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RÉMY COINTREAU

STATEMENT OF NON-FINANCIAL
PERFORMANCE

EXTRACT FROM THE 2022/2023 UNIVERSAL
REGISTRATION DOCUMENT

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The Rémy Cointreau Group is one of the major operators in the global Wine & Spirits market with a portfolio of exceptional brands, which include Rémy Martin and LOUIS XIII cognacs and Cointreau liqueur.

The brands are mostly distributed by a network of subsidiaries established in the Group's various strategic markets.

Rémy Cointreau is listed on Euronext Paris. The free float represents approximately 42%. The Rémy Cointreau Group is controlled by the majority shareholder, the Andromède family holding company.

MESSAGE FROM THE CHAIRWOMAN

— **MARIE-AMÉLIE
de LEUSSE,**
CHAIRWOMAN OF THE RÉMY
COINTREAU GROUP

**I write this first message
as Chairwoman
of the Rémy Cointreau
Group with determination
and confidence.**

I am obviously very proud to follow in the footsteps of my mother, Dominique Hériard Dubreuil, and my uncles, François Hériard Dubreuil and Marc Hériard Dubreuil, as Chairwoman of the Group. They have shown total commitment to our company over the years, and have set an inspiring example. My appointment is part of the generational transition of our family members on the Board of Directors, committed over the years to guaranteeing a smooth and productive changeover. This new generation, which I am pleased to represent today, will put all its energy into perpetuating our Maisons and their legacy, while upholding our values of “Terroir, People and Time” and the genetic make-up of our Group.



As well as striving to give value to what we have built over the centuries, we are determined to make this exceptional heritage flourish. To this end, the Group's 2030 strategy is now shared and supported by all our stakeholders. Our 2022/23 results are in line with that strategy, through the efforts of our teams worldwide and we sincerely congratulate them on their inspiring collective work. Our Group is therefore very well positioned to approach the coming year... or – rather – the years to come, as our success is and will only be long term, sustainable and responsible for the Earth and its population.

Here, we are all confident about the future. Having had the chance to work for six years in the Rémy Cointreau group, in Paris and then in Singapore, I am fully aware of the strengths of our teams, the uniqueness of our Maisons and the loyalty of our clients. Today, the vision and action of the CEO, Éric Vallat, allow us to build on our strengths and emerging outlooks. We share a philosophy and principles of action which, while securing the Group's knowledge base, give it the opportunity to look to the future and innovate.

Our portfolio has been beefed up and diversified (acquisition of Telmont Champagne and Belle de Brillet pear liqueur and cognac in 2020, creation of Maison Psyché haute parfumerie in 2022). We are also delighted with our performance in terms of sustainable development, with 80 million euros of investment committed over 10 years in 2020. Our "Sustainable Exception" plan reflects our ambition to grow responsibly and share value with all our stakeholders, in line with our commitments to the United Nations as part of the Global Compact. Finally, the Group's digital transformation continues to yield good results, on schedule to achieve the goal of 20% turnover in e-commerce by 2030.

But none of this would be possible without the Group's employees. I would therefore like to express my gratitude to them for their unwavering dedication. Together, we uphold the Group's legacy and, together, we are preparing to write a new chapter in Rémy Cointreau's centuries-old history.

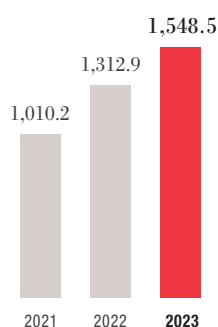
Finally, I would like to thank our shareholders for their trust and constant support of the Group's strategy and development.

KEY FIGURES

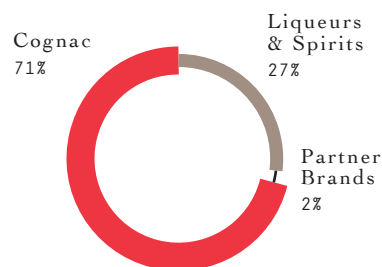
— FINANCIAL DATA

DATA FOR THE PERIOD FROM 1 APRIL 2022 TO 31 MARCH 2023

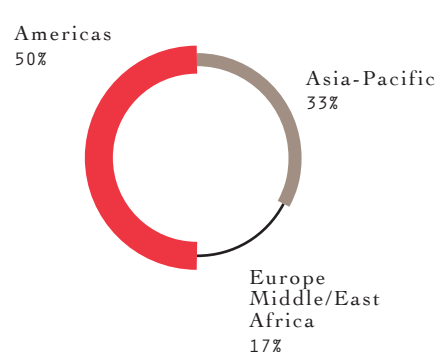
SALES (M€)



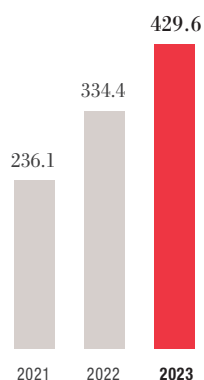
SALES BY DIVISION (%)



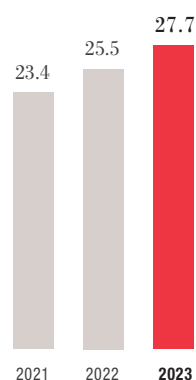
SALES BY GEOGRAPHIC AREA (%)



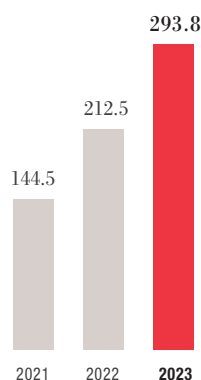
CURRENT OPERATING PROFIT (M€)



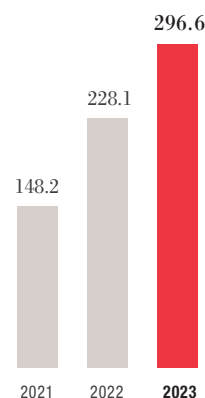
CURRENT OPERATING MARGIN (%)



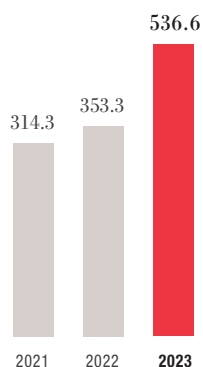
NET PROFIT - GROUP SHARE (M€)



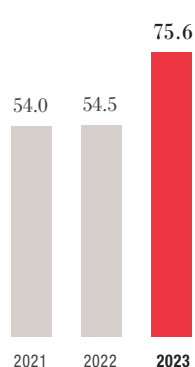
NET PROFIT EXCLUDING NON-RECURRING ITEMS (M€)



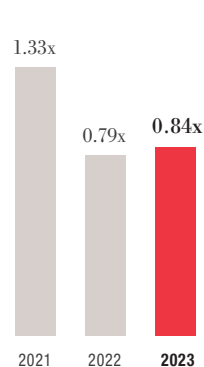
NET FINANCIAL DEBT (M€)



CAPITAL EXPENDITURE (M€)



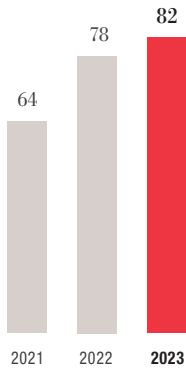
RATIO OF NET DEBT/ EBITDA



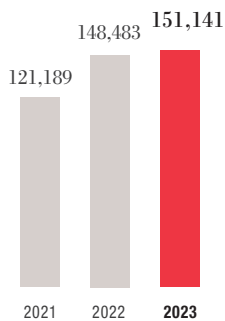
...AND NON-FINANCIAL DATA

DATA FOR THE PERIOD FROM 1 APRIL 2022 TO 31 MARCH 2023

PERCENTAGE OF AGRICULTURAL LAND MANAGED USING RESPONSIBLE AND SUSTAINABLE PRACTICES (in %)



GROUP CARBON FOOTPRINT ASSESSMENT (in T_{eq} CO₂)



RATINGS AND AWARDS 2023



Climate Disclosure Project (CDP)

A - leadership status



-5%

CHANGE IN THE GROUP'S CARBON FOOTPRINT PER BOTTLE COMPARED TO 2020/2021

26.8%

CURRENT OPERATING MARGIN AFTER CARBON BILL (SCOPES 1, 2 & 3)

78%

OF BOTTLES SOLD HAVE NO SECONDARY PACKAGING

83%

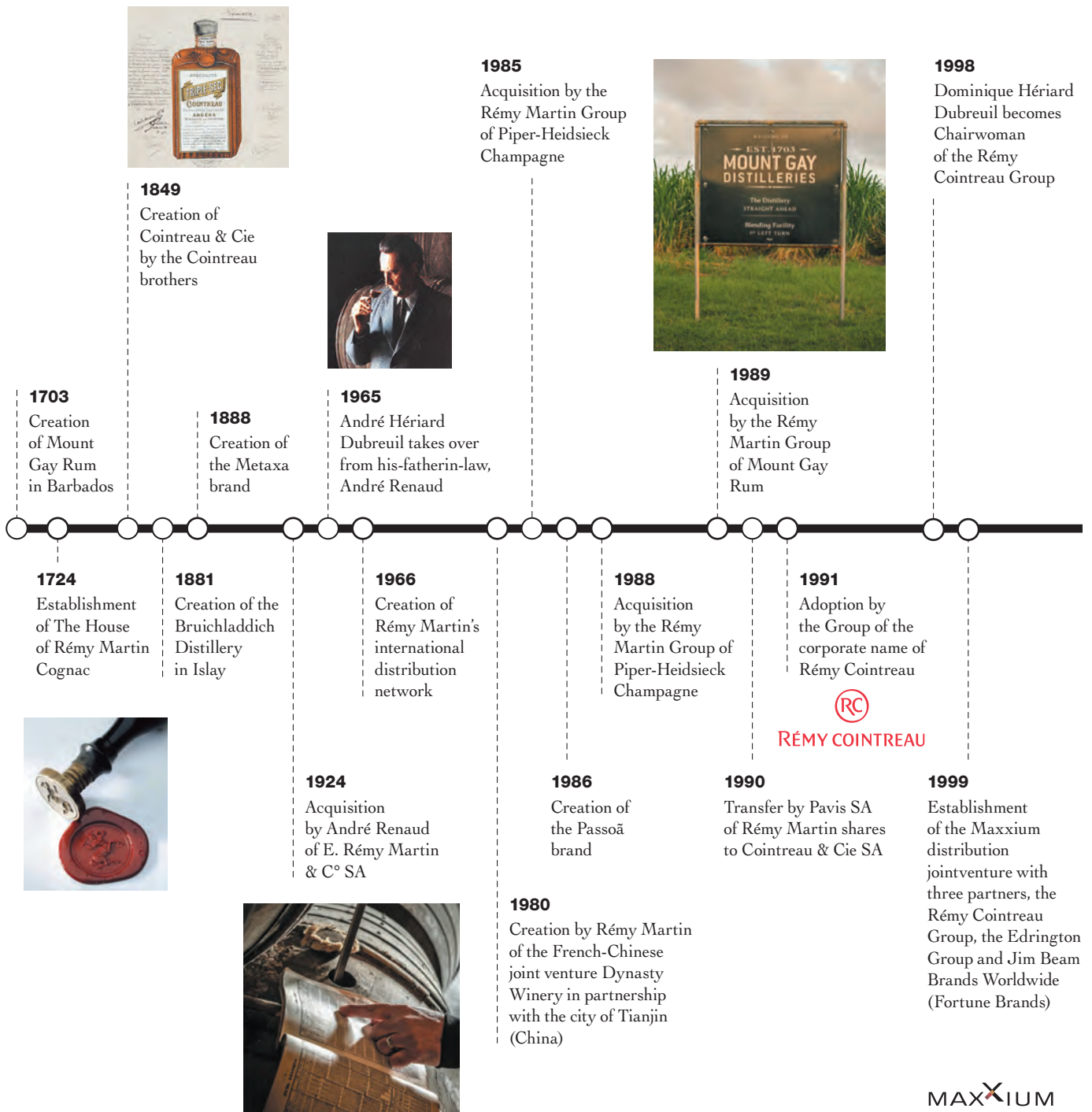
OF STRATEGIC SUPPLIERS HAVE A PROACTIVE CSR APPROACH

ABOUT THE GROUP

— MAJOR MILESTONES IN THE GROUP'S HISTORY

The Rémy Cointreau Group, whose charentaise origins date back to 1724, is the result of the merger in 1990 of the holding companies of the Hériard Dubreuil and Cointreau families, which controlled E. Rémy Martin & C° SA and Cointreau & Cie SA respectively. It is also the result of successive alliances between companies operating in the same Wines and Spirits business segment.

KEY DATES AND EVENTS





2000

Acquisition of Bols Royal Distilleries including, in particular, the Bols and Metaxa brands

2001

Vin & Sprit joins the Maxxium network as its fourth partner

2008

Creation of a proprietary distribution structure

2009

- 30 March: Rémy Cointreau exits the Maxxium distribution joint venture
- 1 April: Rémy Cointreau controls 80% of its distribution

2006

- Disposal of the Dutch and Italian Liqueurs & Spirits operations
- Decision by Rémy Cointreau to resume full control over its distribution by March 2009

2005

- Initial public offering of Dynasty Fine Wines Group on the Hong Kong Stock Exchange
- Disposal of Bols' Polish operations to CEDC

2012

- 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

2013

30 August: disposal of Larsen to the Finnish Altia Group

2016

1 December: set-up of a joint-venture for the activities of Passoã

2019

1 April: Rémy Cointreau sells its distribution subsidiaries in the Czech Republic and Slovakia



2017

- 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

2020

- 30 April: Rémy Cointreau acquires the Cognac House J.R. Brillet
- 16 October: Rémy Cointreau acquires the House of Champagne Telmont



2022

21 July, Marie-Amélie de Leusse becomes Chairwoman of the Rémy Cointreau Group

GOVERNANCE THAT ENSURES CONTINUITY AND TRANSMISSION

THE BOARD OF DIRECTORS

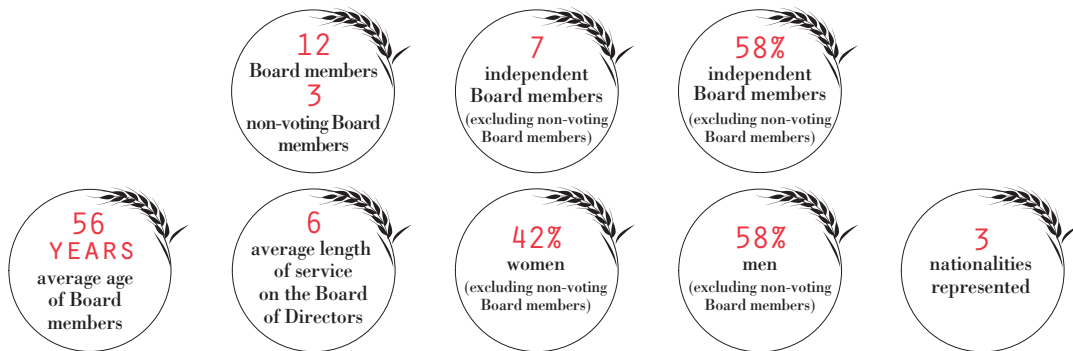
The Rémy Cointreau Group is administered by a Board of Directors which, since September 2004, has adopted a governance structure that separates the roles of Chairman of the Board of Directors and Chief Executive Officer. Competence and experience in the financial arena, the luxury goods sector and the 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 2023

The composition of the Board aims to strike a balance between experience, expertise, independence and ethics, while respecting a balanced representation of women and men on Boards of Directors.



COMPOSITION OF THE BOARD OF DIRECTORS' COMMITTEES AT 31 MARCH 2023

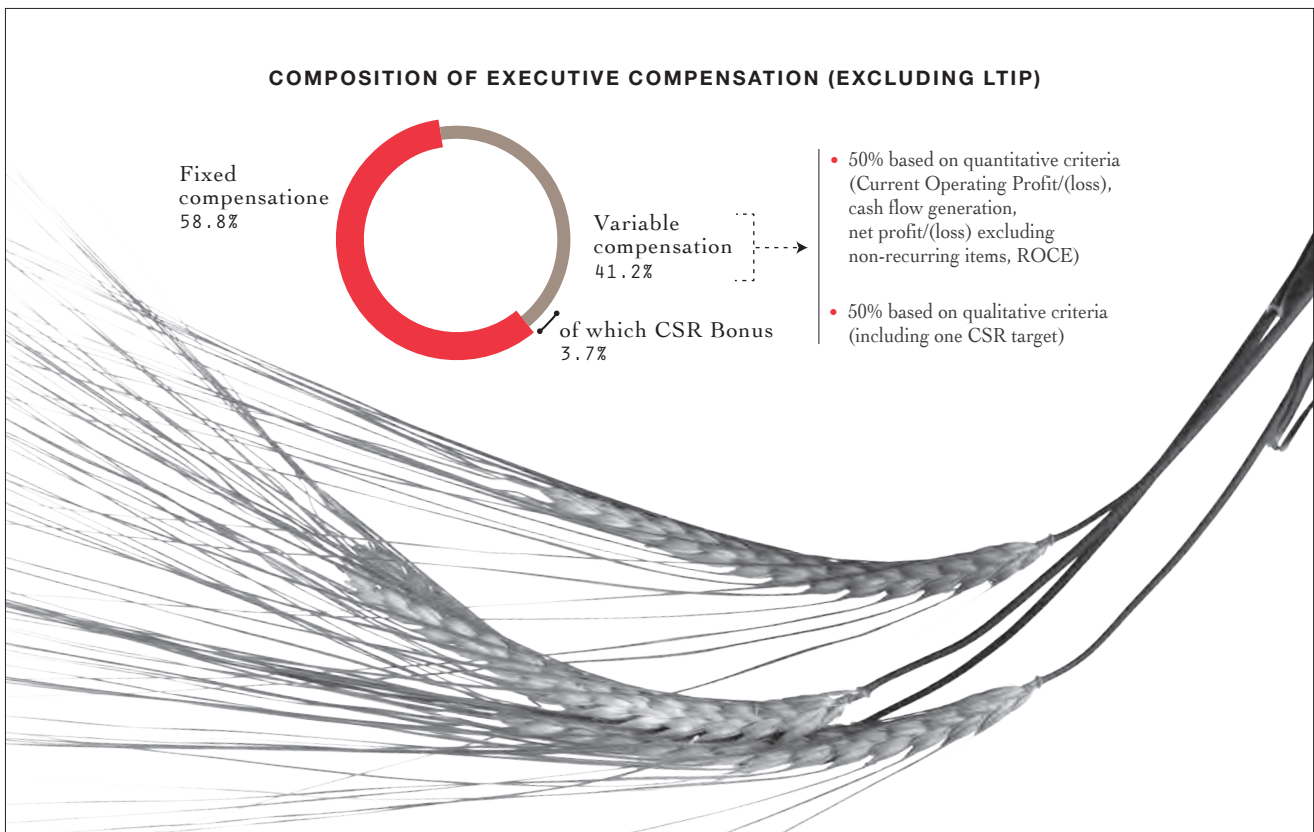
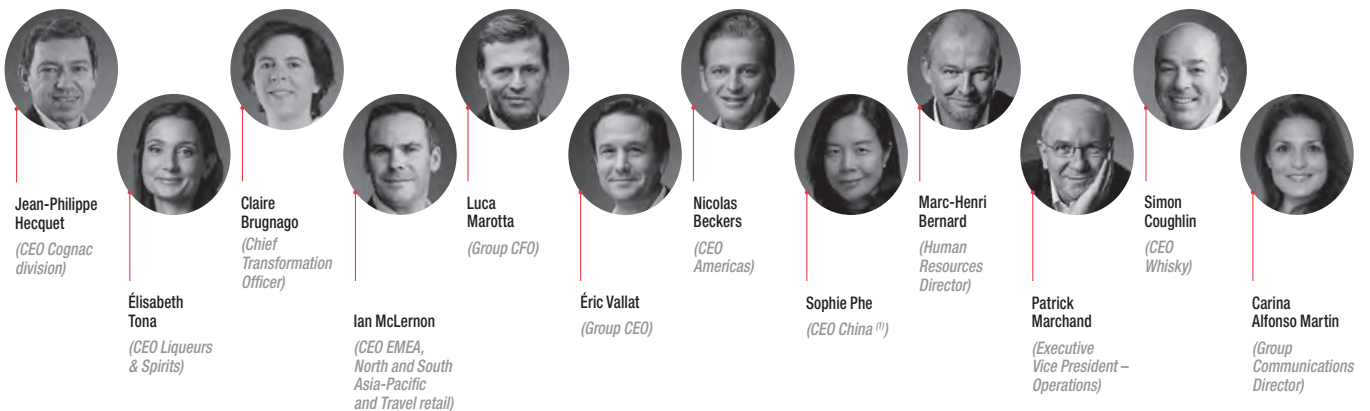
<p>AUDIT-FINANCE COMMITTEE</p> <p>4 members 75% independent</p> <p><u>Guylaine Saucier</u> * Caroline Bois Emmanuel de Geuser * Marc Verspyck *</p>	<p>NOMINATION AND REMUNERATION COMMITTEE</p> <p>4 members 50% independent</p> <p><u>Bruno Pavlovsky</u> * Caroline Bois Olivier Jolivet * Élie Hériard Dubreuil</p>	<p>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</p> <p>4 members 50% independent</p> <p><u>Dominique Hériard Dubreuil</u> Olivier Jolivet * Hélène Dubrule * Élie Hériard Dubreuil</p>
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* Independent board member.

SENIOR MANAGEMENT

Group Chief Executive Officer since 1 December 2019, **Éric Vallat** is supported by an Executive Committee comprising ten directors from six different nationalities and from a range of backgrounds: spirits, cosmetics, fashion and accessories, and tableware. The role of this Executive Committee is to implement the Group's strategy for 2030, which aims to continue its transformation, to build a more sustainable,

profitable and responsible business model, based on four strategic levers: enhancing the value per case of its spirits, moving towards client-centric business model, optimising its portfolio management by accelerating the development of the flagship brands of Liqueurs & Spirits and implementing the "Sustainable Exception" plan for more responsible growth.



(1) Including Taiwan, Macau and Hong Kong.

— 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: the Belle de Brillet liqueur and the Champagne House Telmont.

During the 2022/2023 financial year, the Group's sales totalled €1,548.5 million and Current Operating Profit (COP) came to €429.6 million. As such, sales were up by 10.1% and COP was up by 16.2% at constant scope and exchange rates. The current operating margin was 27.7%, reaching its all-time high.

The Rémy Cointreau Group's internal organisation is based on 11 brand divisions and four sales divisions (Americas, Europe-Middle East-Africa, Asia-Pacific and Global Travel Retail). All these divisions receive support from the holding company. Depending on the spirit category, production process and geographic sales distribution, the Group's brands are allocated to one of the following two divisions: "Cognac" or "Liqueurs & Spirits".

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

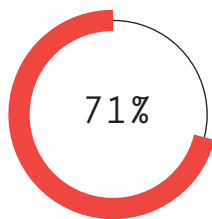


RÉMY COINTREAU'S GROUP BRANDS

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

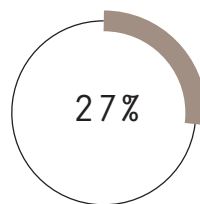
SALES BY DIVISION

△
COGNAC
Rémy Martin, LOUIS XIII
and Brillet



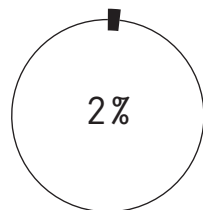
€ 1,100.0 M
in sales

△
LIQUEURS & SPIRITS
Cointreau, Metaxa, Mount Gay, St-Rémy,
Telmont, Belle de Brillet, The Botanist
and single malt whiskies



€ 418.9 M
in sales

THE PARTNER BRANDS DIVISION
Non-proprietary brands distributed by the Group



€ 29.6 M
in sales



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*).

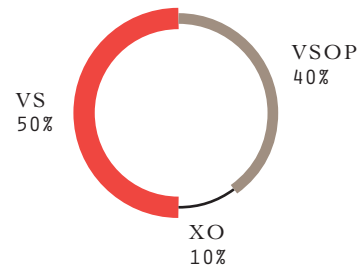
The House of Rémy Martin is positioned in the high-end segment, with four flagship products:

- 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 82% of the world market by volume and nearly 88% by value (source: IWSR): Hennessy (LVMH), Martell (Pernod Ricard), the House of Rémy Martin (Rémy Cointreau), and Courvoisier (Suntory). The House of Rémy Martin’s market share of cognac shipments for all qualities combined is 14.1% by volume (source: BNIC March 2023), up +0.5pt compared to March 2022. Virtually all the shipments of the House of Rémy Martin are in the superior quality segment (VSOP and XO qualities), which accounts approximately for 50% of the total cognac market (BNIC March 2023).

WORLDWIDE COGNAC SHIPMENTS BY QUALITY
(Source: BNIC)



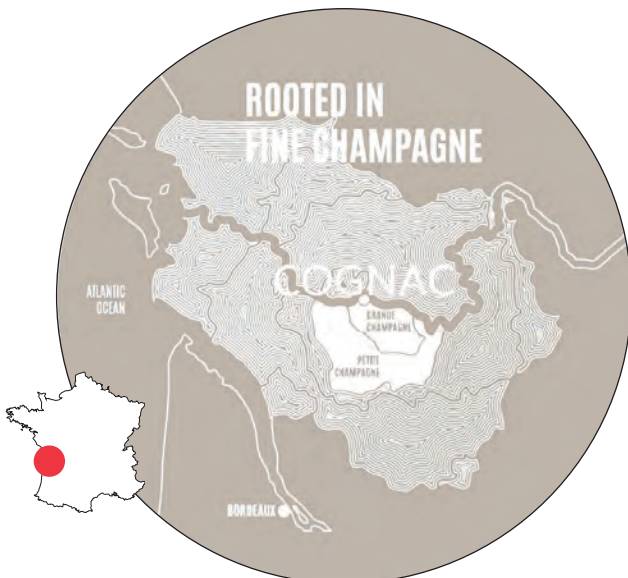
COGNAC APPELLATION D’ORIGINE CONTRÔLÉE AND “FINE CHAMPAGNE”

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 THE 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.

