of €154.6 million of OCEANE debt, offset by the share buyback programme (€169.5 million) and the payment of a cash dividend (€93.7 million). This resulted in a **net debt/EBITDA ratio** of 0.79x at 31 March 2022, compared with 1.33x at 31 March 2021.

The **return on capital employed (ROCE)** came out at 22.2% for the year ended 31 March 2022, up +5.1 pp year on year (up +4.9 pp on an organic basis). Continued strategic purchases of eaux-de-vie adversely affecting capital employed were offset by a significant improvement in the profitability of Group Brands.

At the annual general meeting to be held on 21 July 2022, the Board of Directors of Rémy Cointreau will propose the payment of **an ordinary dividend of €1.85 per share in cash and an exceptional dividend of €1.0 per share** payable in cash or shares. This dividend reflects the Board's and the management team's high level of confidence in the Group's growth outlook.



2022/2023 OUTLOOK

Ideally positioned to take advantage of new consumption trends and on the strength of progress against its strategic plan, **Rémy Cointreau is starting financial year 2022/2023 with confidence.**

The Group intends to continue implementing its strategy focused on medium-term brand development and underpinned by a **policy of sustained investment in marketing and communications**. The Group reaffirms its desire to continue to win market share in the exceptional spirits sector and anticipates **another year of strong growth**. In particular, Rémy Cointreau is forecasting **strong first-quarter sales** despite a very high base effect and the impact of the Covid-19 pandemic in China.

Helped by excellent pricing power, **the improvement in the Current Operating Margin** will be driven by the solid **resilience of the Group's gross margin** despite the inflationary environment and by **strict control over overhead costs**.

For the full year, the Group expects currency effects to be positive for Current Operating Profit, which it forecasts should be in the range of €30-40 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

_AS OF 31 MARCH, IN €M	2022	2021
Goodwill and other intangible assets	511.9	508.1
IFRS 16 Right-of-use assets	23.4	17.4
Property, plant and equipment	368.9	336.6
Investments in associates	1.7	1.7
Other financial assets	36.1	26.6
Deferred tax liability	40.4	29.5
NON-CURRENT ASSETS	982.5	919.9
Inventories	1 615.5	1 492.5
Trade and other receivables	253.6	158.1
Income tax receivables	6.9	4.9
Derivative financial instruments	3.8	4.7
Cash and cash equivalents	116.3	201.0
CURRENT ASSETS	1 996.0	1 861.2
TOTAL ASSETS	2 978.6	2 781.1
Share capital	81.8	80.8
Share premium	857.4	834.8
Treasury shares	(58.7)	(25.1)
Consolidated reserves and profit for the year	748.4	635.3
Translation differences	31.8	22.6
EQUITY - ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	1 660.7	1 548.4
Non-controlling	1.0	0.8
EQUITY	1 661.8	1 549.2
Long-term financial debt	363.9	423.8
Provision for employee benefits	26.4	29.1
Long-term provisions for liabilities and charges	3.3	2.1
Deferred tax liabilities	56.0	57.1
NON-CURRENT LIABILITIES	449.6	512.1
Short-term financial debt and accrued interest	105.7	91.5
Trade and other payables	683.3	586.1
Income tax payables	46.6	27.4
Short-term provisions for liabilities and charges	17.9	7.7
Derivative financial instruments	13.7	7.1
CURRENT LIABILITIES	867.2	719.8
TOTAL EQUITY AND LIABILITIES	2 978.6	2 781.1

CONSOLIDATED INCOME STATEMENT

_AS OF 31 MARCH, IN €M	2022	2021
NET SALES	1 312.9	1 010.2
Cost of sales	(411.8)	(330.1)
GROSS PROFITS	901.1	680.1
Distribution costs	(433.2)	(341.6)
Administrative expenses	(133.5)	(102.5)
CURRENT OPERATING PROFIT	334.4	236.1
Other operating income/(expense)	(14.1)	(0.2)
OPERATING PROFIT	320.3	235.9
Finance costs	(10.4)	(12.0)
Other financial income	(2.8)	(2.6)
NET FINANCIAL EXPENSE	(13.2)	(14.6)
PROFIT BEFORE TAX	307.1	221.2
Income tax	(95.6)	(77.6)
Share in profit of associates	0.8	0.6
PROFIT FROM CONTINUING OPERATIONS	212.3	144.3
Net profit/(loss) from discontinued operations	—	—
NET PROFIT FOR THE YEAR	212.3	144.3
ATTRIBUTABLE TO:		
non-controlling interests	(0.2)	(0.3)
owner of the parent company	212.5	144.5
NET EARNINGS PER SHARE - FROM CONTINUING OPERATIONS		
basic	4.21	2.88
diluted	4.11	2.75
NET EARNINGS PER SHARE		
basic	4.21	2.89
diluted	4.11	2.75
NUMBER OF SHARES USED FOR THE CALCULATION		
basic	50 439 010	50 070 497
diluted	51 727 100	52 646 147

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Integrated report content: LABRADOR

Ipedis-accessible version.

Design and production: Omedia Paris
www.omediaparis.com



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