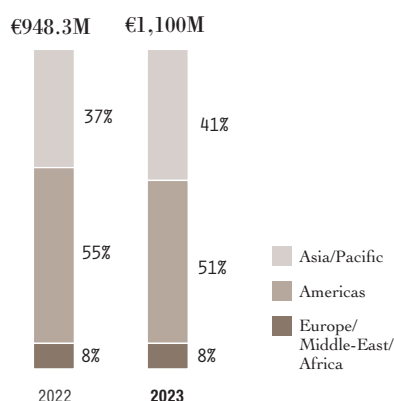
The partnership mainly consists of a cooperative, Alliance Fine Champagne (AFC), whose members manage around 60% of the Grande Champagne and Petite Champagne vineyards, *via* different types of multi-year agreements: collective and individual agreements.

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.

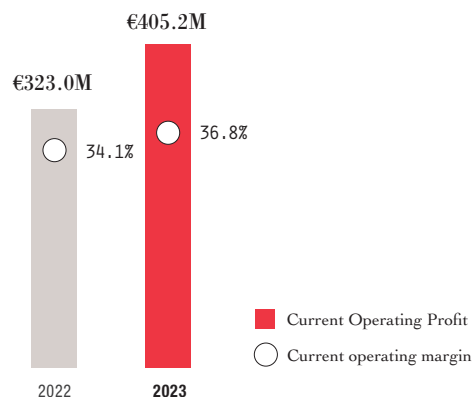
KEY FIGURES OF THE COGNAC DIVISION

In 2022/2023, the Cognac division accounted for 71% of the Group's total sales and generated 99% of its international sales. Americas (51%) and Asia-Pacific (41%) 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

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);
- Le 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.



DAMERY (France)

Founded in 1912, the Telmont Champagne House is a century-old family house located in Damery, near Épernay 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.



TRIÈVES (France)

Le 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.



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.



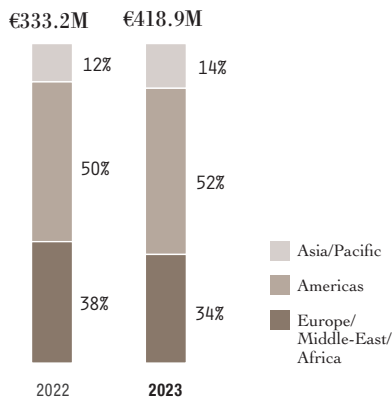
SAMOS (Greece)

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.

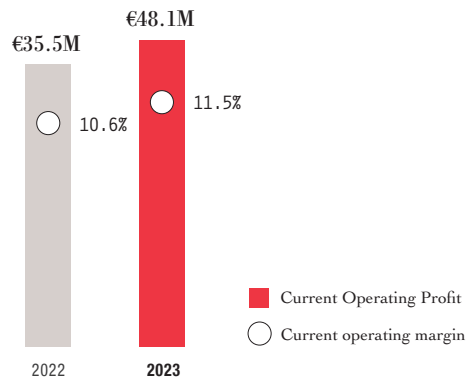
LIQUEURS & SPIRITS KEY FIGURES

In 2022/2023, the Liqueurs & Spirits division accounted for 27% of the Group's total sales. Americas (52%) and the Europe-Middle East-Africa region (34%) are the top contributing regions in the division. Although smaller (14%), 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 2022/2023, Partner Brands accounted for 2% 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 policy of moving upmarket), the brands still distributed (as of 31 March 2023) 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).

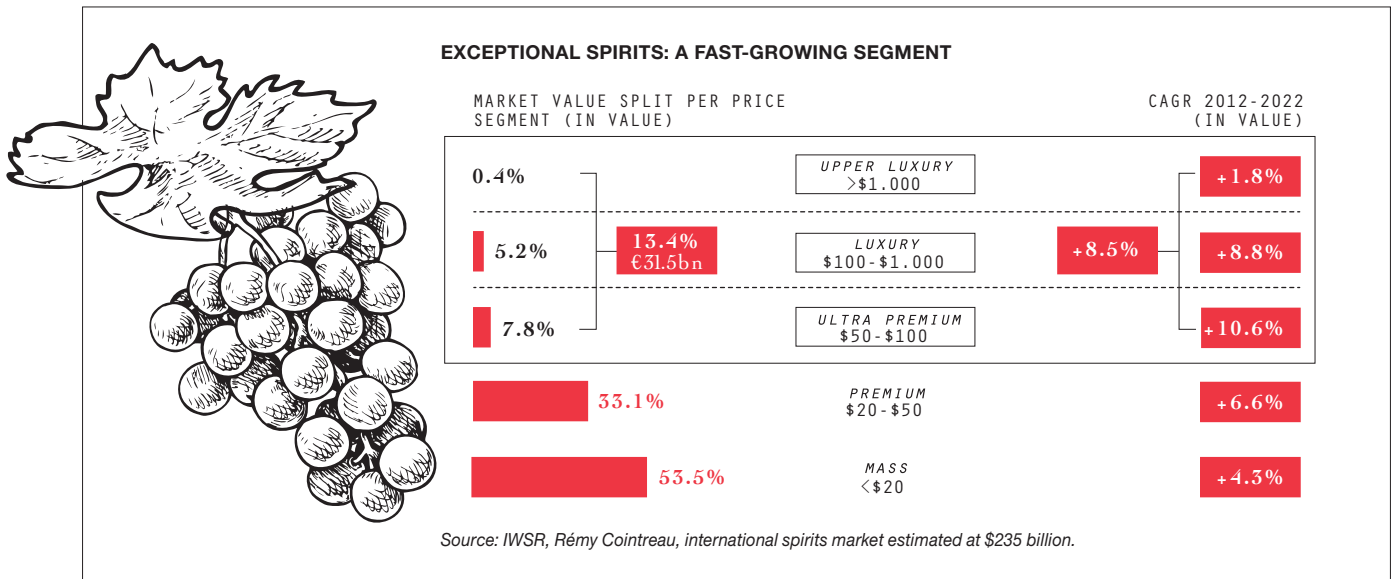
Since 2015, the Group has accelerated its strategy of moving upmarket so as to differentiate itself and emphasise its uniqueness: ultimately, the Group's ambition is to become the world leader in exceptional spirits.



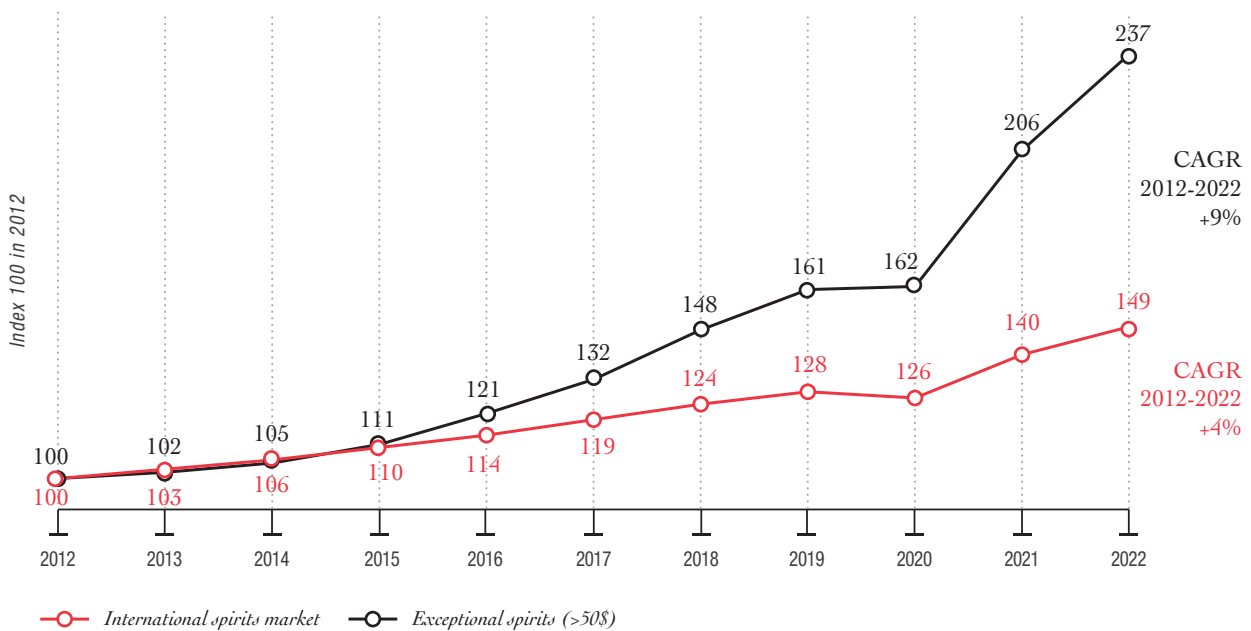
EXCEPTIONAL SPIRITS ENJOY AN ATTRACTIVE DYNAMIC

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 (+9.0% growth per year on average, compared with +4.0% for the spirits market as a whole

over the last ten years), driven by more upmarket demand and an increasingly discerning clientele in terms of the quality, production, know-how and history of the spirits they consume.



THE EXCEPTIONAL SPIRITS SEGMENT HAS STRUCTURALLY OUTPERFORMED THE GLOBAL SPIRITS MARKET SINCE 2012



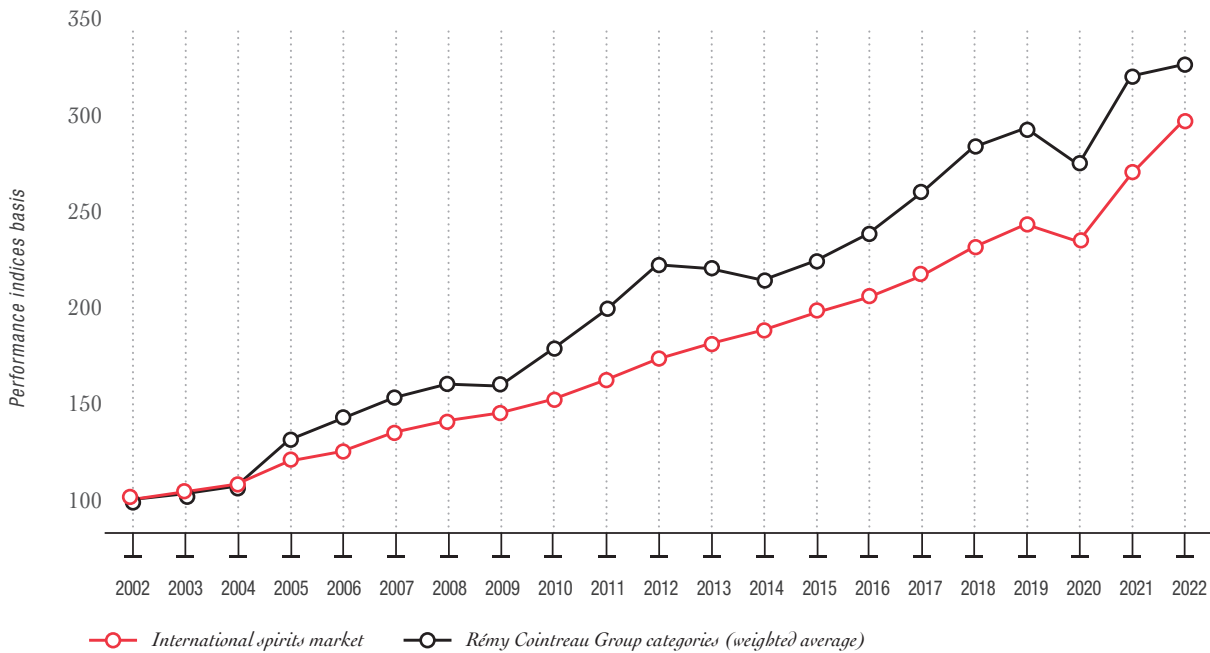
Source: IWSR, Rémy Cointreau

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 (+6.1% per year on average

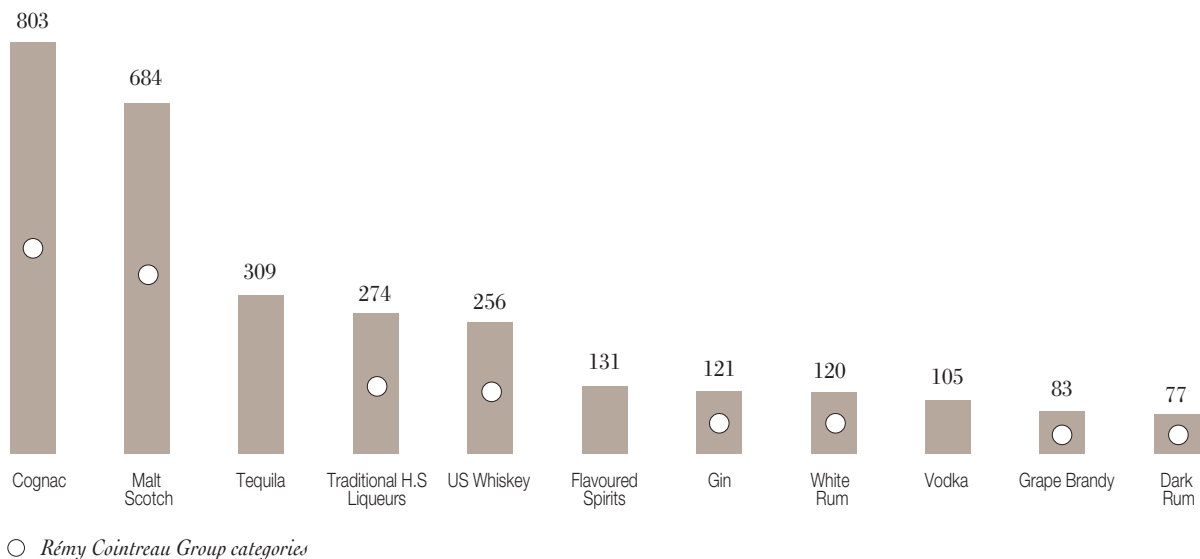
during the 2002-2022 period). The international spirits market grew +5.6% on average over the last 20 years.

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 brands portfolio was nearly €530, compared to just over €120 for the international spirits market.

VALUE PER CASE BY CATEGORY OF SPIRITS (in €)



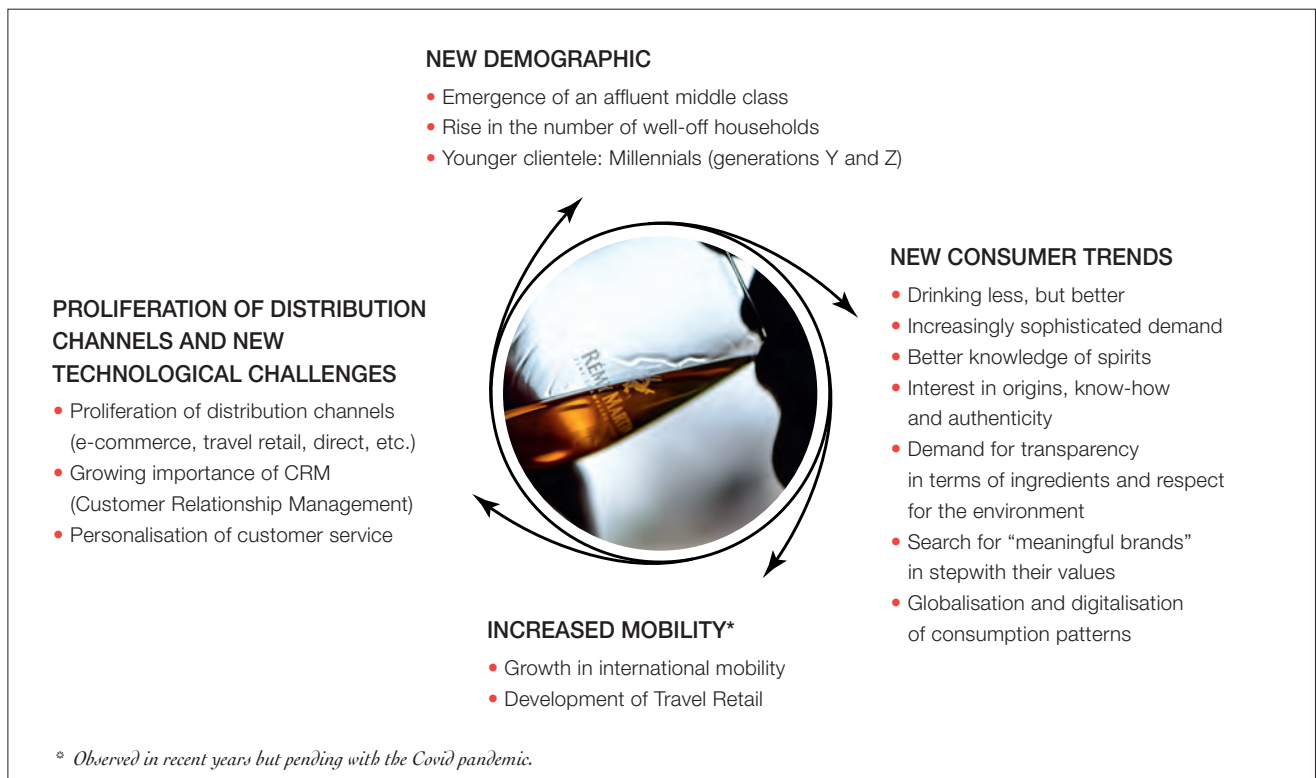
Source: IWSR, Rémy Cointreau.



— 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 from generations Y and Z – they are looking for knowledge – the origin of spirits,

history, know-how, differentiation – but also an increasing demand 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.

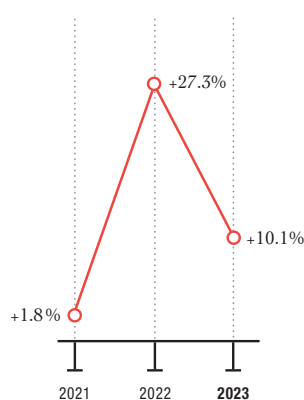
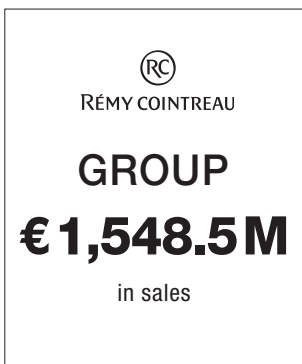
Moreover, the registered office of Rémy Cointreau, which includes most of the Group's central services, is based in rented premises at 21, rue Balzac, Paris.

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

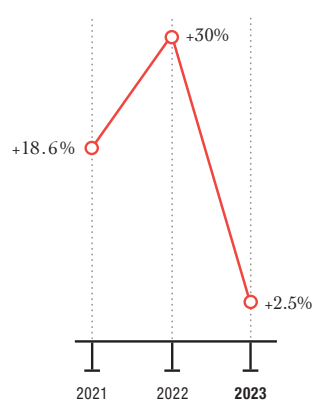
Today, the Group has a dozen directly owned subsidiaries (from the United States to China, including the United Kingdom, Belgium, Malaysia and Japan). This distribution network allows the Group to implement a price strategy and to be selective about its sales outlets in a manner consistent with its high-end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



ORGANIC SALES GROWTH



AMERICAS
€780.0M
in sales
50%
of Group sales





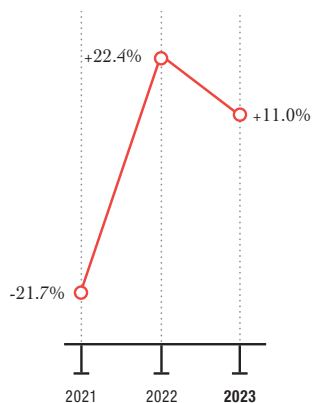
**EUROPE,
MIDDLE-EAST
& AFRICA**

€259.5M

in sales

17%

of Group sales



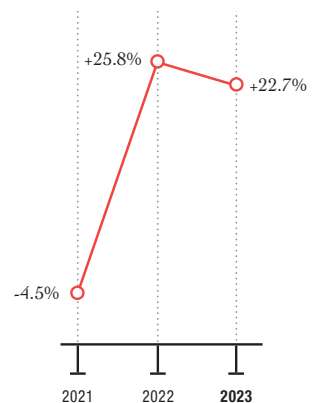
**ASIA-
PACIFIC**

€509.0M

in sales

33%

of Group sales



* 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

INTRODUCTION

The transformation of Rémy Cointreau’s business model since 2015 (acceleration of the strategy to move the brand portfolio upmarket and the implementation of an end-client-centric culture) has clearly brought results. Between 2015 and 2019, the Group delivered average organic growth in sales of 7% per annum and its current operating margin rose by 4.4 points over the period.

Since December 2019 the Group has moved on to a new step in its value strategy, which consists in optimising its portfolio strategy to build a more sustainable, profitable and responsible business model. The Group has seen its sales increase by +43.6% since 2019/2020 (pre-Covid) on a like-for-like basis.

Because such an in-depth transformation takes time, the Group has set its targets at 2030. This timeframe is also consistent with the Group’s mindset and raw material purchasing planning for some of its brands, such as Rémy Martin XO.

THE FOUR STRATEGIC LEVERS

1

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.

2

MOVING FROM A “CLIENT-CENTRIC CULTURE” TO A “CLIENT-CENTRIC BUSINESS MODEL”

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

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

3

ACCELERATING THE DEVELOPMENT OF THE LIQUEURS & SPIRITS PRIORITY BRANDS

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

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

4

THE "SUSTAINABLE EXCEPTION" PLAN FOR MORE RESPONSIBLE GROWTH

After having defined its values (Terroirs, People, Time and Exception) in 2016, the Group is now seeking to reflect them through a responsible growth plan. The key features of the "Sustainable Exception" plan are ecological agriculture in all terroirs involved in crafting the Group's spirits, the use of renewable energies for production sites, eco-design for all brand packaging and a gradual reduction in carbon emissions aligned with the international ambition of "Net Zero Carbon" by 2050.

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

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

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

- Exceptional terroirs (Cognac, Islay, Samos, Barbados, etc.)
- 82% of our agricultural raw materials are "responsible and sustainable agriculture" certified
- 99% of our winegrowers within the AOC Cognac 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

SUSTAINABLE VALUE CREATION

Adding value to our spirits (price/mix gains)

Reinforcement of brand recognition and attractiveness

... AND WHICH CREATE VALUE

Portfolio management optimisation:

- clarification of each brand's mission within the Group;
- setting of priorities, maximising the investments behind the most profitable brands.

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

Increase in investment capacity:

- brands (media, digital, education);
- the distribution network: development of a direct distribution network (shops, e-commerce, Private Client Directors, *etc.*);
- product development with respect for 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 **35,000 hours** of training



GOVERNMENT

- **€116.3 million** paid in corporate income tax in 2022/2023 (tax rate: 28.4%)



CIVIL SOCIETY

- **€2 million** (over a period of five 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 **€3.00** in 2022/2023 (including an exceptional €1 dividend)
- Stock market capitalisation up nearly **€3 billion** over the last five financial years (at 31 March 2023)



LOCAL COMMUNITIES

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



SUPPLIERS

- Alliance Fine Champagne: **2.10%** 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, enabling it to be ahead of the objectives set.

2023/2024 OUTLOOK

In 2023-24, Rémy Cointreau anticipates a continued strong normalization of consumption in the United States, at a level that will nonetheless remain significantly higher than in 2019-20.

At the same time, the Group expects strong growth in the rest of the world, led by major gains in China, a very good showing in EMEA and the Rest of Asia, and business similar to levels observed in 2019-20 in Travel Retail.

Against this backdrop, the Group expects sales to remain stable on an organic basis in 2023-24, with:

- a strong sales decline in the first half, reflecting a very strong fall in the United States and high bases for comparison;
- a strong recovery in the second half, driven by a sharp rebound in the US starting in the third quarter.

Rémy Cointreau intends to confirm its level of organic profitability based on:

- continued roll-out of a value-driven strategy built on a firm pricing policy and improved price mix;
- resilient gross margin in a persistently inflationary context;
- stabilization of the ratio of marketing and communication spend/sales;
- tight control of overhead costs.

The Group estimates that currency will have an unfavorable impact for:

- sales: between -€50m and -€60m;
- Current Operating Profit: between -€10M€ and -€15m.

2029/2030 OBJECTIVES CONFIRMED

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.

For this, Rémy Cointreau intends to pursue its value strategy and the construction of a business model that will deliver both profitable and responsible growth.

FINANCIAL AND NON-FINANCIAL TARGETS

► FINANCIAL TARGETS ⁽¹⁾

72% gross margin

33% Current Operating Margin

► “SUSTAINABLE EXCEPTION” PLAN

100% of its direct agricultural partners
trained in agroecological practices
by 2030

Reduction of

50% in carbon emissions per bottle
by 2030

“NET ZERO CARBON” BY 2050 ⁽²⁾

(1) Based on rates and scope for 2019/2020.

(2) Trajectory validated by the Science-Based Targets Initiative (SBTi).

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 through collective work;
- 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.

This year, CSR challenges were analysed from the perspective of double materiality (ESG impacts on the Group and the Group's ESG impacts). This principle is a central element of the European regulator's approach to the structuring of future CSR strategies. It involves thinking about the challenges in terms of associated risks and opportunities.






Of the 20 or so issues identified, the main environmental, social, human rights and corruption risks can be grouped into three global risks:

- **climate:** the Group's ability to reduce its carbon impact (global risk, risk of carbon taxation and a restrictive regulatory framework);

- **environmental risks:** quality of agricultural supply in a context of climate change, deterioration of biodiversity and lack of water (risk of availability and quality of agricultural raw materials and water for the production of products);
- **responsible consumption:** acceptability of alcohol by society (risk related to the health of our employees and customers).

The senior executives who are members of the Rémy Cointreau Executive Committee have a portion of their variable compensation (composed of 50% quantitative criteria and 50% qualitative criteria) indexed to CSR objectives. As detailed in this document in section 3.5.1, one of the four qualitative criteria making up their variable compensation is a CSR objective defined according to the Group's priority issues.

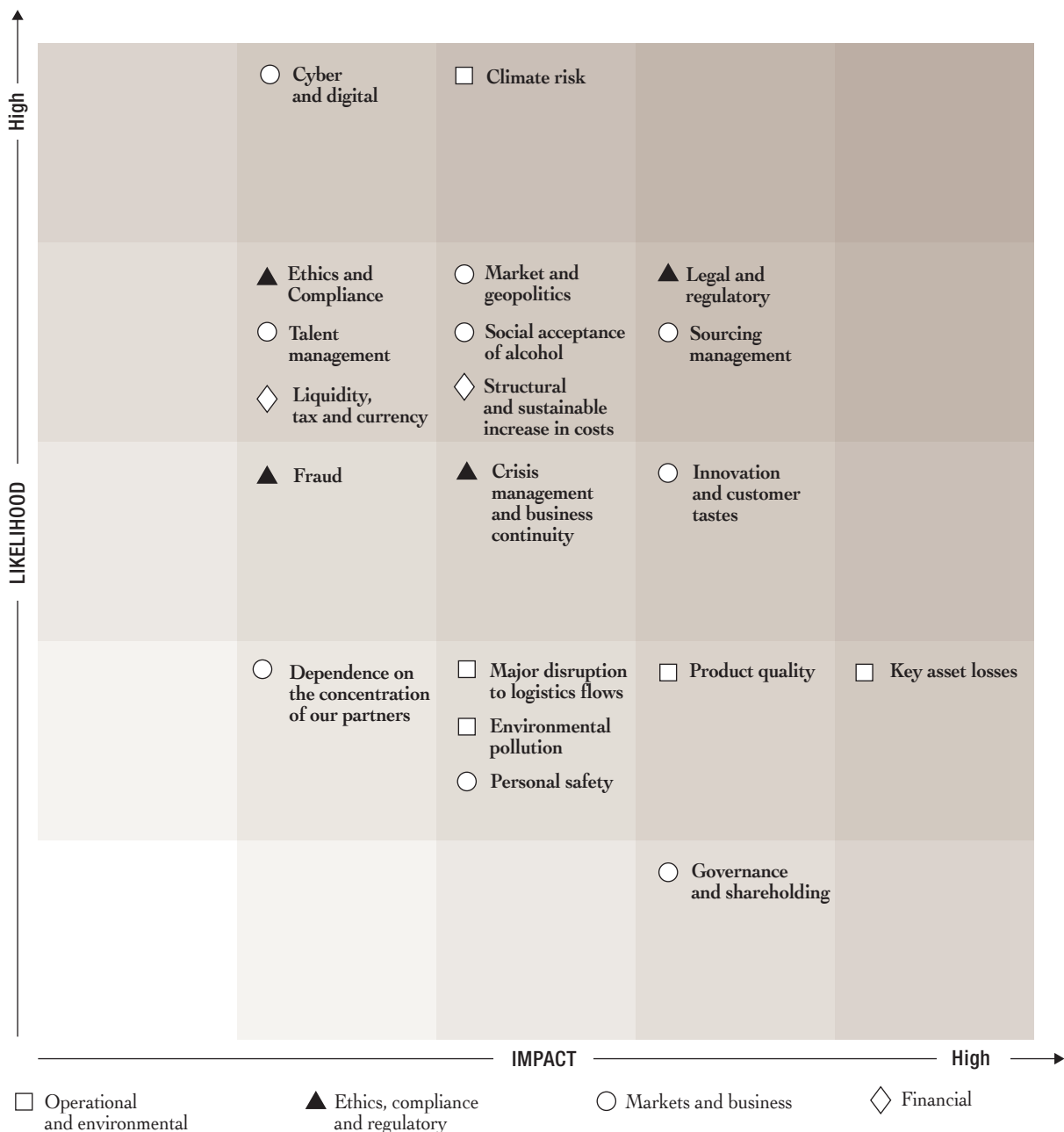
In 2022/2023, the CSR objectives of the members of the Executive Committee were linked to the following issues: responsible consumption (SDG 3), diversity & inclusion (SDG 5), circular economy (SDG 12), climate (SDG 13) and adaptation of terroirs and biodiversity (SDG 15). For the members of the Executive Committee who do not have a specific CSR objective, their CSR performance corresponds to the arithmetic average of the specific objectives of the other members.

CHALLENGE	ASSOCIATED SDG	MEMBER OF THE EXECUTIVE COMMITTEE WITH A CSR OBJECTIVE RELATING TO THIS CHALLENGE
Responsible consumption		Elisabeth Tona (CEO Liqueurs & Spirits) Sophie Phe (CEO China) Nicolas Beckers (CEO Americas) Ian Mc Leron (CEO EMEA, North/South Asia and Travel Retail)
Diversity & Inclusion		Claire Brugnago (CEO Transformation) Marc-Henri Bernard (Human Resources Director)
Circular economy		Simon Coughlin (CEO Whisky) Elisabeth Tona (CEO Liqueurs & Spirits)
Climate		Jean Philippe Hecquet (CEO Cognac division) Simon Coughlin (CEO Whisky) Patrick Marchand (Executive Vice President of Operations)
Adaptation of terroirs and biodiversity		Jean Philippe Hecquet (CEO Cognac division)

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.

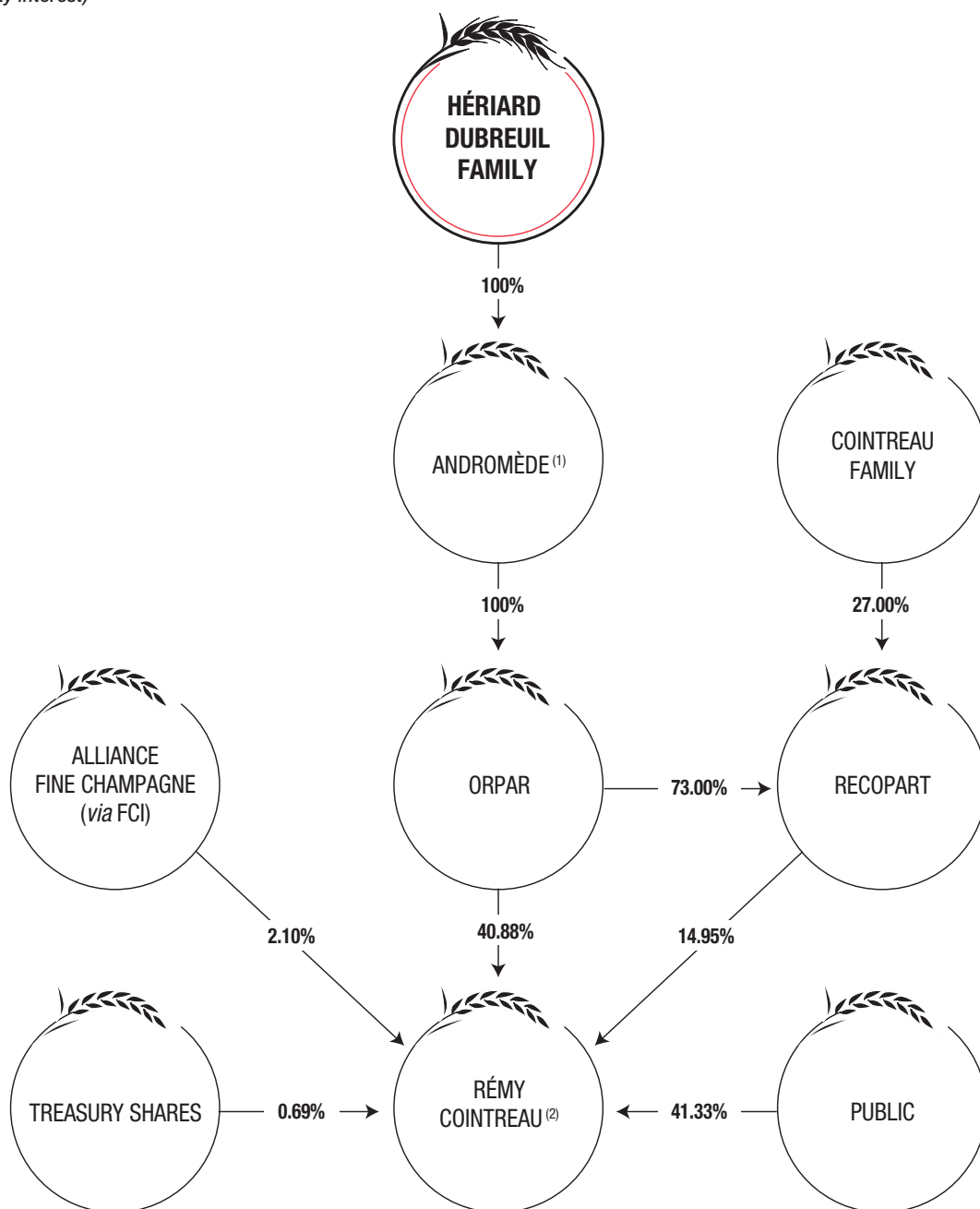
The main risk factors to which the Group is exposed given its business model are presented in this table (more details can be found in chapter 2 of this document).



COMPANY OWNERSHIP

— SHAREHOLDING STRUCTURE

AT 31 MARCH 2023
(% equity interest)



(1) Rémy Cointreau is consolidated within the Andromède Group.

(2) Only Rémy Cointreau shares are traded on the stock market.

— SHARE PERFORMANCE AND DIVIDENDS

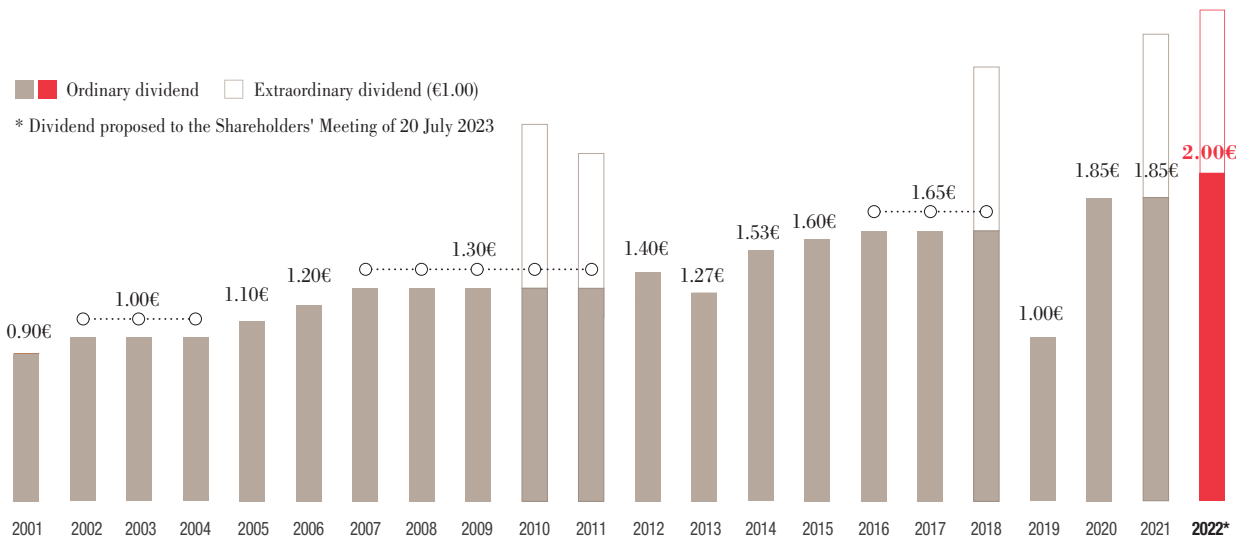
THE GROUP'S STRATEGY HAS BOOSTED THE SHARE PRICE OVER THE PAST FIVE YEARS

Rémy Cointreau shares have risen by 45.1% over the past five years, reflected in an increase of nearly €3 billion in the market capitalisation. This value creation confirms the relevance of the strategy put in place by the Executive Committee and implemented by the Group's employees.



REGULAR DIVIDEND POLICY

Over the past 20 years, the Group has paid an annual dividend which has increased in stages. In addition, it paid an extraordinary dividend of €1.0 per share in respect of 2010/2011, 2011/2012, 2018/2019, 2021/2022 and 2022/2023.







1

NFPS 2022/2023

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1.1 SUSTAINABLE EXCEPTION: OUR CORPORATE SOCIAL RESPONSIBILITY APPROACH

1.1.1 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 threatens the existence of our terroirs.

Our exceptional wines and spirits take root in the soil of our terroirs. We are thus committed, together with our wine-growing and farming partners, to using agroecological practices that fit the climate challenges, to become players in soil resilience and protectors of biodiversity.

Because together, making a difference is possible.

At Rémy Cointreau, the environmental transition is inseparable from a human and social ambition. We are a community of women and men, united by values of respect and excellence. Together, along with our employees, partners, farmers and bartenders, we work to find concrete and sustainable solutions to accelerate our transition.

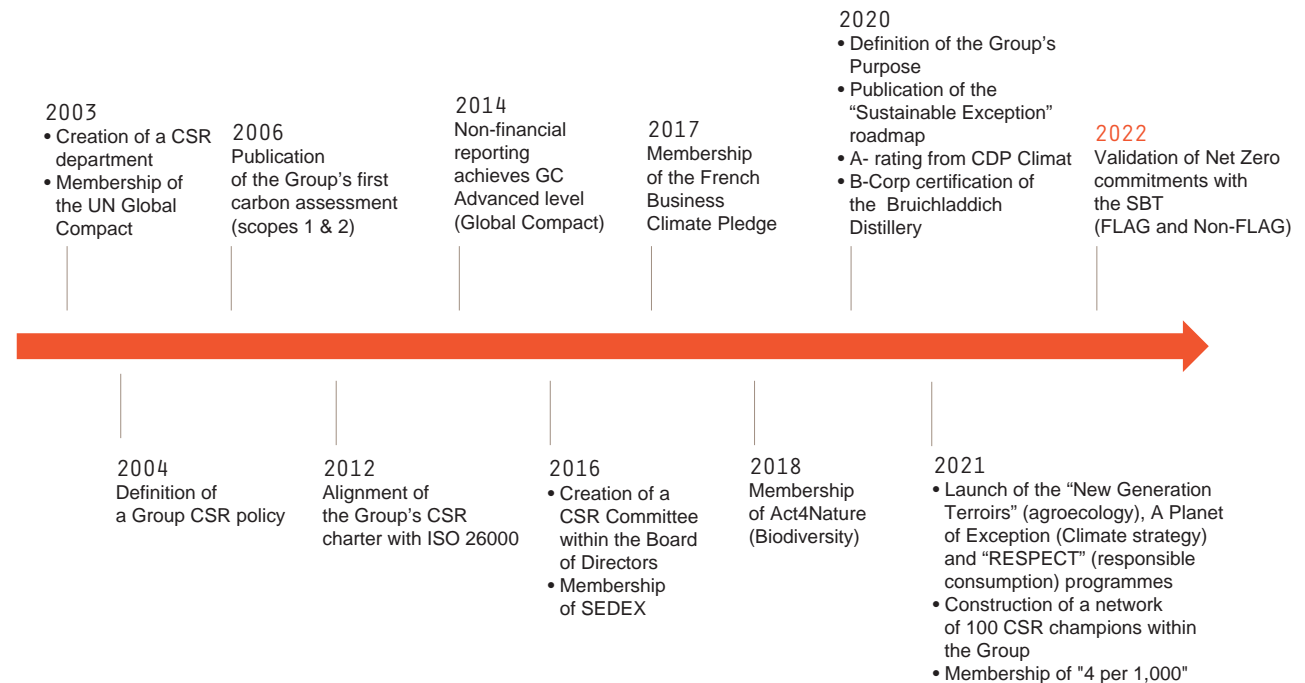
Because positive change needs time.

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-know to the future generation, in all its integrity.

At Rémy Cointreau, we believe that producing exceptional Champagnes and spirits requires us to lead by example, with sincerity and transparency. It is therefore across our entire sphere of responsibility – from our terroirs to the responsible consumption of our products – that we are committed to acting and promoting more sustainable practices.

Rémy Cointreau – Transmitting Sustainable Exception.

HISTORICAL TIMELINE: 20 YEARS OF CSR AT RÉMY COINTREAU



1.1.1.2 TERROIRS, PEOPLE AND TIME, VALUES AT THE HEART OF RÉMY COINTREAU’S BUSINESS MODEL

The secret of Rémy Cointreau’s excellence is based on the quality of its products, and the values rooted in the Group’s DNA. While Rémy Cointreau has always been committed to corporate social responsibility, the international context in recent years has only served to confirm – and strengthen – its resolve. The CSR policy is thus at the heart of its strategic ambition. It must participate fully in the Group’s value creation, while relying on its structural commitment to the Global Compact, of which the Group has been a member since 2003.

“Terroirs, People and Time”; by adopting this emblematic motto from 2017 and then defining its Purpose in 2020 (see below), Rémy Cointreau wanted to demonstrate its irreversible commitment to a cause that it not only wholeheartedly supports, but over-delivers on.

Purpose of the Rémy Cointreau Group

“Rémy Cointreau cares for the terroirs that are essential to its Houses 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.”

Since 2020/2021, Rémy Cointreau has initiated a new profound transformation of its model, in all areas, to adapt to the major changes in the world. Sustainable development is one of the four major pillars of this transformation and a strategic priority for all teams.

The roadmap for its sustainable transformation is entitled “Sustainable Exception”. It is based on its three main values – Preserving our terroirs, Acting for our people and our communities and Committing over time – and targets a series of objectives for 2025, 2030 and 2050.

SUSTAINABLE EXCEPTION



Preserving our terroirs

- Accelerating the agroecological transition on a territorial scale.
- Promoting our soils as carbon sinks in the fight against global warming.
- Investing in research and development to sustainably preserve our terroirs and their specificities.



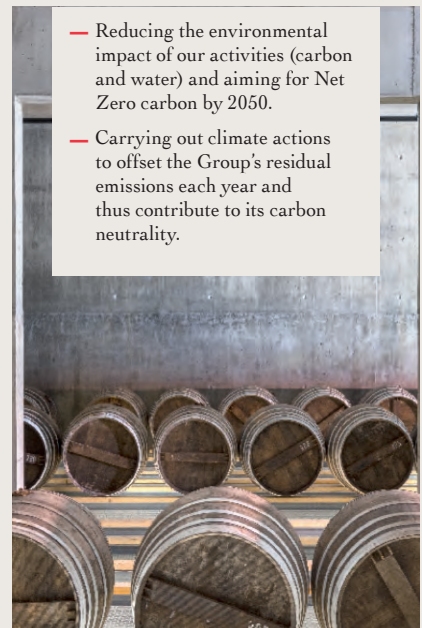
Acting for our People and our communities

- Ensuring responsible, committed and exemplary governance at all levels of the Company.
- Guaranteeing well-being at work and promoting team diversity for greater wealth and creativity.
- Ensuring the transmission of our ancestral know-how and developing a culture of continuous training among our employees.
- Promoting ethical and responsible consumption and communication.
- Engaging with our partners and communities: sharing our values and value creation.



Committing over time

- Reducing the environmental impact of our activities (carbon and water) and aiming for Net Zero carbon by 2050.
- Carrying out climate actions to offset the Group’s residual emissions each year and thus contribute to its carbon neutrality.



1.1.3 GOVERNANCE OF THE CSR APPROACH

It is important that Rémy Cointreau's governance ensures that the CSR policy is an integral part of its overall strategy at all levels of the Group's management, from the Board of Directors to employee management structures.

This is a real challenge for the credibility and reliability of the Group's CSR policy with its employees or external stakeholders. Rémy Cointreau must inspire confidence in its CSR commitments by demonstrating that its CSR strategy is implemented effectively and consistently at all levels of the business.

1.1.3.1 THE VARIOUS CSR GOVERNANCE ENTITIES

Each year, the **Board of Directors** determines Rémy Cointreau's strategic orientations. These include issues related to climate change and, more generally, sustainable development issues. To do this, it relies on the expertise of the Corporate Social Responsibility Committee (CSR Committee).

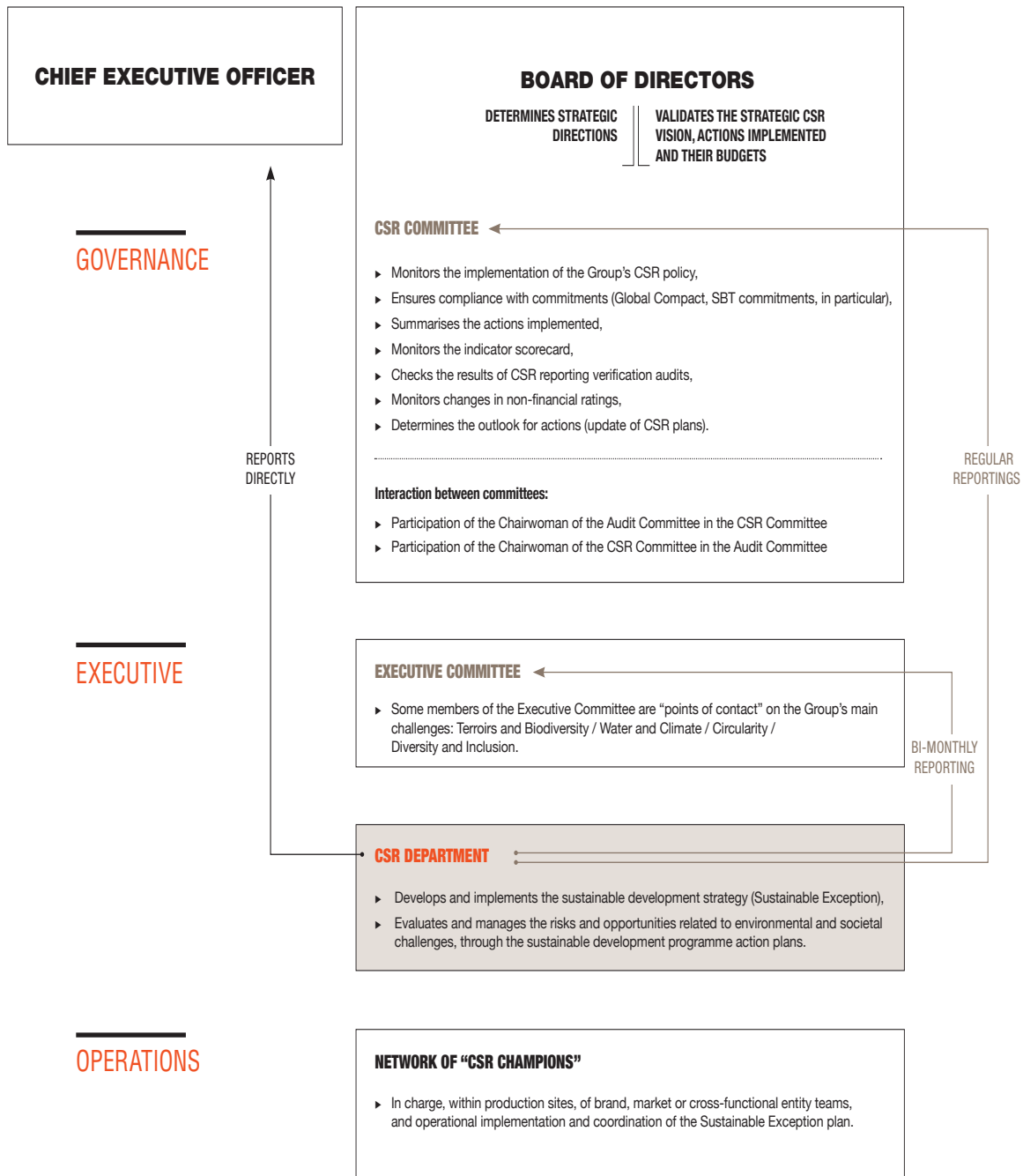
The main role of the **CSR Committee** is to ensure the rollout of the Group's CSR policy. Other tasks include honouring commitments (Global Compact, guidelines and internal CSR Charters, Science Based Targets), reviewing the actions implemented, and monitoring the indicator dashboard, the findings of CSR reporting audits, changes in non-financial ratings and prospects for future action (updating CSR plans).

Executive Committee: as players in this CSR governance, the senior executives who are members of the Rémy Cointreau Executive Committee ensure the effective and operational implementation of the Group's CSR strategy at the highest level. Thus, certain members of the Executive Committee have the role of "officers" on the Group's main challenges: Terroirs and Biodiversity, Water & Climate, Circularity and Diversity & Inclusion. In addition to its operational role, the Executive Committee has allocated significant resources to the Group's sustainable transformation, with €80 million allocated to it since 2021/2022, for its first implementation phase (ten years).

CSR Department: the Head of Corporate Social Responsibility, who reports directly to Rémy Cointreau's Chief Executive Officer, is responsible for developing and implementing "Sustainable Exception", the Group's sustainable transformation strategy. Thus, it assesses and manages the risks and opportunities related to the Group's environmental and societal challenges through the action plans implemented. Lastly, it coordinates the Group's non-financial reporting. It meets with the Executive Committee every two months, at each CSR Committee meeting (three times a year) and regularly with the Board of Directors.

The network of "CSR champions": chosen for their deep convictions in terms of sustainable development, around 100 employees are in charge of the operational deployment and coordination of the Sustainable Exception plan, within the production sites, brand and market teams or cross-functional entities. Their expertise is structured around the Group's three main CSR pillars: Terroirs, People and Time (carbon and water).

Governance CSR



1.1.3.2 SUBJECTS DEALT WITH BY THE COMMITTEE AND THE BOARD OF DIRECTORS DURING THE 2022/2023 FINANCIAL YEAR

In September 2022, one year after the presentation of the Group’s new CSR roadmap, the CSR Department presented an inventory of the actions implemented, as well as future actions, to the Board of Directors.

In addition, the CSR Committee met 3 times during 2022/2023.






The main topics addressed were as follows:

- assessment of the 2021/2022 CSR reporting and the green taxonomy within the framework of the European Non-Financial Performance Statement (NFPS);
- presentation of future regulatory changes (CSRD, taxonomy changes, CSDDD/Duty of care);
- validation of changes to of the Group’s “Net Zero 2050” strategy;
- presentation and validation of the Group’s Biodiversity and Water strategies;
- monitoring of the Group’s climate actions and performance against its SBT targets (FLAG & Non-FLAG).

1.1.3.3 REMINDER OF THE CSR COMPENSATION CRITERIA

The senior executives who are members of Rémy Cointreau’s Executive Committee have a portion of their variable compensation (composed of 50% quantitative criteria and 50% qualitative criteria) indexed to CSR objectives. As detailed in section 3.5.1 of this document, one of the 4 qualitative criteria making up their variable compensation is a CSR objective defined according to the Group’s priority challenges.

In 2022/2023, the CSR objectives of the members of the Executive Committee were linked to the following issues: responsible consumption (SDG 3), diversity & inclusion (SDG 5), circular economy (SDG 12), climate (SDG 13) and adaptation of terroirs & biodiversity (SDG 15). For the members of the Executive Committee who do not have a specific CSR objective, their CSR performance corresponds to the arithmetic average of the specific objectives of the other members.

CHALLENGES	RELATED SDG	MEMBER OF THE EXECUTIVE COMMITTEE WITH A CSR OBJECTIVE RELATED TO THIS CHALLENGE
Responsible consumption		Mrs Elisabeth Tona (CEO Liqueurs & Spirits) Mrs Sophie Phe (CEO China) Mr Nicolas Beckers (CEO Americas) Mr Ian Mc Leron (CEO EMEA, North/South Asia and Travel Retail)
Diversity & Inclusion		Mrs Claire Brugnago (CEO Transformation) Mr Marc-Henri Bernard (Director of Human Resources)
Circular economy		Mr Simon Coughlin (CEO Whisky) Mrs Elisabeth Tona (CEO Liqueurs & Spirits)
Climate		Mr Jean Philippe Hecquet (CEO Cognac division) Mr Simon Coughlin (CEO Whisky) Mr Patrick Marchand (Director of Operations)
Adaptation of terroirs and biodiversity		Mr Jean Philippe Hecquet (CEO Cognac division)

1.1.3.4 INSTILL THE CSR STRATEGY IN ALL EMPLOYEES

The fourth pillar of the Group's transformation, the CSR strategy and actions are regularly shared during presentations to all Group employees, as well as locally at production sites. Each employee is thus made aware, trained and encouraged to fully integrate the sustainable development values advocated by the Group both in their role within the Group, and beyond, in their personal life.

Actions at Group level

- **Omnipresent CSR communication:** CSR is an integral part of the Group's strategy, and is almost always addressed during presentations or webinars by Senior management, CSR, the Houses or the regions.
- **A specific communication channel with "My CSR":** in early 2022, the CSR Department launched a collaborative CSR application, "My CSR", to develop, bring together and share all the CSR assets of the Group and the Houses; to stimulate discussion between employees on CSR news and best practices; as well as to enrich employees' knowledge through educational approaches.
- **Awareness-raising and training actions:**
 - **the climate fresco for all employees:** the Rémy Cointreau Group has begun to roll out the climate fresco to all its employees. During 2022/2023, five frescoes were produced and mainly led by Group employees who were trained as "fresco painters": the Group's top 180 managers, all employees of the Angers site (around 180 people), the House of Mount Gay (around 140 people), the House of Telmont (around 20 people) and the Benelux teams (around 40 people). In total, nearly 560 employees, *i.e.* nearly 30% of the Group, were made aware of the challenges of climate change, its causes and its consequences, thanks to a climate fresco;
 - **rollout of the "calculate your carbon footprint" challenge:** in September 2022, the Group launched a challenge for all its employees, encouraging them to calculate their personal carbon footprint on the basis of various national sites: US, China, France, or the UK;
 - **WeCareAcademy:** the WeCareAcademy training program was designed to mobilise all teams around the "Sustainable Exception" plan. Launched in early 2021 by the House of Rémy Martin and then rolled out Group-wide, this training course is organised around 3 educational and collaborative workshops and focuses on 3 strategic areas for the future: sustainability of the terroirs, eco-design of products and responsible ambassadors;

- **"CSR Meetings":** accessible to all Rémy Cointreau Group employees, these webinars have been designed to offer a progressive and consistent educational experience on sustainable development issues, as well as to share best practices and progress made in terms of CSR by the various Group teams. This year, four conferences were organised:
 - sharing of the best CSR practices within the Group's Supply Chain, in May 2022,
 - launch of the Sustainable Shakers initiative on best CSR practices in the on-trade (hotels, restaurants, bars, *etc.*), in October 2022,
 - sharing of the best CSR practices of the House of Metaxa, in November 2022,
 - how to consume responsibly during the holiday season in December 2022 (webinar led by a nutritionist). sharing of CSR best practices within the Group's Supply Chain in May 2022.

Actions at production site and market levels

- **Action by CSR champions as close as possible to the teams:** CSR champions have been appointed at all our production sites and in our main markets. Most sites have also set up a "CSR COPIL" made up of several champions, who are the intermediaries/spokespersons for the staff in their sector of activity. These champions are responsible for implementing the Group's CSR policy in the best possible way alongside site management, and participate in the validation of practical arrangements for reducing the impact on the environment (waste sorting, consumption, incidents/near misses), report any suggestions for improvements and actively contribute to the Group's annual non-financial reporting.

It is important to note that these champions carry out this mission in addition to their pre-existing positions. They are therefore employees genuinely committed to the cause of the Company's sustainable transformation, and who embody the Group's sincere action at all levels.
- **CSR days:** CSR days are regularly organised at sites and in markets in order to raise employee awareness of the Group's sustainable transformation, and to share the actions implemented in this direction. During 2022/2023, five CSR days were organised: in April 2022 for the employees of the Angers site, in October 2022 for the employees of the House of Telmont, in November 2022 for the Benelux sales team, and in March 2023 for the employees of the House of Mount Gay (Barbados) and teams based in China.

1.1.3.5 PRODUCTION SITE CERTIFICATIONS, A CONTINUOUS IMPROVEMENT APPROACH

The certification of the Group's production sites is part of a continuous improvement approach, initiated by the Angers site in 1994. It enables all site employees to be mobilised around this progress approach: it provides structure to the definition and monitoring of indicators and, as such, is a powerful tool in the Group's CSR approach.

PRODUCTION SITE CERTIFICATION

Certification dates	Cognac	Angers	Bruichladdich	DdHG	Mount Gay	Westland
% of total employees in 2022/2023	20%	11%	6%	1%	5%	1%
1994		ISO 9002 (Quality)				
2001		ISO 14001 (Environment)				
2003		ISO 9001 (Quality) ⁽²⁾				
2004		OHSAS 18001 (Health/Safety)	Organic and biodynamic production ⁽⁴⁾			
2005	ISO 9001 (Quality) ⁽¹⁾ and 14001 (Environment)					
2008		ISO 22001 (Food safety) ⁽²⁾ Carré Cointreau – Tourism Quality Label ⁽²⁾ (includes CSR commitments)				
2010	ISO 22001 (Food safety) ⁽¹⁾					
2015					ISO 9001 (Quality) ⁽¹⁾	
2016			ISO 9001 (Quality) ⁽³⁾			
2018					ISO 22001 (Food safety) ⁽¹⁾	
2020		ISO 45001 (Health/Safety) ⁽²⁾	B-Corp certification Organic production and labelling of organic products ⁽⁴⁾	Organic production and labelling of organic products ⁽⁴⁾		Envirostar certification (Washington State, US)
2022	AFNOR NF Environnement “Visitor sites”				Bonsucro Chain of custody V5.1 ⁽²⁾	

(1) Last renewal audit in 2021 (next in 2024).

(2) Last renewal audit in 2022 (next in 2025).

(3) Last audit in 2022 (next in 2024).

(4) Annual audit.

NB: the eaux-de-vie storage site in Cognac is classified as Seveso High Threshold on account of the quantities of eaux-de-vie ageing. The site is subject to a comprehensive Safety Management System (SMS).

1.1.4 PROVEN NON-FINANCIAL PERFORMANCE

1.1.4.1 GROUP NON-FINANCIAL RATINGS

The need for transparency towards customers and all stakeholders requires the Group to respond regularly to requests for information on socially responsible investment (SRI) and non-financial ratings. The level of these scores reflects the authenticity of the Group's commitments and actions.

The main ratings in 2022/2023 were as follows:

Ratings	Score 2020/2021	Score 2021/2022	Score 2022/2023	Date obtained
Vérité40 Score Carbone Axylia	-	A	A	06/2022
Sustainalytics ESG Rating	Medium risk of 24.2	Medium risk of 24.7	Medium risk of 24.7	06/2022
Gaia Rating by Ethifinance	77/100	79/100	85/100 ⁽¹⁾	12/2022
Humpact	-	4 stars (out of 5)	4 stars (out of 5)	02/2023
CDP Climate Change	A-	A-	A-	12/2022
CDP Water Security	B	B	B	12/2022
MSCI ESG Rating	A	AA	AA	11/2022

(1) The calculation methodology used for Ethifinance's Gaia rating was changed in 2022; the figures presented in this table are all based on the same methodology (2022).

1.1.4.2 CSR AWARDS RECEIVED

Rémy Cointreau regularly receives awards, also attesting to the merits of its CSR strategy, from various types of external stakeholders. In 2022/2023, the Group received three awards:

Awards	Category	Awarded by	Date
Most responsible French company (No. 1)	Agri-food sector	Le Point/Statista ranking	11/2022
Supplier Engagement Leader ⁽¹⁾	Top 8% of companies	The Carbon Disclosure Project (CDP)	03/2023
Award for Best Sustainable Transformation	SMEs/ISEs	Leaders League, at the 1 st edition of the Sustainable Transformation Summit	03/2022

(1) Recognition of the effectiveness with which Rémy Cointreau engages its suppliers in the fight against climate change.

1.2 ANALYSIS OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO ESG CHALLENGES

1.2.1 GROUP DOUBLE-MATERIALITY ANALYSIS

1.2.1.1 DOUBLE-MATERIALITY ANALYSIS PROCESS

To carry out this work, Rémy Cointreau was supported by an expert firm, which itself relied on an internal steering committee bringing together qualified executive profiles from various departments (CSR, purchasing, finance, risk).

Involved at each structuring stage of the process, the body provided the necessary insights for the proper assessment of the realities on the ground, while contributing to the iterations necessary for the company to take ownership of the approach.

1. Methodological approach

The methodological approach adopted for the CSR double materiality matrix relies heavily on the regulatory framework that will come into force in 2024 via the European Corporate Sustainability Reporting Directive (CSRD) aimed at establishing a common framework for companies' non-financial reporting.

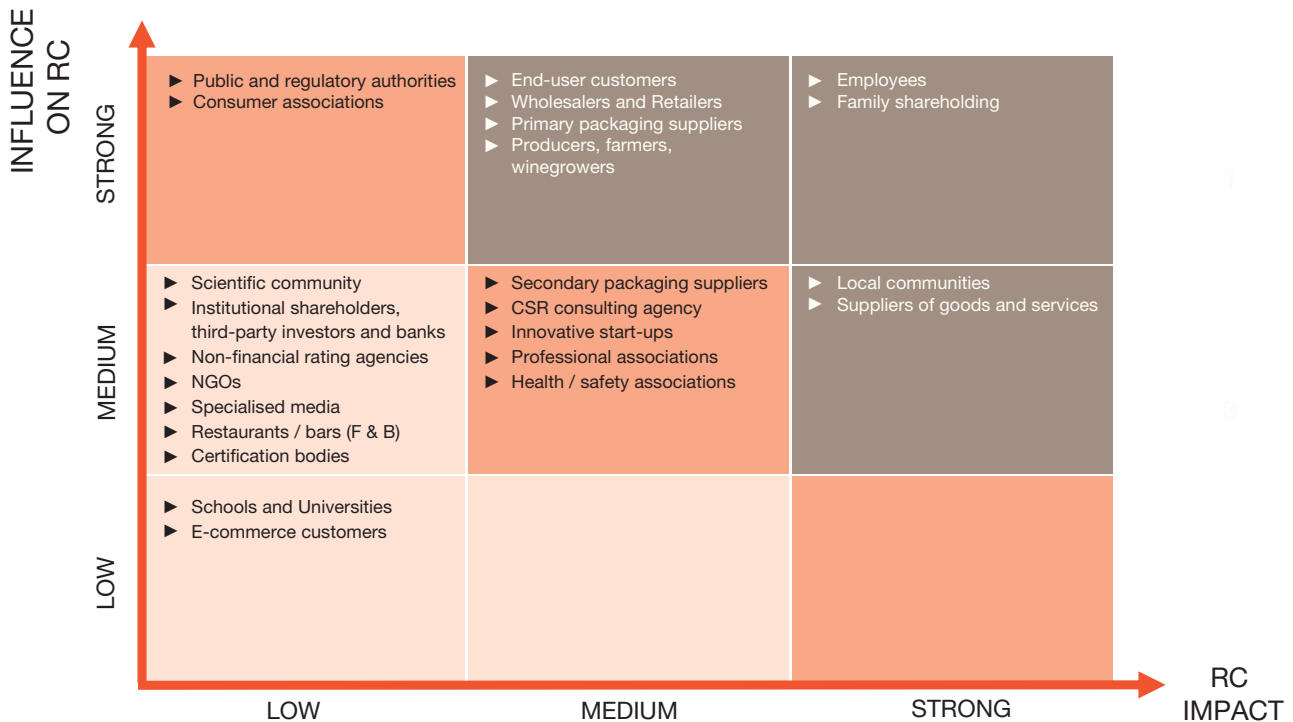
This methodology therefore intends to respond to at least as much to the spirit as to the letter of a text whose operational translation will involve the gradual convergence of practices and additional clarifications in the coming years.

2. An approach fueled by dialogue with our stakeholders

The materiality exercise was preceded by an analysis of the stakeholders concerned. Within the meaning of the CSRD, this includes people affected by the Group's activities as well as those interested in the Group's sustainability information (investors, regulators, etc.).

In terms of granularity, the entire value chain of the company and the associated stakeholders were taken into consideration. The various time horizons (short, medium and long term) were also taken into account.

Chart of Rémy Cointreau's stakeholders



3. Selection of challenges

The CSR issues selected are analysed from the perspective of double materiality (ESG impacts on the Group and the Group's ESG impacts). This principle is a central element of the European regulator's approach to the structuring of future CSR strategies. It involves thinking about the issues in terms of associated risks and opportunities.

In early December 2022, EFRAG finalised a framework (European Sustainability Reporting Standards – ESRS) which maps around ten themes on which companies will be expected to report in their future non-financial publications. By clearly distinguishing, for each theme, the so-called sector agnostic issues (cross-sectoral), the so-called sectoral issues and those specific to the company. The challenges selected for the materiality matrix cover all the themes listed by the ESRS published by EFRAG.

These generic themes have been translated into a list of some 20 qualified issues. The trade-offs relating to this selection from a more exhaustive list of challenges are documented. For each

challenge, the related impacts, risks and opportunities have been identified on each of the two levels of materiality. Both challenges that have already materialised and emerging issues were taken into account at the identification stage. These different horizons informed the initial reflection; however, they did not intervene in the rating.

Nine sub-challenges of the CSRD were not retained for the double materiality analysis:

- due to the absence of any direct link with the Group's business: air pollution, substances of very high concern, water discharge into the oceans and impact on marine biodiversity, animal welfare;
- due to their limited impact on the Group (and *vice versa*): civil and political rights of communities, specific rights of indigenous communities, social inclusion of consumers and/or end-users.

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Challenges selected for the double materiality matrix (according to the CSRD classification)

ENVIRONMENT	SOCIAL	SOCIETAL	GOVERNANCE
<ul style="list-style-type: none"> • Carbon footprint and limitation of GHG emissions • Adaptation to the consequences of climate change • Preservation of biodiversity • Responsible management of water and liquid waste • Circular economy, sustainable packaging and waste management 	<ul style="list-style-type: none"> • Attracting and retaining employees • Working conditions and employee well-being • Employee health and safety • Skills development • Social dialogue • Diversity and equal opportunities 	<ul style="list-style-type: none"> • Duty of care and responsible purchasing • Promotion of responsible consumption • Transparency, traceability and quality of products • Customer relationship and satisfaction • Local integration • Preservation of heritage and know-how 	<ul style="list-style-type: none"> • Responsible digital management • Responsible lobbying • Responsible governance and business ethics

4. Double materiality

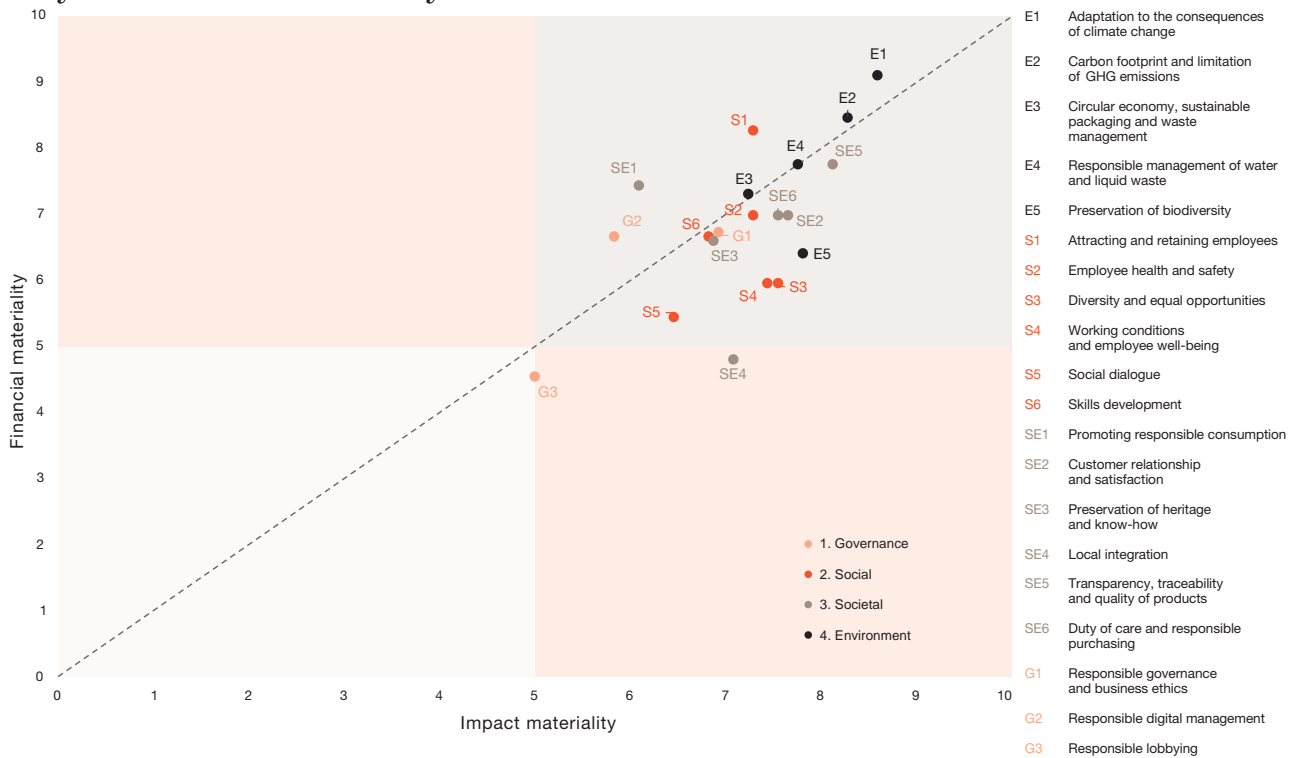
The double materiality matrix proposed in this document is the result of a double rating:

- rating in terms of impacts on stakeholders (= impact materiality): carried out by means of a quantitative survey, sent to representatives of the main external stakeholders identified in the chart;
- rating in terms of impacts on the company (financial materiality): carried out by means of a quantitative survey sent to internal representatives: members of the Group’s Senior management/Executive Management.

These quantitative surveys were supplemented by interviews with some of these stakeholders and provided qualitative information to supplement and, where necessary, explain the quantitative results obtained.

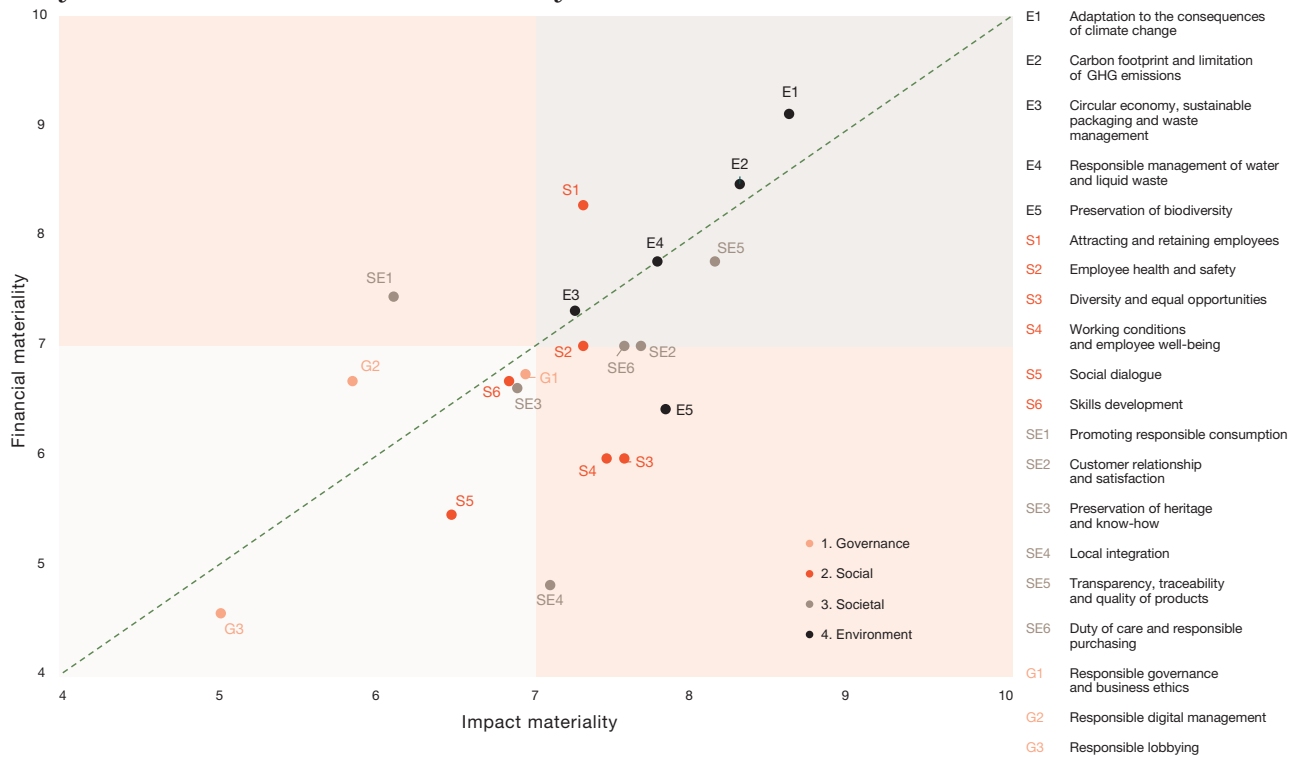
However new it may be in its approach, this double materiality analysis reinforces the Group’s identification of its priority challenges (from previous materiality analyses).

Rémy Cointreau: a double materiality matrix



This double-materiality analysis highlights 20 material priorities for the Group, and seven absolute priorities in terms of the sustainability of its activities, as well as the impact (positive or negative) on the planet and society.

Rémy Cointreau: focus on the double materiality matrix



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1.2.1.3 MAIN RISKS IDENTIFIED

The main environmental, social, human rights and corruption risks associated with the main issues identified above can thus be grouped into three global risks:

- **climate:** the Group’s ability to reduce its carbon impact (global risk, risk of carbon taxation and a restrictive regulatory framework);

- **environment:** quality of agricultural supply in a context of climate change, deterioration of biodiversity and lack of water (risk of availability and quality of agricultural raw materials and water for the production of products);
- **responsible consumption:** acceptability of alcohol by society (risk related to the health of our employees and customers).


Other risks, of which the Group is not currently aware or does not consider to be main as of the date of this document, could, if applicable, have an adverse financial impact.

1.2.2 OUR CONTRIBUTION TO THE UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

Rémy Cointreau’s membership of the Global Compact in 2003 was one of the foundation elements of the Group’s CSR commitments. Since then, Rémy Cointreau has maintained its commitments in the areas of human rights, labour standards, the environment and the fight against corruption.

In July 2022, for the 8th consecutive year, Rémy Cointreau was awarded the GC Advanced Qualification for its annual CSR reporting. This is the highest level of recognition awarded by the Global Compact, and attests to the strength of the Group’s commitment. The practical integration of the SDGs into the Group’s CSR challenges and the actions taken in the context of responsible purchasing management were highlighted as some of the strengths of the Group’s CSR strategy.






1.2.3 A ROADMAP TO MEET ESG CHALLENGES

Materiality matrix challenges	CSRD correspondence	Rémy Cointreau's challenges	Risks for the Group/ potential negative impacts for its stakeholders
ENVIRONMENT			
<p>Adaptation to the consequences of climate change and preservation of biodiversity</p> 	<p>ESRS E1 – Climate change ESRS E4 – Biodiversity and ecosystems</p>	<p>Anticipation of the impacts of climate change on the Company's activity (warming and extreme climate events) and its global environment (regulations, taxation, etc.).</p> <p>Agroecological transition of regions (agricultural practices with a positive impact on the climate and biodiversity).</p> <p>Integration of crops into landscapes and natural environments (e.g. limiting the use of pesticides, spotlighting grassed areas and wooded areas, development of habitats for fauna, etc.).</p>	<p>Activities dependent on agricultural/wine production particularly exposed to the effects of climate change (increased sunshine, repeated and prolonged periods of drought or the frequency of climatic events such as late frost).</p> <p>Impacts of agricultural practices on soils.</p> <p>Importance for the Group of preserving ecological diversity (ecosystems), specific diversity (species) and genetic diversity (genes).</p> <p>The observed deterioration of these various components of biodiversity is a risk for the sustainability of the Group's terroirs, and thus the production of its agricultural raw materials (cereals, grapes, sugar cane, oranges, wood, etc.).</p> <p>Company reputation in relation to deforestation.</p>
<p>Carbon footprint and limitation of GHG emissions</p> 	<p>ESRS E1 – Climate change</p>	<p>International industrial activity generating GHG emissions (related to agricultural practices, distillation, manufacturing and logistics).</p> <p>Contribution to the global effort (well below 2 °C): reduction of the Company's carbon footprint and promotion of soil as a solution (carbon sink).</p>	<p>The Group's ability to reduce its carbon impact (global risk, risk of carbon taxation and a restrictive regulatory framework).</p> <p>Indirect consumption of fossil fuels for distillation, packaging production (glass in particular) and logistics/transport.</p>

Opportunities for the Group or its stakeholders	Policies in place	Indicators	Performance 2022/2023	Purpose	NFPS section
Support for producers towards sustainable and regenerative agricultural practices (adaptation of their terroirs).	“New generation terroirs” programme (environmental certifications, implementation of regenerative farming practices and R&D investments to identify climate-/disease-resistant varieties).	Group’s essential agricultural land engaged in responsible and sustainable agricultural certification.	82%	2024/2025: 100%	1.3.1
Promotion of soils as a “carbon sink” (4 Per1000 partnership).	Biodiversity programmes in the Group’s Houses. Partnership with Act4Nature international (promotion of practices in favour of biodiversity). “Zero Deforestation” commitment to SBTi/FLAG.	Direct farming partners trained in regenerative agriculture.	2%	2030/2031: 100%	
		Houses that have at least one “biodiversity project”.	70%	2024/2025: 100%	
		New barrels purchased by the Group certified FSC or PEFC.	94%	2024/2025: 100%	
Credible low-carbon trajectory, attractiveness to ESG investors and, more generally, to stakeholders.	Analysis of physical and transition risks related to climate change. Annual calculation of the Group’s carbon footprint (3 scopes).	CO ₂ emissions – Scopes 1, 2 & 3, in TCO ₂ eq	151,141 TCO ₂ eq	Annual monitoring	1.3.2
Possible economic gains related to energy sobriety.	Commitment to a Net Zero Scenario + 1.5 °C trajectory, validated by the SBTi.	Change in CO ₂ emissions - Scopes 1, 2 & 3, in intensity, in %.	+4% (-5% over 2021-2023)	2030/2031: -50%	
Carbon storage/capture as a source of potential revenue.	Development of an internal carbon culture.	Change in CO ₂ emissions - Scope 3, in absolute terms, in %.	+1%	Annual monitoring	
Promotion of soil as a “carbon sink” (4 Per 1000 partnership).	Development of tools: measure to manage the CO ₂ trajectory. Actions on the four main levers: <ul style="list-style-type: none"> • packaging; • energy efficiency and renewable energies; • low-carbon agriculture; • low-carbon transport. 	Change in CO ₂ emissions - Scopes 1, 2 & 3, subject to an SBT target, in absolute terms, in %.	-6% (+4% over 2021-2023)	2030/2031: -27%	
		Total energy consumption, in MWh.	47,703 MWh	Annual monitoring	
		Rate of renewable energy consumption, in %.	38%	2030/2031: 100%	
	Contribution to the Group’s carbon neutrality.	CAPEX aligned and eligible with the green taxonomy.			

Materiality matrix challenges	CSR D correspondence	Rémy Cointreau's challenges	Risks for the Group/ potential negative impacts for its stakeholders
<p>Circular economy, sustainable packaging and waste management</p> 	<p>ESRS E5 – Resource use and circular economy</p>	<p>Production of packaging and consumption of associated raw materials (glass and cardboard).</p> <p>Emergence of new modes of consumption, promoting reuse.</p> <p>Generation of waste related to products and packaging.</p> <p>Waste from production sites sent to “material” or energy recovery channels.</p>	<p>Scarcity of raw materials and rising prices.</p> <p>Regulatory change towards greater circularity of containers.</p>
<p>Management of water and liquid waste</p> 	<p>ESRS E3 – Water and marine resources</p>	<p>Water consumption related to industrial activity (distillation) and importance of water quality for its use in certain Group products.</p> <p>Water requirement (occasional watering or irrigation) for the cultivation of certain agricultural raw materials.</p> <p>Prevention in areas of water stress.</p> <p>Liquid waste (discharged water) related to the industrial process.</p> <p>Importance of wastewater treatment before discharge into the natural environment.</p> <p>Recovery of vinasse (rich in organic matter).</p>	<p>Quality of agricultural supply in a context of climate change and water scarcity.</p> <p>Risk relating to availability, additional costs and quality of water for the production of products.</p> <p>Control of water consumption in areas of water stress.</p> <p>Risk of pollution by liquid waste.</p>
SOCIAL			
<p>Attracting and retaining employees</p> 	<p>ESRS S1 – Own workforce</p>	<p>Pressure on human resources and certain key skills (historical know-how).</p> <p>Maintaining a capacity for innovation and expertise.</p> <p>Know-how essential to the production of exceptional products passed down from generation to generation.</p>	<p>Pressure on certain key skills.</p>
<p>Working conditions and employee well-being</p> 	<p>ESRS S1 – Own workforce</p>	<p>Optimised working conditions across all of the Group's business lines.</p> <p>Close attention paid to the way employees feel in order to embody the Group's values of care and excellence.</p>	<p>Increase in turnover, absenteeism and workplace accidents.</p> <p>Remote working measures may have disrupted social ties and the work-life balance of employees.</p>




Opportunities for the Group or its stakeholders	Policies in place	Indicators	Performance 2022/2023	Purpose	NFPS section
<p>Positive reputational impact (sustainable and innovative packaging).</p> <p>Emergence of new modes of consumption, promoting reuse.</p>	<p>Eco-design of products: 3Rs policy.</p> <p>Waste management policy (reduction and recovery).</p>	Percentage of products having benefited from an eco-design action.	67%	2024/2025: 80%	1.3.3
		Percentage of products sold without secondary packaging, in %.	78%	2024/2025: 85%	
		Tonnes of waste.	2,548 t	Annual monitoring	
		Waste recovery rate in %.	94%	2024/2025: 99%	
<p>Support for farming partners in responsible water management (implementation of agroecological practices and recovery of vinasse).</p>	<p>Analysing the Group's overall water footprint (3 scopes).</p> <p>Ensuring the availability and quality of water.</p> <p>Managing liquid waste discharges.</p>	Water consumption in m ³	259,977 m ³	Annual monitoring	1.3.4
		Rate of vinasse recovery from distillation, in %	37%	2024/2025: 70%	
		Liquid waste discharges (m ³)	219,092 m ³	Annual monitoring	
Social and societal aspects					
<p>Organisation aligned with new ways of working and expectations.</p>	<p>Employee shareholding plan "My Rémy Cointreau".</p>	Turnover, in %.	13.3%	2024/2025: <17%	1.4.1.1
		Average age.	41 years old	Annual monitoring	
		Seniority.	7.4 years	Annual monitoring	
<p>Positive contribution to the employer brand.</p>	<p>Work-life balance.</p> <p>Working from home charter.</p> <p>Actions in favour of parenthood.</p>	Remote working rate in France, in %	57%	Annual monitoring	1.4.1.2

Materiality matrix challenges	CSR D correspondence	Rémy Cointreau's challenges	Risks for the Group/ potential negative impacts for its stakeholders
<p>Employee health and safety</p> 	<p>ESRS S1 – Own workforce</p>	<p>Certain operational and agro-industrial businesses may be subject to physical or psychosocial accidents.</p>	<p>Rémy Cointreau employees and service providers working on production sites may be exposed to occupational injuries. The Group could thus suffer damage to its reputation and operational difficulties.</p>
<p>Skills development</p> 	<p>ESRS S1 – Own workforce</p>	<p>Maintaining high value-added know-how and expertise at the heart of the Group's business over time.</p> <p>Developing a culture of continuous training among employees, guaranteeing their employability.</p> <p>Moving towards new innovative practices.</p>	<p>Risk of deterioration of certain know-how which may result in a loss of capacity for innovation and competitiveness.</p>
<p>Diversity and equal opportunities</p> 	<p>ESRS S1 – Own workforce</p>	<p>Guarantee of fair representation of employment catchment areas in the regions where the Group is located.</p> <p>Gender equality.</p> <p>Hiring of people with disabilities.</p> <p>Non-discrimination in hiring.</p>	<p>Lack of appeal and reputation of the Company.</p>
<p>Social dialogue</p> 	<p>ESRS S1 – Own workforce</p>	<p>Internal cohesion.</p> <p>Co-construction of the corporate project.</p> <p>Fluidity and transparency of information.</p>	<p>Loss of business continuity, social unrest and reputational risks.</p>
SOCIETAL			
<p>Duty of care and responsible purchasing</p> 	<p>ESRS S2 – Workers in the value chain ESRS G1 – Business conduct</p>	<p>Responsible purchasing: support for the dissemination of virtuous practices throughout the value chain as part of the duty of care.</p> <p>Qualification of suppliers and service providers according to ESG criteria.</p> <p>Definition of environmental and social requirements and verification of practices throughout the value chain.</p>	<p>The Group's supply chains are broad and diverse (from agricultural raw materials to glass and packaging).</p> <p>Rémy Cointreau may be legally involved if certain practices of its suppliers do not comply with human rights, environmental standards or the main principles of business ethics.</p> <p>These risks could damage its reputation, lead to financial losses and engage its legal liability.</p>

Opportunities for the Group or its stakeholders	Policies in place	Indicators	Performance 2022/2023	Purpose	NFPS section
	Environmental, health and quality policies in all Group's production sites.	Absenteeism, in %.	2%	2024/2025: <4%	1.4.1.3
	Health check-up for all french employees.	Workplace accident frequency rate.	13	2024/2025: <9	
		Workplace accident severity rate.	0.1	2024/2025: <0.3	
Maintaining differentiating know-how and soft skills.	Skills and career development plans. Internal mobility policy. Induction pathways.	Percentage of employees completing at least one training course per year, in %.	81%	2024/2025: 80%	1.4.1.4
	Succession plans (key positions).	Number of training hours per employee.	17.2 hours	Annual monitoring	
A good diversity and equal opportunities strategy strengthens the expertise within the teams, as well increases the capacity for innovation.	Non-discrimination policy. Equity and gender parity. Diversity promotion. Policy for the inclusion of people with disabilities. Apprenticeships.	Percentage of female/male managers, in %.	46%	2024/2025: 50%	1.4.1.5
		Gender equality index, scored out of 100 (France).	89/100	2024/2025: 90/100	
		Percentage of training for women/men, in %.	48%	2024/2025: 50%	
		Percentage of women on the Executive Committee, in %.	33%	2024/2025: 40%	
Internal cohesion.	Collective agreement policy in all areas of negotiation (France). Information transparency.	Number of meetings between management and representative bodies of the Economic and Social Unit in France.	24	Annual monitoring	1.4.1.6
Ethics aspects					
Long-term contractual commitments.	A requirement for SEDEX (or equivalent) membership in the Group's purchasing procedure.	Percentage of strategic suppliers with a proactive CSR approach, in %.	83%	2024/2025: 100%	1.4.2.1
Resilience of the value chain and risk mitigation/proactive approach.	SMETA audit requirement (less than 3 years old) for strategic suppliers.	Percentage of strategic suppliers who are SEDEX members and have completed the entire self-assessment questionnaire, in %.	87%	2024/2025: 100%	
Positive training capacity (training, awareness-raising, support).	Collective work on reducing the carbon footprint of glass suppliers.				

Materiality matrix challenges	CSRD correspondence	Rémy Cointreau's challenges	Risks for the Group/ potential negative impacts for its stakeholders
<p>Promoting responsible consumption</p> 	<p>ESRS S4 – Consumers and end-users</p>	<p>Responsible consumption: high-end positioning of the Group's products and value strategy leading to priority given to quality and price (rather than volumes).</p> <p>Prevention of the harmful effects of excessive alcohol consumption on the health of employees and consumers.</p> <p>Relations with consumer/public health associations. Responsible communication and marketing.</p>	<p>Binding regulatory and fiscal framework.</p> <p>Acceptability of alcohol by society.</p> <p>Activity-related alcohol consumption.</p>
<p>Transparency, traceability and product quality</p> 	<p>ESRS S4 – Consumers and end-users ESRS G1 – Business conduct</p>	<p>Duty to set an example in terms of product traceability and quality.</p>	<p>The quality of Rémy Cointreau products could be subject to imperfections (toxic contamination, alteration of taste, incorporation of foreign bodies into the bottles, etc.) without this being detected.</p> <p>Such a situation could result in health risks, reputational damage, financial risks and product recalls.</p>
<p>Customer relationship and satisfaction</p> 	<p>ESRS S4 – Consumers and end-users</p>	<p>Ongoing relationship with all of the Group's customers.</p> <p>Increasing digitisation and use of new distribution channels. Satisfaction measurement and monitoring.</p> <p>Co-construction of innovative distribution solutions.</p>	<p>Brand image and loss of attractiveness with retail partners.</p> <p>Launch of a poorly understood eco-designed action/innovation.</p>
<p>Local integration</p>  	<p>ESRS S3 – Affected communities</p>	<p>Sustainable economic development of the regions in which the Group operates.</p> <p>Support for local associations and communities.</p> <p>Involvement with schools and universities.</p>	<p>Lack of attraction and reputation of the company.</p> <p>Deteriorated relationship with local public authorities and loss of acceptability of the activity.</p>
<p>Preservation of heritage and savoir-faire</p>  	<p>ESRS S2 – Workers in the value chain ESRS S3 – Affected communities</p>	<p>Historical expertise and know-how to be preserved both with employees and in the value chain.</p> <p>Preservation of intangible capital (brands, protected geographical origins).</p> <p>Mission of the Foundation.</p>	<p>Increasing number of entrepreneurial initiatives in the sector, with the creation of small independent distilleries.</p>

Opportunities for the Group or its stakeholders	Policies in place	Indicators	Performance 2022/2023	Purpose	NFPS section
Structural moving upmarket of the wines & spirits market. Development of demand for lower-alcohol cocktails.	RESPECT programme (responsible consumption). Responsible communication policy.	Percentage of employees having completed an e-learning course on responsible consumption, in %.	59%	2024/2025: 100%	1.4.3.1
Full transparency and traceability in the production chain for our wines and spirits could further strengthen our customers' loyalty.	Quality management and certifications used in production subsidiaries. Labelling of bottles with codes or batch numbers. Complete information on labels and brand websites.	Number of "justified" client claims	22	Annual monitoring	1.4.3.2
Differentiating actions and innovations in a competitive environment.	Annual internal scoring policy, aimed at assessing the level of satisfaction of retail customers with the group.	Distributor satisfaction score	17.3/20	Annual monitoring	1.4.3.3
Strengthening of the Group's employer brand and attractiveness.	Financial support for communities in the form of sponsorship. Concrete actions with local communities. "Sustainable shakers" programme (on-trade partners).	Rate of sites with at least one action in favour of their region, in %.	100%.	2024/2025: 100%	1.4.3.4
National and international gastronomic heritage.	Hospitality tours in all production sites. The Rémy Cointreau Foundation.	An indicator will be defined in 2023/2024.			1.4.3.5

Materiality matrix challenges	CSRD correspondence	Rémy Cointreau's challenges	Risks for the Group/ potential negative impacts for its stakeholders
BUSINESS ETHICS			
<p>Responsible governance and business ethics</p> 	<p>ESRS G1 – Business conduct</p>	<p>Integration of a business ethics approach into the Group's overall strategy at all levels of management, from the Board of Directors to team management structures.</p> <p>Whistleblowing system accessible both internally and externally.</p>	<p>Given the international dimension of its activities, Rémy Cointreau may be exposed to compliance issues related to laws, as well as to various regulatory and tax changes.</p>
<p>Responsible digital management</p> 	<p>ESRS G1 – Business conduct</p>	<p>Increasing digitisation, in the Group's operations, the distribution of products and customer relations.</p> <p>Collection and management of personal data.</p> <p>Optimisation of the carbon footprint related to digital activities.</p>	<p>As the Group is developing rapidly in the digital sector, it may be exposed to reputational risks in the event of non-confidentiality of personal data.</p> <p>Risks of cyberattacks and ransoms.</p> <p>Increased weight of digital activities in the Group's carbon footprint.</p>
<p>Responsible lobbying</p> 	<p>ESRS G1 – Business conduct</p>	<p>Alignment of lobbying practices with the Company's CSR values and commitments.</p>	<p>Conflict of interest between the Group's alcohol activities and public health policies.</p>

Orange: fundamental challenges
Taupe: major operational challenges
Green: additional challenges

Opportunities for the Group or its stakeholders	Policies in place	Indicators	Performance 2022/2023	Purpose	NFPS section
				Ethics aspects	
	Business ethics and tax policy: see chapter 2.4.	Number of alerts	8	Annual monitoring	1.5.1
Adequate targeting of potential customers and prospects <i>via</i> data.	Personal data protection policy. Signatory of the Planet Tech Care (IT) manifesto.	Group digital carbon footprint, in TCO ₂ eq	1,409 TCO ₂ eq	Annual monitoring	1.5.2
Financing obtained by public institutions (player in the energy and environmental transition).	Indirect lobbying policy (through professional associations).	An indicator will be defined in 2023/2024.			1.5.3

1.3 ENVIRONMENTAL COMMITMENTS

1.3.1 SUSTAINABLE AGRICULTURE: ADAPTING THE TERROIR AND PROTECTING BIODIVERSITY (SDG 15)

Governance

Vision and policy: the Group's Chief Executive Officer and Head of CSR oversee Rémy Cointreau's environmental strategy in terms of sustainable agriculture.

In collaboration with the Terroirs CSR Department and the Operations Department, they design and implement the sustainability strategy for the terroirs. They define the roadmap according to the main challenges identified and draw up an action plan.

Risk identification process: the development of the strategy is based on the process of identifying environmental risks and impacts, resulting from the analyses regularly carried out by the CSR (sections 1.2.1 and 1.2.3) and Operations departments, as well as the Audit, Compliance and Insurance departments.

Review and validation: the review and implementation of this strategy are, as for other sustainability topics, part of the responsibilities:

- of the Board of Directors and the CSR Committee;
- the Executive Committee, in particular through a “contact officer” dedicated to the challenges of preserving terroirs and biodiversity (CEO of Bruichladdich).

Implementation: the terroir sustainability strategy is implemented in coordination with the Terroirs CSR Department and the Operations Department, in order to be adapted to specific local issues and challenges:

- a “Terroir Adaptation and Biodiversity Preservation Steering Committee” was created in early 2023 (bringing together the Terroir managers of the Group's various Houses). It is responsible for identifying any new physical risks for the Group's Terroirs, discussing the actions to be implemented to follow the roadmap, identifying relevant indicators to measure the efficiency of its implementation and measuring the effectiveness on the adaptation of the terroirs;
- the Terroir and Purchasing CSR champions are responsible for implementing the terroir sustainability strategy across all of the Group's sites as well as in the countries where the main agricultural raw materials are sourced.

Compensation criteria: the compensation of almost all players in this governance is directly linked to CSR objectives related to the sustainability of the terroirs and the preservation of biodiversity (at least one variable compensation criterion).

In 2022/2023, within the Executive Committee, the Group Chief Executive Officer, the Chief Financial Officer and the CEO of the Cognac division receive variable compensation directly or indirectly linked to the achievement of concrete objectives on the sustainability of the terroirs and the preservation of biodiversity (United Nations Sustainable Development Goal 15).

1.3.1.1 ADAPTATION OF TERROIRS TO THE CONSEQUENCES OF GLOBAL WARMING

Challenges and impacts

All our Houses have their roots in the land and our spirits have the taste of their terroir. Vines, orange trees, sugar cane, barley and plants are the source of our exceptional spirits. In the current context of climate change, the major, potentially existential, challenge for the Rémy Cointreau Group is to preserve and sustain the production of its agricultural raw materials in the years and centuries to come.

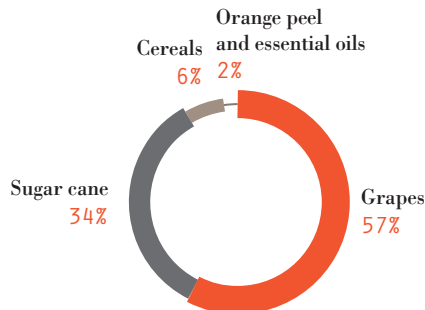
The Group also wants to promote its soils as allies in the fight against global warming, through agricultural practices that have a positive impact on reducing greenhouse gas emissions and restoring biodiversity.

Lastly, the Group's challenge is to protect and transmit wine and agricultural know-how. To do this, it aims to support its partners over the long term, to develop their practices and to better value the results of their work.

The Group's agricultural footprint

Rémy Cointreau's environmental footprint is estimated at around 21,000 hectares (estates belonging to the Group and conversion into hectares of the quantities of agricultural materials purchased from third parties), of which 57% are grapes (from all French winegrowing regions, in particular AOC Cognac and AOC Champagne), 34% sugar cane (mainly from Barbados and the Dominican Republic), 6% cereals (from Scotland, Trièves in the French Alps and Washington state in the United States) and finally 2% orange peel and essential oils (mainly from Brazil, Ghana, Morocco, Tunisia and Spain).

Breakdown of the Group's environmental footprint by agricultural raw materials (In hectares)



Breakdown of the agricultural footprint by degree of control

To understand the risks in agricultural supply chains, meet the duty of care and effectively implement its strategy of the adaptation of terroirs, the Rémy Cointreau Group has structured

its agricultural footprint into three sub-sections, according to its degree of control of the relationship with the following stakeholders:

- domains that it owns (less than 5% of the Group's environmental footprint);
- the terroirs of farming and winegrowing partners supplying it directly with their agricultural raw materials (or, if indirectly, with whom it has a nominative collaboration). These supplies represent approximately 47% of the Group's environmental footprint;
- the terroirs of farming and winegrowing partners supplying it with their agricultural materials indirectly (via an intermediary). These supplies represent approximately 51% of the Group's environmental footprint.

Climate risk chart of the Group's terroirs

In 2022, the Group charted the agronomic and financial impact of climate risks on its terroirs, in order to manage its adaptation actions more precisely. The results of the analysis are presented in detail in section 1.3.2. "The Group's contribution to the global effort to combat climate change and adaptation".

1

Policy

The New Generation Terroirs plan to adapt its terroirs

In order to meet the challenges of adapting its terroirs to the hazards of climate change, Rémy Cointreau has developed and has begun to roll out the New Generation Terroirs project, whose objective is twofold:

- work on the resilience of its terroirs in the face of a more unstable and generally drier climate, in order to secure its supplies over the long term;
- promote its soils as "carbon sinks", and therefore as a solution to global warming.

This Group policy is based on four main actions:

- 1. commit its entire supply of agricultural raw materials to environmental certification programmes.** It aims for 100% of the land used for their production to be committed to a responsible and sustainable agriculture standard or label by 2025;
- 2. accelerate the regenerative agriculture transition of its regions** with the following objectives:
 - improve soil resilience and fertility through the use of cultivation methods based on agroecological farming, a

global approach that places the soil at the heart of the ecosystem, to produce efficiently and sustainably,

- the regenerated soils increase carbon sequestering, promote biodiversity, better conserve water and limit erosion risks, thus mitigating the effects of climate change,
 - engage agricultural and winegrowing partners in the transition with **the objective of having 100% of the Group's direct partners trained in regenerative agriculture by 2030,**
- 3. scientifically measure** the positive impact of these practices on biodiversity, carbon, water and soil fertility;
 - 4. invest in R&D to adapt its crops to global warming.** These investments are aimed at identifying climate-resilient varieties for all the Group's agricultural materials. The Group is also testing varieties resistant to diseases, the resurgence of which could be linked to climate change. **The objective is to have 100% of these varieties identified by 2030,** in order to use them in planting and thus have developed the Group's macro-biodiversity (diversity of varieties for each of its crops) by 2050.

Our policy is part of a number of national and international initiatives

- **WWF – Genesis – Rémy Cointreau – Moët Hennessy: a partnership for agriculture and the environment: making agriculture an ally of the environment:** this shared ambition led to the "Environmental credit" initiative between the soil health rating agency Genesis, the Rémy Cointreau and Moët Hennessy wine and spirits groups, and the WWF environmental NGO. A multi-stakeholder project that aims to support the agricultural sector in farming methods that place soil health at the heart of the approach, as well as to financially enhance the success of this sustainable transition.

(more information on the website <https://www.genesis.live/post/wwf-remy-cointreau-moet-hennessy-et-genesis-accelere-et-amplifie-la-transition-vers-une-agriculture-regeneratrice>)

- **Partner of the international "4 per 1,000" initiative:** The international "4 per 1,000" initiative, launched by France on 1 December 2015 during COP 21, aims to show that agriculture, and in particular agricultural soils, can play a crucial role in food security and climate change. It consists of bringing together all voluntary players from the public and private sectors (States, local authorities, companies, professional organisations, NGOs, research institutions, etc.) within the framework of the Lima-Paris Action Plan.

ACTION PLAN

Action 1: roll out a systematic environmental certification policy for the production of agricultural raw materials

Since its creation, Rémy Cointreau has made its environmental commitment a sustainable lever of its economic success. Thus, Domaines Rémy Martin have been qualified as “sustainable agriculture” since 2009 and have been certified as “High Environmental Value” (HVE) by the French Ministry of Agriculture since 2012. At the time, they were the first to obtain this certification in the Charente region and the sixth in France.

From 2017/2018, this policy of preserving the terroirs resulted in the rollout of a systematic policy of environmental certification (responsible and sustainable agriculture) for the production of all of the Group’s agricultural raw materials.

At the end of March 2023, 82% of agricultural land used to supply the Group with materials had achieved a responsible or sustainable agriculture standard or label, confirming the steady increase over the past six years (36% in 2017/2018). The aim is to reach 100% by 2025.

These certification labels vary depending on the crop and the geographical area, but generally advocate the preservation of biodiversity, the reduction of synthetic inputs and the preservation of water, or even a socially responsible dimension.

KEY PERFORMANCE INDICATORS: PERCENTAGE OF AGRICULTURAL LAND INVOLVED IN A CERTIFICATION PROCESS

% of hectares cultivated	Agricultural raw materials	Certifications	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 target
Rémy Martin	Vineyards	HVE (High Environmental Value); CEC (Cognac Environmental Certification); Organic Agriculture	100% ⁽¹⁾	100% ⁽¹⁾	100% ⁽¹⁾	99% ⁽¹⁾	100% ⁽¹⁾
Cointreau	Orange peel and essential oils	GLOBALG.A.P. or equivalent; Organic Agriculture	47%	55%	64%	57%	100%
St-Rémy	Vineyards	HVE (High Environmental Value) or equivalent	0%	26%	35%	56%	100%
Bruichladdich – Whiskies	Cereals	Scottish Quality Crops; Red Tractor	5%	30%	38%	41%	100%
Mount Gay	Sugar cane	Bonsucro	0%	22%	86%	85%	100%
Telmont	Vineyards	HVE (High Environmental Value); Organic Agriculture	-	-	79%	80%	100%
Domaine des Hautes Glaces	Cereals	Organic Agriculture	100%	100%	100%	100%	100%
Westland	Cereals	Salmon Safe; Regenerative Organic Certification	27%	28%	22%	62%	100%
Brillet	Vines/Pears	HVE (vineyard), Eco-friendly orchards (pears)	-	-	-	24%	100%
GROUP			58%	64%	78%	82%	100%

(1) Rémy Martin: 99% of AFC winegrowers are committed to environmental certification, and 59% are certified.

(2) Note: Brillet’s supplies have been included in the indicator since 2022/2023.

Action 2: accelerating the regenerative agriculture transition on a territorial scale

The Group sees agricultural certifications as an important and essential first step in the sustainable transition of its terroirs.

Nevertheless, they remain local and rather heterogeneous approaches, and do not guarantee the effectiveness of the adaptation of the terroirs to the challenges related to global warming. Certifications often amount to an obligation of means, but do not always deliver results.

Lastly, the pressure of future climate challenges calls for a vision of disruptive change in agriculture for Rémy Cointreau. This is a potentially existentialist challenge for the sustainability of the activity, as well as being a matter of the Group’s responsibility towards its stakeholders and their sustainability.

On the basis of the scientific conclusions of agronomy and soil life specialists, Rémy Cointreau has therefore chosen to promote the use of agroecology (or regenerative agriculture) across its regions, involving the use of agricultural practices with a positive and scientifically measurable impact (as explained below).

Thus, by 2030, the Group wants to have trained 100% of its direct agricultural and winegrowing partners.

A DEFINITION OF AGROECOLOGY (OR REGENERATIVE AGRICULTURE) BASED ON THE “4 PER 1,000” RECOMMENDATIONS

To date and to the best of our knowledge, there is no official definition or certification of agroecology or regenerative agriculture (whose philosophy and main principles are the same). The Group has therefore chosen to rely on the definition of regenerative agriculture proposed by the scientific and technical committee of the international “4 per 1,000” initiative in its note #1 on Soil Carbon, published in October 2020.

Thus, according to 4 per 1,000, regenerative agriculture is “a system of agricultural principles and practices that aims to rehabilitate and improve the entire ecosystem of the holding from an environmental point of view, as well as in terms of human health and economic prosperity. It is a cultivation method that places great importance on soil health and aims to improve the use of natural resources (soil, water, biodiversity, etc.)”.

Regenerative agriculture is based on five main principles: keep the soil covered, limit soil disturbance (ploughing), maximise crop diversity, minimise the use of synthetic inputs (pesticides/fertilisers/herbicides) and, ideally, integrate livestock. It assumes that the more soil is covered, the richer the soil is in organic matter, and therefore in carbon and biodiversity.

Regenerative agriculture is therefore not “organic” agriculture, in the sense that it does not completely exclude chemical inputs. However, it puts the obligation on the achievement of results in terms of soil health (increase organic matter in the soil, regeneration of biodiversity, improvement of water retention capacity), which is not achievable if the use of synthetic products does not fall drastically.

A THREE-STEP IMPLEMENTATION PLAN

1- Convert 100% of the domains held by the Group to agroecological practices

In order to better control risk-taking for our farming and winegrowing partners, agroecological practices were first implemented in the Group’s proprietary domains. It is important to test and learn before sharing with stakeholders as a second step.

In recent years, all of the Group’s agricultural estates have begun their agroecological conversion, following the example of the Domaine des Hautes Glaces, which has cultivated its land according to the principles of agroecological (and organic) farming for 12 years. In 2022/2023, the House of Rémy Martin accelerated its conversion process with the launch of the “Agroecology 2030” programme, which aims to gradually convert all of the Domaine’s 240 hectares, and to train 100% of its Alliance Fine Champagne partners by 2030 (see box).

1

Owned domain	Country	Date of commitment to an agroecological approach	Comments
Domaine des Hautes Glaces	France	2009	The Domaine des Hautes Glaces has been using organic and regenerative cultivation methods since 2009 (for the first plots). Working without chemicals based on the principles of agroecology: long rotations alternating grasslands, green fertilisers and field crops, with limited intervention in the fields.
Domaine Telmont	France	2014	Gradual introduction of organic and then biodynamic practices across the entire estate (81% of the estate was certified “AB” [organic farming] in 2022/2023). 100% of the vineyard is grassed for six months of the year. Plant cover.
Estate Mount Gay	Barbados	2019	Use of 100% organic fertilisers for the production of sugar cane and food crops. Tillage of sugar cane fields limited to two operations (under conventional methods this would be five) before planting, in order to protect soil cover, avoid compaction and reduce the loss of organic matter. Mulching of trees with bagasse (residual plant material from sugar cane) to improve water retention in the soil. Use of the filtered sludge from the grinding process as soil for food crop seeds/plants.
Shore House croft – Bruichladdich	Scotland	2021	Four plots of one acre measured and managed differently (conventional, minimum intervention, crop rotation, no ploughing).
Skagit Valley – Westland	United States	2021	Regenerative Organic Certification (granted by ROA) since 2021.
Domaines Rémy Martin	France	2018 (1 hectare) 2022 (19 hectares)	Biocontrol and Ecosystem Balance (BEB) plot (1 hectare): 75% reduction in the treatment frequency index (IFT) and responsible fertilisation since 2018 in collaboration with the Institut Français de la Vigne. Use of Decision-Support Tools (DST) to limit treatment. Soil chart for the various sites of the estates (67 soil analyses and soil pits). Extension of agroecological principles to 20 hectares of the estates since 2022 (plant cover, reduced ploughing, limitation of synthetic inputs, use of biocontrol products). Electric weed control tests.

Benefits of agroecological practices on soil health in Barbados

Advised by Mr Emmanuel Bourguignon, a recognised expert in soil ecology, the House of Mount Gay has been working on the agroecological conversion of its estate since 2019: its permanent cover, less invasive mechanical work and the planting of trees and shrubs along the edge of the plots have improved soil structure and increased soil fertility. Since the implementation of these practices, the rate of organic matter has increased by 30% in the plots cultivated and the soils are no longer eroded as much during the rainy season.

2- Scientifically measure the impact of these agricultural practices with its partner Genesis

- Since November 2021, in order to be able to scientifically measure the improvement in the health of its terroirs, the Group has formed a pilot R&D partnership with Genesis, which has developed the first scientific rating tool for soil health. This assessment, developed in collaboration with public and private laboratories, is based on four impact measures: climate (measurement of carbon storage and dynamics, as well as nitrous oxide emissions linked to the application of fertilisers), biodiversity (the biological functioning of the soil), water (soil retention capacity) and soil fertility. This rating, which is correlated with agricultural practices, aims to ultimately improve the health of the soil, its fertility and its resistance to risks.
- In this partnership, the Rémy Cointreau Group initially worked with nearly 30 farms from the Alliance Fine Champagne (AFC), a cooperative of the House of Rémy Martin, and some 15 farms in the Trièves region (suppliers to the Domaine des Hautes Glaces). This scope was extended to four Scottish farms on the Isle of Islay (suppliers to the Bruichladdich Distillery) in 2022/2023 with the aim of charting soil health at different times of the year, as well as an initial correlation analysis with the agricultural practices implemented.

In 2022/2023, these analyses concerned 10% of the Group's environmental footprint (20% of "direct" land).

3- Scaling up by raising awareness and supporting our farming and winegrowing partners

With more than 95% of the Group's supplies coming from farming and winegrowing partners, the real challenge of adapting terroirs is that of scaling up the various agricultural sectors. Aware of the role it needs to play in this move, the group is rolling out several actions to raise awareness and support its partners towards regenerative practices:

- **awareness-raising:** for many years, the teams in charge of relations with farming and winegrowing partners within the various Houses have been working to raise their awareness of the sustainability of agricultural practices and the transmission of their terroirs. In order to mark their shift towards agroecology, the teams of the House of Rémy Martin presented their vision to nearly 400 winegrowers, at five events (around 50% of the Alliance Fine Champagne partners);
- **training and support:** the Group's Houses also organise regular training sessions for their farming and winegrowing partners to share with them the conclusions of their agronomic research programmes and to change their agricultural practices so that they themselves become real agents of environmental change;

Domaine des Hautes Glaces: a pioneer in regenerative agriculture since 2009

Through the Graines des Cimes association, created at the initiative of the Domaine des Hautes Glaces and a number of farmers in the Trièves region, meetings of farmers – the Domaine's partners – are regularly organised to discuss the behaviour of the different varieties of cereals in the fields and draw up a quality assessment of the harvest at the end of the season. These discussions constitute a phase of collective learning about observation in the field, the notion of quality, the expectations of the Domaine and of the farmers. This phase prepares the participatory selection of old barley varieties, with the aim of collectively identifying cereal varieties suitable for organic farming in mountainous regions.

- **measurement of soil health and monitoring of the improvement process:** as part of its partnership with Genesis, the House of Rémy Martin, the Domaine des Hautes Glaces and the Distillerie Bruichladdich finance the soil analyses of some 40 farms belonging, in particular, to their farming partners, to support them in their efforts to continuously improve the health of their soils.

The House of Rémy Martin: the Agroecology 2030 plan

Building on its commitment to sustainable agriculture, the House of Rémy Martin officially announced its "Agroecology" project in November 2022. It aims to reduce the impact of its activity on ecosystems as well as to adapt and preserve the sustainability and quality of its production over the long term.

In order to carry out this large-scale project, the House has set up a robust governance, with the creation of a steering committee made up of personalities from different backgrounds (specialist soil and biodiversity scientists, agronomists, winegrowers, CSR).

The 20 hectares of the Grollet estate will be the starting point for guiding and adapting the implementation of agroecological practices across all of the Domaines Rémy Martin. At the same time, it will be a showcase that will demonstrate the advantages of the agroecological transition for ecosystems, for winegrowing partners in the Cognac region.

In order to create a ripple effect, the House has assembled a group of eight pioneering winegrowers to work with it in this agroecological approach. They will share their feedback and monitor their impact.

The House's ambition is to engage all of its partners in the Alliance Fine Champagne in the process, having trained them by 2030.

Commitments of the House of Rémy Martin

- 2018: start of the Biocontrol and Ecosystem Balance (BEB) experiment on a plot in Juillac.
- 2022: gradual introduction of agroecology at the Grollet and Domaines Rémy Martin sites.
- 2023: inauguration of a pioneering group of eight winegrowers in the agroecology approach and end of the BEB experiment.
- 2027: implementation of agroecology across the entire Grollet site.
- 2028: implementation of agroecology on the 270 hectares of the estates.
- 2030: training of all AFC cooperative winegrowers in regenerative agriculture practices.
- 2050: maximisation of climate-resistant varieties and regenerative agricultural practices within the AFC.

KEY PERFORMANCE INDICATORS: PERCENTAGE OF DIRECT PARTNERS (FARMERS AND WINEGROWERS) TRAINED IN AGROECOLOGY

% of partners	Number of partners	2022/2023	2030/2031 target
Group	844	2%	100%

Action 3: invest in R&D to adapt agricultural varieties to climate change

In addition to changing agricultural practices aimed at strengthening soil resilience, the Houses support Research and Development projects to identify and test climate-resistant and/or disease-resistant varieties.

Thus, the Group has set itself the objective of having identified **100% climate- and/or disease-resistant varieties by 2030** for all of its priority agricultural materials.

House	Agricultural raw material	Project	Comments
Rémy Martin	Vineyards	Monbadon study (old grape variety)	<ul style="list-style-type: none"> • Study carried out in partnership with the CVC (<i>Conservatoire du Vignoble Charentais</i>). • An 80 acre site was planted and a study is being carried out over the period from 2018 to 2028 (harvesting of grapes, monitoring and distillation of the wines obtained). • The results obtained show a good yield and a later maturity, with wines that have given very high quality <i>eaux-de-vie</i>, after distillation.
		"Luminan": variety resistant to mildew and powdery mildew	<ul style="list-style-type: none"> • Varieties of grape varieties resistant to the main grape diseases have been created by crossing a resistant grape variety and <i>Ugni blanc</i>, the main Cognac grape variety. Luminan is one of the three varieties created. • The actual test study began in 2018 and will run until 2028, in collaboration with the BNIC wine station and INRAE (French National Institute for Research on Agriculture, Food and the Environment). • These grape varieties show good resistance to mildew and powdery mildew, but sensitivity to black rot. • Two of the three varieties tested – including Luminan – joined the catalogue of vine varieties in 2021, which opens the prospect of a wider regional deployment and their eventual integration into the AOC Cognac specifications in the future.
		VIBRAAC project: Climate-resistant variety + resistant to mildew, powdery mildew and black rot	<ul style="list-style-type: none"> • Partnership with INRAE, BNIC and the <i>Conservatoire du Vignoble Charentais</i> • An old regional variety, <i>Vidal Blanc</i>, shows good resistance to black rot, the origin of which has not yet been identified. • The VIBRACC project aims, through natural crosses between <i>Vidal blanc</i> and other resistant varieties, to: <ul style="list-style-type: none"> - look for the factors of resistance to black rot present in <i>Vidal blanc</i>; - look for new grape varieties in these crosses that combine resistance to mildew, powdery mildew and black rot, and good resistance with regard to climate change.

House	Agricultural raw material	Project	Comments
Cointreau	Oranges	HLB tolerant variety	<ul style="list-style-type: none"> Partnership with CIRAD in Guadeloupe, to fight against Huanglongbing (HLB). HLB is the yellow dragon disease, caused by a bacterium carried by an insect. A major threat to citrus groves, the bacterium attacks trees, causing premature leaf drop, stunted fruit growth and root rot. No treatment exists to date. The research programme set up by CIRAD focuses on natural techniques (tolerant rootstocks, irrigation, tillage, etc.) to limit its impact. This programme is co-financed with the House of Campari. In 2022/2023, trials of new rootstocks in a context of new agricultural practices (experimental station in Guadeloupe) showed good tolerance to HLB in the trees planted.
Domaine des Hautes Glaces	Barley and other cereals		<ul style="list-style-type: none"> Partnership with INRAE Clermont-Ferrand. Domaine des Hautes Glaces is testing old varieties of barley seeds. Studies on a selection of seeds from Queyras (Hautes Alpes valley) should thus obtain varieties that are more resistant to heat and drought to adapt to future climate change. In 2022/2023, the estate introduced an old variety of Moroccan winter barley from the Atlas in order to compare it with the varieties indigenous to the region (resistance to drought and diseases).
Westland	Barley		<ul style="list-style-type: none"> Partnership with Washington State University since 2020/2021. The research focuses on the genetic diversity of barley, with the aim of identifying varieties that thrive using regenerative farming methods, while showing resilience to climate change. The first varieties were planted in 2021 and their performance was very satisfactory. The “heat dome” faced by the region in June 2021 eliminated a few potential varieties, but the rest held up well despite an unusually dry and hot summer. All of these trial plots were grown under certified organic conditions, ensuring that what survived could be grown under organic conditions on a large scale once marketed. In 2022/2023, two or three interesting new varieties have been identified and will be tested on our vineyards from 2025.
Bruichladdich	Barley	Climate-resistant varieties	<ul style="list-style-type: none"> Research work on climate-resistant varieties is continuing with the James Hutton Institute and UHI (University of Highlands and Islands). The objective of testing these new varieties on the Domaine de la Distillerie Bruichladdich (The Croft) from 2024.
Sugar cane	Sugar cane		<ul style="list-style-type: none"> Mount Gay has a nursery with a collection of 13 varieties of sugar cane that makes it possible to study the response capacities (yield and quality) to future climate hazards. For the moment, three of them are showing good drought tolerance and is demonstrating early maturity (shorter harvest; flexibility in the harvest).

KEY PERFORMANCE INDICATORS: R&D PROGRAMMES

	2022/2023	2030/2031 target
% of Houses with an ongoing R&D programme studying varieties resistant to climate change	56%	100%
% of Houses with an ongoing R&D programme studying varieties resistant to diseases	67%	100%
% of Houses having identified at least one variety resistant to disease and/or climate change	0%	100%

1.3.1.2 BIODIVERSITY CONSERVATION

Challenges and impacts

Biodiversity conservation is a major issue as it is at the heart of all components and variations of the living world: ecological diversity (ecosystems), specific diversity (species) and genetic diversity (genes). The observed deterioration of these various components of biodiversity is a risk for the sustainability of the Group's terroirs, and thus the production of its agricultural raw materials (cereals, grapes, sugar cane, oranges, wood, etc.).

The Group is also aware of the risk that the use of synthetic inputs, in its fields or *via* its agricultural partners, poses to

biodiversity. Its commitments to responsible and sustainable agriculture for many years encourage the responsible use of these products. The use of agroecological practices should further result in a minimisation of their use.

As described in the New Generation Terroirs policy (chapter 1.3.1.1), the Group ensures that it supports its partners in this transition, so that its entire agricultural value chain minimises its impact on biodiversity (societal challenge) and *vice versa*, contributing collectively to its regeneration.

1

Policy

The Group's biodiversity policy has three components:

- **the Group's "zero deforestation" commitment to its timber supply.** The Group is committed to ensuring that its timber supply (particularly for its ageing casks) promotes a sober, hierarchical and circular use of forest resources. Thus, **by 2025, 100% of new casks purchased by the Group will be FSC or PEFC certified** (sustainably managed forests);
- **partnerships and projects promoting knowledge and protection of biodiversity in the Group's terroirs:** the biodiversity of each region is unique and contributes

significantly to the uniqueness of Rémy Cointreau's spirits. From Charente to the Pacific North West, Rémy Cointreau accordingly gives special consideration to each site, taking steps to conserve its biodiversity so that it can secure the site's long-term future and continue making exceptional products;

- **funding of philanthropic actions**, in order to contribute to the regeneration of biodiversity for the benefit of its territories and communities.

Group objective: 100% of the Houses to have at least one "Biodiversity project" by 2025.

KEY PERFORMANCE INDICATORS: PERCENTAGE OF HOUSES WITH AT LEAST ONE "BIODIVERSITY PROJECT"

% of Houses with a Biodiversity project	2021/2022	2022/2023	2024/2025 target
Group	70%	70%	100%

Our policy is part of a number of national and international initiatives

- **Partner of Act4Nature International:** in line with these commitments, Rémy Cointreau supports the Act4Nature initiative, of which it has been a partner since 2018 (commitment recognised as SMART since 2020). To that end, Rémy Cointreau has signed the collective declaration on the inclusion of nature (fauna, flora, ecosystems, etc.) in the Company's strategy. The aim is to take concrete action for biodiversity conservation and restoration.

ACTION PLAN

Action 1: preserve forests by purchasing certified sustainable barrels

Forests are home to the majority of the global terrestrial biodiversity and the ecosystem services they provide are of local, regional and global concern. Deforestation leads to the destruction of ecosystems and the fragmentation of natural habitats, threatening 80% of terrestrial biodiversity.

In general, FSC and PEFC certifications have a positive impact on the environment, compared to non-certified and conventionally managed forests.

These impacts are observed in particular for fauna, with various studies showing that the FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification

Scheme) labels manage to preserve animal species, including those listed as threatened and vulnerable by IUCN.

Rémy Cointreau wants to act responsibly and sustainably when it comes to sourcing wood for the barrels used to age its *eaux-de-vie*. **With a target of 100% of new casks purchased being FSC or PEFC certified by 2024/2025, the Group is committed to sustainable forest management and against deforestation.**

In 2022/2023, this rate reached 94% for the Group as a whole, including 100% for the Bruichladdich Distillery.

KEY PERFORMANCE INDICATORS: PERCENTAGE OF NEW CASKS PURCHASED CERTIFIED AS SUSTAINABLE

% of new casks certified as sustainable	2021/2022	2022/2023	2024/2025 target
Group	55%	94%	100%

Action 2: carry out and support large-scale projects to conserve biodiversity on the Group's terroirs

DEVELOPING AGROFORESTRY IN THE TERROIRS

Barbados: more than 1,500 trees planted in 2021/2022

After the planting of 1,016 trees in 2021/2022, 503 were planted by Mount Gay in 2022/2023. The varieties chosen are made up of numerous indigenous fruit trees, such as coconuts, avocados, cashews, golden apples, bajan cherries, Suriname cherries, carambola, flamboyant, laurel, passion fruit, guava trees, papaya, mango, water apple, pomegranate, blackberry, tamarind, ackee, river tamarind, lime, mahogany, banana and many others.

These trees were planted in the food forest (created in 2020/2021, this forest is similar to a food production system based on sustainable plants that requires little maintenance, with the integration of shrubs that produce perennial food) and orchards, as well as to the east of the site to protect young plants from wind damage (breakage and leaf stripping).

Telmont: 2,500 hornbeams by 2023

Following the 60 hornbeams in 2021/2022, an additional 1,000 were planted on Telmont plots in November 2022, with the aim of reaching 2,500 common hornbeams and forming arbours at the end of the plots by 2023. The latter will protect against erosion, against the dispersion of phytosanitary products and will promote biodiversity (insects and birds). It should be noted that an interesting property of the bower is that it attracts entire tit colonies, which frees crops of their parasitic insects.

ACTIONS TO PROTECT BEES AND POLLINATORS

Cognac: partnership with the Biodiversity Observatory and Un Toit pour les Abeilles (a Home for Bees)

The House of Rémy Martin responded to the call for volunteers launched in France by the Agricultural Biodiversity Observatory (Observatoire Agricole de la Biodiversité) in 2020. Today, more than 600 plots in France are monitored using four protocols: butterflies, terrestrial invertebrates, pollinators and earthworms.

The objectives are as follows:

- (i) obtain data on the local useful biodiversity;
- (ii) gain more in-depth knowledge on ties between biodiversity and agricultural practices;
- (iii) educate and train stakeholders of the agricultural world in biodiversity;
- (iv) implementation by farmers of observation protocols (collective watchdog).

The House of Rémy Martin has rolled out this programme on 17 plots: five in Domaines Rémy Martin and 12 belonging to AFC partner winegrowers. Observations and counting of earthworms, wild bees and butterflies have thus begun and changes will be monitored year after year to promote the implementation of agricultural practices favourable to the development of biodiversity in the vineyards.

Since 2012, Rémy Cointreau has been involved in the preservation of bees, in partnership with the association Un Toit pour les Abeilles. Ten beehives have been installed in the heart of the Bel-Air forest, in Charente, where a beekeeper committed to this approach ensures the smooth running of the various steps leading to the production of honey. The honey is certified as

organically produced and carries the Bio Sud-Ouest France label. As in previous years, it was distributed to all employees in France.

Mount Gay invests in the protection of bees

Between the Domaine and the Distillery, Mount Gay and a consultant beekeeper installed more than 25 new beehives in 2021/2022. Only 23 of them have really established themselves because bees tend to migrate according to climate change and other hazards.

PROTECTION OF FAUNA AND FLORA ENDEMIC TO THE GROUP'S TERROIRS

The House of Rémy Martin and the Domaine des Hautes Glaces: partnership with the French bird conservation league (LPO)

In 2010, an environmental project was launched at Domaines Rémy Martin to conserve biodiversity. In partnership with the LPO (French bird conservation league), an afforestation project was carried out on a plot on the banks of the Charente, while allowing the traditional local fauna and flora to once again occupy the natural environment. As part of this partnership, flora and fauna surveys conducted by the LPO were carried out every three years. The latest diagnostic assessment, carried out in 2021, revealed a high floral diversity, the presence of four remarkable plant species on the banks of the Charente, and twenty-two remarkable species of wildlife, also near the river bank.

Le Domaine des Hautes Glaces also worked with LPO during the construction of its new production site in Cornillon, in Trièves (French Alps). Choices for the preservation of fauna on its site have been put in place: passage fencing respectful of small animals, reasonable food during the winter, protective barrier against drowning.

Westland: preserving Garry oaks and salmon

Various efforts are being made by Westland to conserve local biodiversity, in particular through the protection of two keystone species, salmon and Garry oak (*Quercus garryana*), which are central to the region's ecosystem and play a key role in the survival and conservation of more than 130 other local plant and animal species:

- support for the "Salmon Safe" label to protect salmon habitats and the local biodiversity that depends on the species;
- partnership with Forterra for the planting and maintenance of Garry oak trees. For two years, this local association has been working to protect and enhance local ecosystems. In 2020, Westland has planted 600 oak trees on a four-hectare plot in the Schibig Lakeview nature reserve near the distillery. 250 of them have reached a good stage of maturity and are showing strong growth. Westland employees volunteer to maintain and monitor the plots to ensure a high survival rate among the young oak trees. The objective is to achieve a minimum survival rate of 40% of the oak trees. Westland is now waiting for Forterra to acquire a new plot of land so that new oak planting can take place.

WORK ON THE GENETIC BIODIVERSITY

House of Cointreau: research programmes with the National Research Institute for Agriculture, Food and the Environment (INRAE)

In order to contribute to the protection of orange and bitter orange trees, the House of Cointreau supports several INRAE research projects on genetic biodiversity. Over the last three years, Cointreau has worked with the San-Giuliano research site in Corsica, and helps to cultivate 1,200 species of lemons over 13 hectares so that their properties can be studied to improve production. A research project was also set up on the genetics and aromatic diversity of oranges and bitter oranges.

Action 3: funding of philanthropic actions contributing to biodiversity regeneration, for the benefit of its territories and communities

A PARTNERSHIP WITH THE OFFICE NATIONAL DES FORÊTS (ONF) FOR MORE THAN TEN YEARS

Because forest cover helps to protect biodiversity by safeguarding natural habitats, The House of Rémy Martin has been involved for more than ten years in protecting forests in France through a corporate sponsorship initiative in partnership with the French Forestry Commission (Office National des Forêts – ONF) and its “ONF-Acting for the forest” fund. Since 2021/2022, particular emphasis has been placed on the development and adaptation to climate change of pedunculate oak, characteristic of the production of Rémy Martin cognacs.

Project date	Project	Target
2010/2012	Funding for a scheme to plant 115,000 oak trees on around 40 hectares in the Senonches national forest in <i>Eure-et-Loir</i> , France.	Replacement of existing tree species on this site (Sitka fir and Douglas fir) with sessile oak, and thus encourage biodiversity through improved compatibility with the region's climate, terrain and soil.
2013/2014	Funding for the restoration of the Parc François I^{er} in Cognac, which was severely damaged during the great storm of 1999.	Redesign of the park with the planting of more than 300 oak trees, a wooden observatory and a fauna and flora discovery trail, to raise public awareness of the challenges of biodiversity conservation.
2015/2016	Funding of the development work of the La Braconne Bois-Blanc national forest , located east of <i>Angoulême</i> , badly damaged by the storm of 1999.	Raising awareness among the various audiences about forest protection through the development of a multimedia trail (smartphone app).
2016/2017	Funding for improvements in the Vouillé-Saint-Hilaire national forest (<i>Poitou-Charentes</i>).	Raising public awareness of biodiversity, with the planting of 300 oak trees near a reception site.
2017/2018	Funding for a sponsorship scheme to secure the future of the Moulières national forest in <i>Vienne</i> .	Reforestation of a dozen hectares by planting oak trees which are more resistant to drought.
2018/2019	Funding for two sponsorship schemes involving pedunculate oak.	Create a network of pedunculate oak planting islets in <i>Poitou-Charentes</i> and establish pedunculate oak in the <i>Monnaie national forest (Maine-et-Loire)</i> , to promote and preserve this oak species in this forest.
2021/2023	Funding of the “Éco-Horte: a school forest” project. The Horte national forest (1,140 hectares) is the subject of an innovative participatory approach with, thanks to the partnership of the ONF, the <i>CPIE Périgord Limousin</i> (public sponsor) and Rémy Martin (private sponsor).	Commit to a project with four dimensions: <ul style="list-style-type: none"> • ecological dimension: preserving the remarkable biodiversity of the site through actions to promote habitats; • scientific dimension: monitoring the adaptation of forest species to climate change, and in particular pedunculate oak, which is used for the House's ageing casks; • educational dimension: raising awareness among schoolchildren and the general public; • participatory dimension: by involving citizens during small projects and also in the co-construction of the project.

THE BOTANIST (ISLAY): PARTNERSHIP WITH BOTANIC GARDENS CONSERVATION INTERNATIONAL (BGCI)

Since its creation in 2015, The Botanist Foundation has been carrying out environmental projects together with the island's inhabitants. The aim is to improve understanding and conservation of the island's botanical diversity. Actions continue to be carried out to protect the 22 essential plant species for the production of The Botanist gin, by integrating the ecosystems necessary for them to grow properly. It should be noted that since the creation of The Botanist gin, it has been decided not to use any rare or uncommon plant. The 22 plants used are relatively common, can be easily found on the island and close attention is paid to the picking, which is entirely done by hand.

Beyond this local focus, The Botanist Foundation has partnered this year with Botanic Gardens Conservation International (BGCI), an independent UK charity working to create a global database of the world's botanic gardens for plant diversity conservation.

In 2022/2023, The Botanist renewed its limited edition initiative in favour of BGCI: each bottle sold was converted into a donation of 5 pound sterling to support the fund's biodiversity projects. Gardens based in Spain, the United States, Vietnam and South Africa have been created with contributions by the foundation.

75,000 HECTARES PRESERVED OR REGENERATED WITH SOUTH POLE

Since 2021/2022, the Group has been financing initiatives in favour of the climate transition, biodiversity and local communities, in China and the United States, its two largest markets. Through its actions, the Group contributes to the preservation of 75,000 hectares of natural ecosystems and more than 25 protected species (such as deer, black bears and elk).

1.3.2 THE GROUP'S CONTRIBUTION TO THE GLOBAL EFFORT TO COMBAT CLIMATE CHANGE AND ADAPTATION (SDG 13)

Governance

Vision and policy: the Rémy Cointreau Group's Chief Executive Officer and Head of CSR are responsible for the Group's climate strategy.

In collaboration with the "Carbon CSR" Department (which brings together the Production, Purchasing, Supply Chain, Packaging Development and Energy CSR champions) and the Operations Department, they design and implement the reduction strategy and actions.

Risk identification process: the development of the strategy is based on the process of identifying environmental risks and impacts, resulting from the analyses regularly carried out by the CSR and Operations departments, as well as the Audit, Compliance and Insurance departments.

Review and validation: the review and implementation of this strategy are, as for other sustainability topics, part of the responsibilities:

- of the Board of Directors and the CSR Committee;
- of the Executive Committee, in particular through "officers" dedicated to the main challenges of the Group's climate strategy: the "climate/water" (EVP Operations) and "circularity" (CEO Liqueurs & Spirits) officers.

Implementation: the climate strategy is implemented in coordination with the Carbon CSR Department and the Operations Department, in order to be adapted to specific local issues and challenges:

- the carbon CSR champions (Production, Purchasing, Supply Chain, Packaging Development and Energy) located at the Group's sites are responsible for implementing the climate strategy within its infrastructure, as well as for raising awareness among their respective suppliers and partners;
- a "Responsible Packaging Development Steering Committee" was created in 2021 (bringing together the Packaging Development Managers of the Group's various Houses). It is responsible for identifying potential new regulatory risks for the Group's bottles and packaging, discussing the actions to be implemented to follow the roadmap and identifying relevant indicators to measure the efficiency of its implementation.

Compensation criteria: the compensation of almost all players in this governance is directly linked to CSR objectives related to the climate (at least one variable compensation criterion).

In 2022/2023, within the Executive Committee, the Group Chief Executive Officer, the Chief Financial Officer, the CEO of the Cognac division, the CEO of the Whisky division, the CEO of Liqueurs & Spirits and the CEO of Operations, receive variable compensation directly or indirectly linked to the achievement of concrete targets relating to the fight against climate change (SDG 13).

Challenges and impacts

We are the last generation that can reverse the inevitable climate change of our planet. Rémy Cointreau is fully aware of this. The fight against climate change is therefore a major focus of the Sustainable Exception plan.

According to the analysis of risks and opportunities carried out by the Group, climate change could have a strategic and financial impact, in three respects:

1 - Physical and transition risks for the Group

Physical risks: charting the climate risk of the terroirs

In 2021/2022, the Group commissioned AXA Climate to chart the climate risks of its terroirs to 2050.

AXA Climate assessed the climate risk of 93 terroirs (located in France, Scotland, Brazil, Ghana, Morocco, Spain, Mexico, the Dominican Republic, Barbados, Greece and the United States) corresponding to six crops worldwide (oranges, sugar cane, vines, rye, barley and beet). For each crop, 13 to 17 vulnerability parameters were screened, all linked to climatic events (such as landslides or tropical storms) or to a particular agronomic sensitivity (heatwaves, drought, late frosts, etc.).

These analyses were carried out on the basis of two IPCC scenarios, which forecast warming of +1.6 to +2.5° C (SSP2-4.5) and +1.9 to +3° C (SSP5-8.5) by 2050, compared to the pre-industrial era.

By 2050, out of the 93 terroirs assessed, the two scenarios (which do not differ in their conclusions) show that 15% are at extreme risk, 16% are at high risk, 28% are at moderate risk, and 41% are at low risk.

In relation to their contribution to the Group's 2022/2023 sales, terroirs at extreme risk represent a financial risk of 3%, terroirs at high risk 5%, terroirs at moderate risk 80% and those at low risk 12%.

The terroirs at extreme and high risk mainly concern certain supplies related to oranges and sugar cane, while vines are essentially at "moderate" risk. Barley, rye and beet are at "moderate" or "low" risk.

Transition risks: additional costs and pressure from end consumers

Three transition risks have been identified for the Group:

- **possible changes in regulations relating to energy and GHG emissions:** if all the countries where Rémy Cointreau operates were to adopt a tax on direct Scope 1 emissions with an average assumption of €100/tCO₂eq, the disclosed financial impact would amount to €757,100 per year, based on Scope 1 in the 2022/2023 tax year (7,571 tCO₂e). This would represent 0.1% of the Group’s sales and 0.2% of the 2022/2023 COP;
- **an increase in the cost of energy:** increases in indirect taxes on energy raw materials could also result in additional energy costs for the Group;
- **the growing preference of consumers for products with a small environmental footprint:** “climate eco-scores” could be made widespread for all consumer goods, including spirits, thus enabling consumers to choose the most virtuous products with respect to the environment. However, it is likely that such regulations would initially focus on products sold in the European Union (around 5% of the Group’s brand sales).

2 - Opportunities: thanks to its terroirs, the Group can be part of the solution

The agroecological practices deployed by the Group can contribute to the global effort to achieve carbon neutrality by capturing CO₂ and storing it in the soil. As indicated in section 1.3.1.1 *Adaptation of terroirs to the consequences of global warming*, the Group is a partner of the 4 per 1,000 initiative.

Based on the association’s CO₂ sequestration assumptions, soil cultivated using regenerative practices can increase its carbon capture capacity by around 0.4% per year. The potential carbon gain per unit of surface area is particularly significant in winegrowing soils. These contain, in the first 30 cm, an average of 35 tonnes of carbon per hectare, compared to 50 for other crops, and 80 for permanent grassland or forest. Based on our environmental footprint (approximately 21,000 hectares) and a current average carbon quantity of 40 tonnes (nearly 850,000 tonnes of carbon stored), an improvement of 0.4% per year represents incremental capture of nearly 3,400 tonnes per year (i.e. 2% of the Group’s total emissions).

3 - The impact of the Group’s activities on the climate

Its main objective is to significantly reduce its carbon footprint across its entire value chain. It has made commitments to this end, by validating ambitious reduction targets with the Science-Based Targets initiative.

1

Policy

The Group’s climate policy is based on three pillars: adaptation, reduction and contribution.

THE GROUP’S TERROIR ADAPTATION POLICY

The adaptation policy addresses physical risks and is presented in section 1.3.1.1 *Adaptation of terroirs to the consequences of global warming*. It includes two main levers:

- the use of agroecological farming practices, which strengthen the resilience of soils and plants to climate change;
- research into climate-resistant and disease-resistant varieties.

THE GROUP’S CARBON FOOTPRINT REDUCTION POLICY

The Group has been involved in the fight against global warming for many years. It has been measuring its greenhouse gas (GHG) emissions since 2006 on its scopes 1 and 2 (Bilan Carbone® method), on its entire value chain (scopes 1, 2 and 3) since 2016/2017 and on the basis of the GHG Protocol framework since 2018/2019. As of 2015, Rémy Cointreau has included the objectives defined by COP21 (agreement setting the limit on the temperature increase at less than 2 °C, or even 1.5 °C, by 2100) in its 2020 CSR plan, by measuring and setting targets for reducing greenhouse gas emissions at all levels of activity.

At COP 26 in November 2021, Rémy Cointreau wanted to add a new dimension to its climate strategy, with the launch of the “Une Planète d’Exception” project, which is based on a dual commitment:

- on the one hand, its official membership of Science Based Targets, which commits it to reducing its carbon footprint in line with the Paris climate agreements; and
- on the other hand, the financing of solidarity-based climate actions in its main markets, making it possible to contribute to the Group’s carbon neutrality.

Commitments validated by the Science-Based Targets Initiative (SBTI)

In December 2022, the Group validated ambitious reduction targets with the Science-Based Targets initiative. These objectives are compatible with a +1.5° C global warming scenario.

Rémy Cointreau has thus committed to achieving “Net Zero” across its entire value chain by 2050, through reductions in its greenhouse gas emissions of 90% compared to 2020/2021 and the offsetting of residual emissions.

Rémy Cointreau has also set itself intermediate targets for 2030/2031. The Group was thus one of the first two global companies to validate FLAG (Forestry, Land & Agriculture) reduction targets for its tillage activity (reduction and sequestration), in addition to targets for its industrial activities. These targets are detailed below.

Lastly, Rémy Cointreau is committed to maintaining the absence of deforestation caused by the cultivation of its main agricultural raw materials (vines, oranges, barley, sugar cane, etc.).

Reduction trajectories validated with the SBTi	Targets
2030/2031 TARGETS (ALIGNED WITH THE +1.5° C SCENARIO)	
NON-FLAG targets (emissions related to energy and industrial activities)	
CO ₂ emissions reduction rate – Scopes 1 & 2, in absolute terms, in %	(42.0)
CO ₂ emissions reduction rate – Scope 3 (purchased goods & services and upstream/downstream transport), in absolute terms, in %	(25.0)
FLAG (tillage-related emissions representing 14% of the pro forma 2020/2021 carbon footprint)	
CO ₂ emissions reduction rate – Scopes 1 & 3, in absolute terms, in %	(30.3)
2050 TARGET: NET ZERO (ALIGNED WITH THE +1.5° C SCENARIO)	
CO ₂ emissions reduction rate – Scopes 1, 2 & 3 (FLAG and NON-FLAG)	(90.0)

Note: the trajectory reference base is 2020/2021 (pro forma) for all targets.

In order to facilitate communication internally with employees and externally with our stakeholders, the Group has combined these various targets. Based on an average growth rate expected over the 2020-2030 period, these trajectories correspond to a target of reducing the Group's entire carbon footprint by 50% (scopes 1, 2 and 3), per bottle, by 2030/2031.

With these targets, the Group is fully involved in the National Low Carbon Strategy (SNBC) and the Climate Plan that France has set itself to achieve carbon neutrality in 2050.

Recognition from the CDP

For the third consecutive year, the Group obtained an “A-” rating from the CDP (Carbon Disclosure Project), which gives it Leadership status. This demonstrates the Group's concrete commitments and initiatives to reduce its carbon footprint.

The main actions of the carbon footprint reduction policy are as follows:

- developing an internal “carbon culture” to translate objectives into concrete actions;
- equipping itself with the right tools: measuring to manage;
- acting on the four main levers for reducing the carbon footprint, through four action plans:
 - eco-design of packaging,
 - energy: sobriety, efficiency and development of renewables,
 - agricultural raw materials: regeneration and decarbonisation,
 - transport: efficiency and decarbonisation.

THE GROUP'S CARBON NEUTRALITY CONTRIBUTION POLICY

Alongside its commitment to the Science-Based Targets initiative, Rémy Cointreau announced the financing of certified projects proposed by its partner, South Pole, in the fields of renewable energy, sustainable management and forest restoration in its two largest markets, the United States and China. These actions also support initiatives to protect the territories (such as water preservation) and the communities that are the most vulnerable to climate change (actions to promote diversity and transmission), in line with the Group's values.

In southern China, the Group is contributing to a reforestation project in the Karst region (a UNESCO World Heritage Site) that is impacted by desertification, with the planting of 33,000 hectares of native species. The local community (around 30,000 people) is also trained to plant and maintain these trees.

In the United States, the Group is involved in sustainable forest management projects in Washington State (where the Westland distillery is located) and in the southern Appalachians. The Group also contributes to the energy efficiency programme of the University of Illinois Urbana-Champaign (UIUC), with the help of students and teachers. As part of this project, the UIUC won the Second Nature climate leadership award.

The scale of these avoidance or sequestration actions (more than 600,000 tCO₂e) thus enables the Group to contribute to its carbon neutrality, while promoting social (more than 3,000 jobs created) or biodiversity co-benefits (75,000 hectares restored) in the regions concerned.

Our policy is part of a number of national and international initiatives

- **Science-Based Targets Initiative:** Rémy Cointreau is a member of the Business Ambition for 1.5° C campaign, which brings together the companies with the most ambitious climate objectives. The Group was also one of the first two global companies to validate FLAG (Forestry, Land & Agriculture) reduction targets for its tillage activity (reduction and sequestration), in addition to targets for its industrial activities.
- **French Business Climate Pledge:** initiated by the Mouvement des Entreprises de France (MEDEF), the French Business Climate Pledge is a voluntary commitment by companies established in France that take concrete action to succeed in the transition to a low-carbon economy, including innovation and the development of solutions and technologies, low-carbon products and services. In 2019, the Group, which has been part of this initiative since 2017, confirmed its commitment for the period 2020/2023.
- **Fret 21:** Rémy Cointreau has been involved with Fret 21 since the beginning of 2022. Aware of the need to help companies better integrate environmental issues into their logistics strategy, the Association des Utilisateurs de Transport de Fret (French Freight Transport Users' Association, AUTF) and ADEME launched Fret 21 to support companies in the implementation of concrete actions to limit the impact of their transport on the climate.

Performance & review of the year

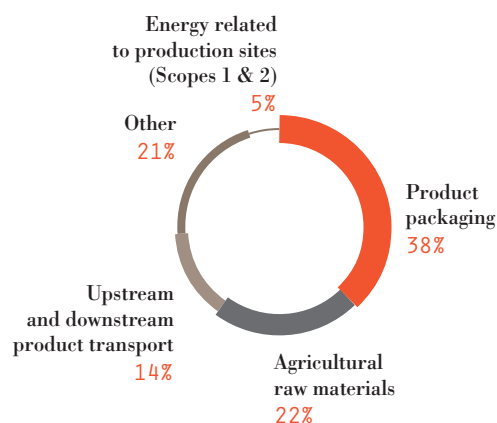
In the 2022/2023 financial year, the Rémy Cointreau Group's overall carbon footprint (Scopes 1, 2 and 3) amounted to 151,141 tCO₂e, a limited increase of +1.8% compared to last year. This increase is due to the significant impact of industrial investments, while emissions related to operational activity were down by 4%.

Scopes 1 and 2 GHG emissions represent 5% of the global footprint, while scope 3 contributes 95%:

- following a significant decrease in 2021/2022, Scopes 1 and 2 GHG emissions are up by 16% to 8,261 tCO₂e (Scope 1: 7,571 tCO₂e/Scope 2: 689 tCO₂e), as a result of a sharp increase in volumes distilled (abundant harvests in most of our agricultural areas). Scope 1 increased by 24% while Scope 2 decreased by 32%, thanks to the continued implementation of solar panels at the Barbados site;
- Scope 3 GHG emissions were almost stable (+1%): the 7% decrease in emissions associated with the three major levers (packaging, agricultural raw materials and transport) on which the Group has made SBT commitments, was offset by a significant increase in emissions associated with industrial investments.

In intensity, emissions per bottle (all scopes combined) decreased by 5% compared with the baseline reference (2020/2021). The Group is targeting a 50% reduction by 2030/2031.

Group carbon footprint (Scopes 1, 2 & 3) by category (% of total)



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GENERAL PRESENTATION OF THE GROUP'S CARBON FOOTPRINT (REFERENCE GHG PROTOCOL)

	Unit	2018/2019	2019/2020	2020/2021	2020/2021 pro forma	2021/2022	2022/2023
Total direct emissions (scope 1)		10,252	7,376	7,581	7,700	6,120	7,571
Indirect emissions (scope 2)		1,081	878	612	1,028	1,019	689
Direct and indirect emissions (scopes 1 & 2)		11,333	8,254	8,193	8,728	7,138	8,261
Indirect emissions (scope 3)	TCO ₂ e _q	163,509	172,195	112,996	129,960	141,345	142,880
o/w Agricultural raw materials						34,375	33,751
o/w Packaging						61,296	56,788
o/w Upstream/Downstream transport						25,132	21,813
o/w Other emissions						20,542	30,529
Group carbon footprint (Scopes 1, 2 & 3)		174,842	180,449	121,189	138,688	148,483	151,141
Carbon emissions intensity (scopes 1, 2 & 3)	kg CO ₂ e/ bottle	2.73	3.11	2.06	2.05	1.87	1.95

2020/2021 pro forma for the consolidation of Metaxa, Telmont and Brillet.

SCIENCE-BASED TARGETS OBJECTIVES: GROUP PERFORMANCE MONITORING

TCO2e	2020/2021PF	2021/2022	2022/2023	2023 vs. 2022	2023 vs. 2021	2030/2031 target
Scope 1 & 2 FLAG	257	210	139	-34%	-46%	-30.3%
Scope 1 & 2 non-FLAG	8,471	6,928	8,121	17%	-4%	-42.0%
Scope 3* FLAG	19,080	21,597	25,379	18%	33%	-30.3%
Scope 3* non-FLAG	87,642	99,206	86,973	-12%	-1%	-25.0%
SBT-committed carbon footprint	115,450	127,941	120,612	-6%	+4%	-27.0%

* The share of SBT-committed scope 3 is greater than 2/3 of total scope 3; 2020/2021 is the baseline for SBT commitments.

A transformation that can only be collective

As Scope 3 represents 95% of the Group's carbon footprint, the Group's sustainable transformation can only be done collectively, in cooperation with its partners (such as its suppliers of agricultural raw materials, its glassmakers and its transporters). The Group therefore works alongside them to help them reduce their own footprints.

The Group regularly shares its vision, objectives and actions with its main stakeholders (suppliers and distributors) in order to strengthen collaborative ties in the area of CSR.

Education and promotion of a collective carbon culture: various communications to farmers and winegrowers were made on the themes of sobriety and energy efficiency, the carbon impact, the sector's energy dependence and the role of soil. At Rémy Martin, this awareness-raising and education is at the heart of several events such as the technical workshops (Carbon footprint assessment stand), meetings "at the foot of the still" and technical commissions. The aim is to raise awareness among the winegrowing community so that they can take steps to reduce energy consumption and decarbonise energy over the long term. The House of Telmont Sustainability Guide has also been an important awareness-raising tool within the Champagne winegrowing community.

The Group finances the additional costs related to the switch to green energy on behalf of its partners, in order to encourage them in the transition: for example, the House of Rémy Martin financed the additional costs associated with the transition to biogas for 12 distillers of the Alliance Fine Champagne, thus avoiding nearly 3,000 tonnes of carbon in 2022/2023. Energy audits were also financed for three distiller partners representing the diversity of Alliance Fine Champagne partners in order to identify areas where improvements can be replicated for all Cognac suppliers.

The Group contributes to the financing of prototypes or research studies aimed at decarbonising the industries of its partners: for example, since January 2022, Rémy Cointreau has been a partner of Glass Futures, which is testing several technologies to decarbonise the manufacture of glass. The Group is also part of two shipping consortia, NEOLINE and Zéphyr and Borée, which finance the construction of sailing cargo vessels.

ACTION PLAN

Action 1: developing an internal “carbon culture” to translate objectives into concrete actions

The Rémy Cointreau Group believes that implementing a climate transformation cannot be reduced to a single objective. This transformation must be embodied by all of the Company's employees, so that everyone carries it and carries it out in their mission, at all levels of the Company. Raising awareness and infusing a “carbon culture” within the Company is therefore a key element in the success of this transformation. The Group has therefore stepped up its educational actions in the past two years:

- **rollout of the “calculate your carbon footprint” challenge:** in September 2022, the Group launched a challenge for all its employees, encouraging them to calculate their personal carbon footprint on the basis of various national sites: US, China, France and UK;
- **the climate fresco for all employees:** the Rémy Cointreau Group has begun to roll out the climate fresco to all its employees. During 2022/2023, five frescoes were produced and mainly led by Group employees who were trained as “fresco painters”. In total, some 560 employees, *i.e.* nearly

30% of the Group, were made aware of the challenges of climate change, its causes and consequences;

- **provision of educational courses on global warming through the “My CSR” app:** the notion of carbon footprint, renewable energies, the circular economy and simple ideas for civic actions;
- **presentation of the sites’ carbon footprint assessments and their 2030 targets** to the respective teams, allowing the identification of the main levers and opportunities for reduction;
- **revision of the Group policy on business travel since 2021:** the “Travel” policy includes “the best practices of an eco-responsible traveller”, in particular prohibiting travel (by train) for meetings of less than four hours and limiting international travel (by plane) to twice a year and per continent, per person. In addition, quarterly “CO₂” reporting of their business travel is sent to each employee in order to raise awareness among the teams.

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Action 2: equipping itself with the right tools: measuring to manage

In order to be able to carry out its actions, measure and manage them, the Group has implemented several initiatives over the past two years:

- **the Group has created a tool to manage all CO₂ reduction actions** (by type and by site), quantifying their projected impact on its carbon trajectory;
- **the Group has been carrying out a number of specific analyses over the past three years**, (internally and with its external partners), aimed at measuring more precisely the CO₂ emission factors of some of its activities or its purchases. This exercise will eventually enable it to switch from generic emission factors to specific emission factors, for a better estimate of its carbon footprint;

- **membership of Ecolnvent** (an international NGO that collects data and thus provides an international and recognised database of carbon emission factors). A licence has been acquired and a dozen employees were trained on this database in order to better understand the emission factors selected, based on the types of materials used to make our packaging, for example;
- **developing, with SAP, a “carbon dashboard”**, the objective of which is, in the long term, automated quarterly reporting on a very large portion of the Group's carbon emissions.

Action 3: acting on the four main levers for reducing the carbon footprint: packaging, energy, agricultural raw materials, and transport

MORE VIRTUOUS AND CIRCULAR PACKAGING

Packaging represents 38% of the Group's carbon footprint. It offers the main opportunity to reduce emissions. See chapter 1.3.3.

ENERGY: SOBRIETY, ENERGY EFFICIENCY AND DEVELOPMENT OF RENEWABLES

Since 2006, the Group has been measuring its GHG emissions on its scopes 1 and 2 (Bilan Carbone[®] method). It has therefore been aware of the need to optimise its energy efficiency to reduce its carbon footprint for more than 15 years.

2030 roadmap and objectives

The Group's energy consumption strategy is twofold:

- roll out ongoing sobriety and energy efficiency measures at all sites;
- gradually switch the energy used by the sites to renewable energies, the nature of which depends on the constraints and opportunities of the region where the sites are located.

2025 target: 100% of the electricity used by the Group's production sites must be renewable.

2030 target: 100% of the energy (direct and indirect) used in the Group's production sites must be renewable.

Main actions for 2022/2023

- **Sobriety and energy efficiency allow an 8% reduction in energy consumption in France:** In 2022/2023, the Group's total energy consumption amounted to 47,703 MWh, up 9.6%. This increase is due to a significant increase in energy consumed at international sites (+23%; increase in volumes distilled and integration of a molasses production activity in Barbados) while the French sites reduced their consumption by 8.0% (sobriety and energy efficiency). This increase can be broken down into an increase of 16.2% in direct energy (fuel oil, gas, biogas, wood) partially offset by a 6.0% increase in indirect energy (electricity).

All of the Group's sites continued their actions in terms of sobriety and energy efficiency, such as better management of heating and air conditioning, the switch to LED lighting, the implementation of better measurement tools, the switch to new generation equipment (more efficient), or insulation work.

More specifically, the House of Rémy Martin carried out preheating tests on wines and *brouillis* at higher temperatures (from 40 to 50° C) in order to reduce the amount of energy required for distillation. The implementation of such an action throughout the sector could be an important source of energy efficiency in the coming years.

Lastly, audits have been (or will be) carried out at most of our large production sites to identify new efficiency and ultimately decarbonisation actions.

- **38% of the energy used in the Group's sites is from renewable sources:** For several years, the Group has been conducting studies to assess the potential for integrating renewable energies into its distilleries and production sites.

In 2022/2023, 38% of energy consumption at production sites was from renewable sources in 2022/2023. This proportion is down slightly compared to 2021/2022 (44% in 2021/2022 and 26% in 2020/2021). This slight decrease is due to an unfavourable mix (decrease in energy consumption at the French sites, which are largely converted to renewable energies):

21% of direct energy is thus renewable (compared to 26% in 2021/2022 and 2% in 2020/2021);

91% of indirect energy (electricity) is renewable compared to 87% in 2021/2022 and 86% in 2020/2021.

Other projects are being studied and implemented to enable the Group to reach its target of 100% renewable electricity by 2025 and 100% renewable energy by 2030.

KEY PERFORMANCE INDICATORS: ENERGY CONSUMPTION

Indicator		2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 target	2030/2031 target
Total energy consumption	MWh	38,496	39,261	40,125	43,511	47,703		
<i>Year-on-year change</i>		-2.9%	2.0%	2.2%	8.4%	9.6%		
Total consumption per standard case produced	KWh	7.2	8.1	8.2	7.6	8.6		
% renewable energy (total)	%	26%	25%	26%	44%	38%	-	100%
Direct energy consumption	MWh	26,335	27,510	28,577	30,645	35,602		
<i>% direct energy – renewable</i>	%	1%	1%	2%	26%	21%		100%
Indirect energy consumption	MWh	12,160	11,752	11,547	12,866	12,101		
<i>% indirect energy – renewable</i>	%	79%	82%	86%	87%	91%	100%	-

Note: integration of the Houses of Telmont and Brillet in 2021/2022.

Site	% Renewable Energies	o/w Direct Renewable Energies (biogas, biofuel, wood, etc.)	o/w Indirect Renewable Energy (electricity)	Comments	Decarbonisation strategy
FRENCH SITES					
Cognac	99%	96%	100%	Biogas: the Cognac production site and Domaines Rémy Martin switched from gas to biogas in <i>Nouvelle Aquitaine</i> on 1 April 2021, making it possible to reduce CO ₂ emissions related to the use of this heat energy (mainly distillation) by more than 80%. This action complements the supply of renewable electricity (energy from hydroelectric production) at all its sites since 2016. All of the energy consumed on the Cognac sites, therefore, comes from renewable sources.	Steam distillation: the House has been funding a “Sustainable Distillation” experiment as part of a call for projects initiated by the BNIC (Bureau interprofessionnel du Cognac). In a constant effort to support the sector, this experiment consists of using a new steam distillation heating process to verify the good quality of the <i>eaux-de-vie</i> obtained and to measure the reduction in greenhouse gas emissions.
Angers	100%	100%	100%	Biogas: like the Cognac site, the Angers site is sourced from renewable sources: biogas for direct energy (mainly distillation) since April 2021 and green electricity (indirect energy) since 2016 (hydraulic).	
Damery (Telmont)	98%	0%	100%	Telmont has been supplied with 100% green electricity since April 2021.	
Domaine des Hautes Glaces	100%	100%	100%	Since 2020/2021, 100% of the energy consumed by Le Domaine des Hautes Glaces has come from renewable sources: the power supply for the stills boilers (direct energy) comes from wood from sustainably managed forests. Electricity (indirect energy) is of renewable (hydraulic) origin.	

Site	% Renewable Energies	o/w Direct Renewable Energies (biogas, biofuel, wood, etc.)	o/w Indirect Renewable Energy (electricity)	Comments	Decarbonisation strategy
INTERNATIONAL LOCATIONS					
Bruichladdich (Islay, Scotland)	3%	0%	100%	Biofuel: while waiting for a medium-term transition to hydrogen, the Bruichladdich distillery plans to source biofuel from 2023/2024, as distillation energy. A gradual ramp-ups to be expected. Since 2020/2021, the Islay site has been using electricity from renewable sources, certified by the United Kingdom.	Hydrogen: at the Bruichladdich distillery and its partner Protium are assessing the technical and commercial viability of a technology that burns hydrogen with oxygen to heat distillation boilers, with total elimination of atmospheric pollutants and GHG emissions. "Green" hydrogen would thus be manufactured by extracting it from water molecules, using electricity from renewable energies.
Mount Gay (Barbados)	2%	0%	24%	Solar energy: at the Barbados site, the production of renewable electricity from the solar panels installed at the two sites represents 24% of total electricity consumed. New solar panels will be installed in the coming years with a production target of 500 MWh by 2025, <i>i.e.</i> nearly a third of Mount Gay's total electricity consumption.	
Westland (US)	11%	0%	94%	Westland has sourced a large amount of green electricity since 2019/2020.	
GROUP TOTAL	38%	21%	91%		

LOW-CARBON AGRICULTURAL RAW MATERIALS

Total CO₂ emissions under scope 3 related to the purchase of agricultural raw materials reached 33,751tCO₂e i.e. 22% of the Group's carbon footprint. They can be broken down into two main types of emission sources:

- emissions related to tillage, corresponding to “FLAG” emissions;
- emissions related to distillation energy.

Rémy Cointreau's objective is to support its agricultural suppliers in their sustainable transformation, in order to reduce their environmental impact. The emission factors used to measure the carbon footprint of these agricultural materials will thus automatically benefit.

2030 roadmap and objectives

- Instilling a carbon culture in the Group's farming and winegrowing partners.
- Train farmer and winegrower partners in agroecological practices, which promote a significant reduction in synthetic inputs and make it possible to sequester more carbon in the soil.
- Promoting a low-carbon strategy with our distiller partners.
- Gradually decarbonising the energy used for agricultural equipment.

Main actions in 2022/2023

- **Promoting a carbon culture:** on the occasion of the “Technical viticulture days” organised by The House of Rémy Martin in April 2022, a “Carbon footprint” workshop was included to raise awareness and educate the House's wine partners about the various sources of emissions.
- **Raising awareness among its farmer and winegrower partners about agroecological practices.** Awareness-raising actions took place in Cognac, Barbados and Islay during the year. The House of Telmont Sustainability Guide has also been an important awareness-raising tool within the Champagne winegrowing community.
- **Financing of additional costs associated with the switch to biogas for distillation:** in order to engage its partners in a gradual decarbonisation process, the House of Rémy Martin covered the additional costs associated with the switch to biogas for a group of 12 partner distillers and professional distillers (Alliance Fine Champagne). This action avoided nearly 3,000 tonnes of carbon emissions.

- **Gradually decarbonise the energy used for agricultural equipment:** several Houses have switched their agricultural equipment and trucks to biofuels. Thus, from April to August 2022, then from October to February 2023, Domaines Rémy Martin tested a biofuel made from recycled cooking oil (XTL), reducing carbon emissions by 80% compared to traditional fuel. The long-term objective is to share its trials with the other Houses of the Group and the partners of the Alliance Fine Champagne (AFC).

Westland is testing carbon capture technology: carbon capture during the fermentation process

Westland has installed a carbon capture unit (CCUS) in its distillery to collect the carbon dioxide naturally emitted during the fermentation process of its cereals.

To carry out this pilot project, Westland is actively working with Earthly Labs to ensure that the collected CO₂ is cleaned and thus reaches a level of purity compatible with use in soft drinks. This “green” CO₂ will be sold to local companies.

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TRANSPORT MANAGEMENT ALREADY HIGHLY OPTIMISED

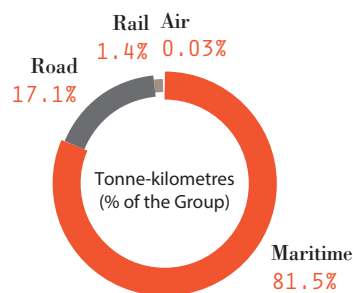
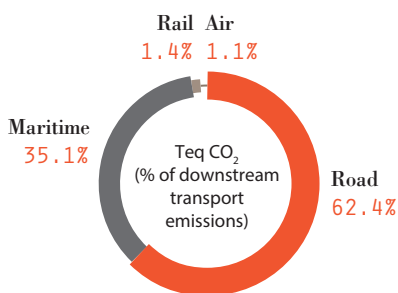
Total scope 3 CO₂ emissions related to the upstream and downstream transport of products reached 21,813 tCO₂e, down by 13% compared to the previous year. This value includes transport:

- upstream (4% of the Group's carbon emissions) of agricultural raw materials, eaux-de-vie or packaging to our production sites;
- downstream (10% of the Group's carbon emissions) of bottles and their packaging to our consumer markets.

As transport is a significant lever for reducing the Group's footprint, many actions have already been implemented in recent years.

The optimisation of upstream transport has thus resulted in a permanent search for local supplies of raw materials, whether agricultural or not.

As for downstream transport, the Group has favoured low-carbon options: maritime transport accounts for 82% of the “tonne-kilometres” travelled by the Group's products (and only 35% of the carbon emissions of downstream transport). Conversely, air freight represented only 0.03% of the “tonne-kilometres” (1.1% of emissions) and road transport 17% (but 62% of emissions).



2030 roadmap and objectives

Efforts to optimise upstream and downstream transport must fully contribute to the objective of reducing the Group's carbon footprint by 50% per bottle by 2030. In order to achieve this objective, Rémy Cointreau has made a commitment to Fret 21, which supports companies in integrating the impact of transport into their sustainable development strategy.

The levers identified and being implemented by the Supply Chain team are as follows:

- use of the TK Blue tool by all Group carriers: initiated in 2019/2020 and completed in 2021/2022, the use of this tool, which covers all of the Group's logistics activities (transport between shipping platforms, deliveries to subsidiaries and customers), has made it possible to reliably and comprehensively measure the global carbon emissions associated with the transportation of products;
- encourage a “zero aircraft” policy for goods;
- optimise flows to favour low-carbon options (maritime, rail and green road transport);
- optimise container filling rates, by gradually replacing wooden pallets with slipsheets;
- contribute to the financing of the low-carbon transport of tomorrow.

Main actions in 2022/2023

In 2022/2023, the tonne-kilometres travelled by the Group's products (downstream transport) were up slightly, while the associated GHG emissions were down by 16%. This performance is explained by the following actions:

- **a 24% reduction in freight journeys made by air:** although air freight was already little used within the Group (0.03% of the tonne-kilometres travelled by our products at the end of March 2023), this commitment enabled a further reduction of -24% in its use in 2022/2023. Over the last three years, this reduction has totalled -93%;

- **capacity optimisation thanks to the use of slipsheets instead of wooden pallets:** after a favourable study was carried out on the implementation of slipsheets (cardboard sheets, whose thinness and lightness make it possible to achieve improvements in volume and weight) in 2021/2022, investments were made to allow their rollout in early 2023 on the Cognac and Angers sites;
- **new low-carbon route between Cognac and Le Havre:** since January 2023, the Group has significantly reduced emissions related to the Cognac – Le Havre journey, by replacing road transport between these two cities with rail (for the most part). From now on, the containers are loaded on biodiesel-powered trucks for a short Cognac-Bordeaux journey, before being transferred to freight trains for the Bordeaux – Port of Le Havre journey (from where they are shipped by sea cargo to their destination ports in the US and China). While 41 containers transited in the fourth quarter of 2022/2023, 200 containers should benefit from this new route in 2023/2024, saving more than 110 tonnes of CO₂;
- **a new partnership to contribute to the decarbonisation of maritime transport:** in September 2021, an agreement was signed with NEOLINE so that from 2025, 250,000 bottles (per year) will be transported from France to the United States by sail freighter. In 2022/2023, in line with its efforts, Rémy Cointreau joined a coalition behind the project of weekly container transport between France and the United States. Set up with the shipowner Zéphyr & Borée, the propulsion system for the containers will be largely sail and will be supplemented by synthetic fuel (green hydrogen). The first containers are planned for 2025 and will reduce emissions from the journey by at least 50%.

1.3.3 CIRCULAR ECONOMY, SUSTAINABLE PACKAGING AND WASTE MANAGEMENT**Governance**

Vision and policy: the Rémy Cointreau Group's strategy in terms of the circular economy, sustainable packaging and waste management is the responsibility of the Group's Chief Executive Officer and CSR Director.

In collaboration with the “Carbon CSR” Department (and in particular the Production, Purchasing, Supply Chain and Packaging Development CSR champions) and the Operations Department, they design and implement the reduction strategy and actions.

Risk identification process: the development of the strategy is informed by the regulatory monitoring process carried out on an ongoing basis by the legal and packaging development teams.

Review and validation: the review and implementation of this strategy are, as for other sustainability topics, part of the responsibilities:

- of the Board of Directors and the CSR Committee;
- of the Executive Committee, in particular through “officers” dedicated to the main challenges of the Group's climate strategy: the “climate/water” (EVP Operations) and “circularity” (CEO Liqueurs & Spirits) officers.

Implementation: the “circular economy, sustainable packaging and waste management” strategy is implemented in coordination with the Houses' Marketing Departments, the Carbon CSR Department and the Operations Department, in order to be adapted to specific local issues and challenges:

- the Carbon CSR champions (Production, Purchasing, Supply Chain and Packaging Development) located at the Group's sites are responsible for implementing the Group's actions in terms of circularity;
- a “Responsible Packaging Development Steering Committee” was created in 2021 (bringing together the Packaging Development Managers of the Group's various Houses). It is responsible for identifying potential new regulatory risks for the Group's bottles and packaging, discussing the actions to be implemented to follow the roadmap and identifying relevant indicators to measure the efficiency of its implementation.

Compensation criteria: in 2022/2023, within the Executive Committee, the Group Chief Executive Officer, the Chief Financial Officer, the CEO of the Cognac division, the CEO of the Whisky division, the CEO of Liqueurs & Spirits and the CEO of Operations receive variable compensation either directly or indirectly linked to the achievement of concrete objectives relating to the circular economy, sustainable packaging and waste management (SDG 12).

Challenges and impacts

Rémy Cointreau must contribute to the global effort by reducing its environmental footprint in a context of resource depletion.

The Group's main challenge is therefore to reduce its consumption of raw materials, particularly those related to packaging of its products, which is its main source of carbon emissions, and for which the cost increases in the future are a probable risk.

In addition to reduction, the Group is working on the emergence of new consumption patterns, promoting reuse, a more circular model of consumption of its products.

Lastly, the introduction of circular economy initiatives based on waste reduction and recovery is also a priority issue for the Group.

Policy

ECO-DESIGN AND PRODUCT CIRCULARITY POLICY

As mentioned above, packaging is a major lever for reducing the Group's environmental footprint (41% of carbon emissions). Thus, eco-design is the subject of a charter, measurement tools and detailed objectives, in order to guide the teams from the design of products, their packaging and promotional items until the end of their life cycle.

2030 roadmap and objectives

Rémy Cointreau's Product Development/Eco-design teams have defined a roadmap for 2030 with the objective of reducing the carbon footprint (and by extension the environmental footprint) of products and their packaging by 50% per bottle by 2030, in line with the Group's reduction objectives. This roadmap is broken down into two phases:

- by 2025, 80% of existing products will have benefited from an eco-design action (tangible improvement of the EPI); this objective has been refined to take into account a more precise eco-design schedule, brand by brand;
- by 2030, the Group is committed to developing projects based on circular consumption methods and/or new materials.

In order to achieve this ambition, the teams have drafted an Eco-design Charter built around the three main principles (Reduce, Reuse and Recycle), guiding the teams from product design. They have also defined the following indicators and objectives:

For glass bottles:

- since 2022, all new projects must show a significant improvement in their Environmental Performance Index (EPI) compared to the existing reference range;
- by 2025, 85% of bottles will be sold without a case;
- by 2025, 100% of bottles must be recyclable or reusable.

For plastic bottles, by 2025:

- 100% of the bottles will be recycled and recyclable plastic.

For plastic promotional items, by 2025:

- single-use plastic will be banned;
- 100% of plastics used must be recycled and recyclable.

In order to be able to measure and manage the progress of these indicators, the Group has developed an eco-design tool called the "Environmental Performance Index" (EPI), described below.

The Environmental Performance Index (EPI)

In 2018, the Group developed an internal software package called the "EPI" or the Environmental Performance Index for packaging, which measures the environmental impacts of the packaging of the Group's products based on four main indicators: CO₂ emissions, water consumption, aquatic ecotoxicity and depletion of natural resources. After initial deployment on the Cognac and Angers sites, this measurement tool was gradually extended to all of the Group's production sites. It is mainly used in the design of new products, in order to ensure a real improvement in its environmental footprint compared to the existing range.

WASTE TREATMENT POLICY

With regard to the treatment of its waste, the Group's policy is:

- to reduce its tonnage as much as possible;
- to recover, as far as possible, all remaining waste, in order to fully participate in a more circular economy.

The Group's target is to recover (material or energy recovery) 99% of its waste by 2024/2025.

ACTION PLAN

Action 1: implementation of the eco-design roadmap and circular projects

During 2022/2023, the teams continued their actions around three main principles "Reduce, Recycle and Reuse (3R)":

– **Reduce** – three major actions were carried out across the Group to reduce the quantity of materials used:

- **elimination of secondary packaging** (Gift Box): 78% of the Group's bottles are now sold without secondary packaging, compared to 21% in 2019/2020, prior to the launch of the initiative. This initiative was conducted by all of the Group's Houses, some of which have even chosen to eliminate it entirely: the House of Telmont, the House of Cointreau and Belle de Brillet liqueur. The target is to reach 85% by 2025,
- **lighter bottles**: substantial work on reducing bottle weight continued across the entire portfolio. In 2022/2023, the House of Telmont conducted tests, in partnership with Verallia, to reduce the weight of its bottle by 35 grams (-4%) to 800 grams. These tests having proved conclusive, Telmont will gradually replace its bottles with this new lighter version, the lightest Champagne bottle on the market. Mount Gay rum, St-Rémy brandy and Belle de Brillet liqueur also benefited from reductions of between -2% and -11% in the weight of glass in their bottles. These improvements allow a reduction in the carbon emissions associated with the production of glass and the transport of bottles, but they also help meet the social and environmental challenges related to the extraction of sand at a global level, by reducing the use of this natural resource. They will be continued and improved further in the coming years,
- **increasing the proportion of glass recycled** – glass being infinitely recyclable, the development of the circularity of this material is beneficial in two ways: the increase in cullet (recycled glass) in the production of bottles makes it possible to reduce the quantities of raw materials (such as sand) used in the manufacture of glass, and also to reduce the amount of energy required to remake it.

Accordingly, the average percentage of recycled glass in the Group's bottle purchases was 49% in 2022/2023. The House of Telmont's actions have been radical over the past two years: it completely stopped the use of transparent bottles (containing no recycled glass) in favour of green bottles, 100% recyclable and made from 85% recycled glass, a very bold and unique initiative in the Champagne region;

– **Recycle** – For the past two years, the development-packaging teams have been actively working on the recyclability of the Group's bottles, both in terms of the materials used and their separability (dissociation of the various components of the bottle). Thus, the Group is already close to achieving its target of 100% recyclable (or reusable) bottles by 2025, with a percentage of recyclable bottles reaching 99.9% at the end of March 2023. The Group will strive to maintain this high recyclability rate in the coming years;

– **Reuse** – Glass bottles are infinitely reusable. It is on the basis of this assumption that the Rémy Cointreau Group aims to develop several projects based on circular consumption methods by 2030. Thus, in December 2022, it announced its One Bottle for Eternity project with the launch of three pilots led by its Houses, to explore different circularity formats:

- **the House of Mount Gay is testing a deposit system in Barbados**, its island of origin and place of production. Empty bottles were collected, cleaned and refilled in the summer of 2022. The House hopes to eventually be able to reuse 30% to 40% of the bottles sold locally, with an estimated CO₂ saving of 60% per bottle,
- **the Houses of Cointreau and Mount Gay announced a partnership with ecoSPIRITS in the United Kingdom**, to promote greater circularity in the on-trade. In January 2023, 4.5-litre ecoTOTES were used in a selection of London bars, restaurants and hotels. Once empty, they will be collected, cleaned and refilled locally. This pilot programme aims to reduce back-room storage by 30% to 50% and reduce daily glass and cardboard waste by 95% in the locations participating in the project. Furthermore, initial estimates indicate a reduction of 80% in associated carbon emissions. With this launch, Cointreau becomes the first international liqueur to partner with ecoSPIRITS, and Rémy Cointreau, the first partner group in the United Kingdom,
- **LOUIS XIII launches the Infinity Wheel**: since November 2022, the House of LOUIS XIII has offered the possibility to refill its carafe an unlimited number of times in its Cognac store. This service will be rolled out in all of the House's stores in 2023. The ceremony is personalised and the life of the carafe is extended to infinity.

KEY PERFORMANCE INDICATORS: ECO-DESIGN

Indicator	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 target
Bottles sold without gift box	21%	74%	76%	78%	85%
Products that have benefited from an eco-design action since 2020/2021 (EPI)	-	-	57%	67%	80%
Proportion of recyclable or reusable bottles	-	-	98%	98%	100%
Average proportion of recycled glass (total bottles purchased)	-	-	54%	49%	-

Action 2: partnership with Glass Futures: preparing for the future and helping to decarbonise glass manufacturing

Rémy Cointreau has been a member of the Glass Futures consortium since 2021/2022, in a collaboration towards a more sustainable future. While Rémy Cointreau is already committed to the eco-design of its bottles in the most responsible way, by reducing their weight and increasing their recycled content, for example, the Group also wants to prepare for the future by helping the glass industry to decarbonise itself over the long term.

This is the mission of the non-profit organisation Glass Futures, which, with its Global Centre of Excellence, aims to accelerate the sustainable transformation of the glass industry through innovation and collaboration.

Action 3: waste management

Rémy Cointreau takes measures to reduce the amount of solid waste on its sites with a policy of educating staff about waste sorting and recycling.

In 2022/2023, the Group's waste increased by just 3.8% (2,548 tonnes), with a recovery rate almost stable at 94%. Thus, 85% of waste was subject to material recovery, while 9% was directed to energy recovery. All sites recover between 90% and 100% of their waste, with the exception of Barbados (18%), which still has progress to make.

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Westland: a "zero waste" strategy that has paid off in three years

As part of its EnviroStars certification (since 2020/2021), Westland conducted an audit and put in place a waste management plan that enabled the House to go from 75 tonnes to 0.1 tonnes of waste in the space of three years. These reductions were achieved in large part by switching to recyclable or compostable materials, increasing sorting and recycling capacities and educating teams. This roadmap was supported by the House's CSR champions:

- introduction of compostable gloves, cups and cutlery;
- use of reusable rather than single-use materials;
- use of rechargeable materials (reducing the use of batteries);
- recycling of malt bags (~ 900 kg);
- education of teams on sorting options: recyclable, compostable and non-recoverable items.

Our policy is part of a number of national and international initiatives

- **Partnership with Echo-Mer:** to limit the impacts of pollution caused by humans on nature, Echo-Mer is involved in a multitude of projects always related to the marine environment, the protection of the environment and the coast, as well as sustainable development. The House of Rémy Martin has teamed up with Echo-Mer to separate the tops of corks from their cork bodies on corks sent to scrap. Assisted in this by the Vivractif association in Tonnay Charente (which supports people with social or professional difficulties towards a return to employment or training) which has developed several separation processes. In 2022, 361 kg of cork and 3.5 tonnes of metals and plastics were separated and thus recycled, while providing additional work for Vivractif employees.

KEY PERFORMANCE INDICATORS: WASTE

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 target
Total waste (in tonnes)	2,312	2,470	2,382	2,455	2,548	
<i>Year-on-year change</i>	-5.4%	6.8%	-3.6%	3.1%	3.8%	
% recovered waste	94%	93%	95%	95%	94%	99%
o/w material recovery	87%	86%	88%	88%	85%	-
o/w energy recovery	7%	7%	7%	7%	9%	-

Note: integration of Westland in 2019/2020; 2021/2022: integration of Telmont and Brillet.

1.3.4 RESPONSIBLE WATER MANAGEMENT (SDG 6)

Governance

Vision and policy: the Group's Chief Executive Officer and Head of CSR oversee Rémy Cointreau's responsible water management strategy.

In collaboration with the Terroirs CSR Department and the Operations Department, they design and implement the water reduction and regeneration strategy. They thus define the roadmap according to the main challenges identified (watersheds under water stress) and draw up an action plan.

Risk identification process: the understanding of exposure to water-related risks (physical, regulatory and reputational risks) for the production sites and ingredients supplied by Rémy Cointreau is based on tools from Water Risk Filter and the World Resources Institute's Aqueduct for Food, on the one hand, and operational feedback from production sites, on the other.

Review and validation: the review and implementation of this strategy are, as for other sustainability topics, part of the responsibilities:

- of the Board of Directors and the CSR Committee;
- of the Executive Committee, in particular through a dedicated "officer" for "climate/water" challenges (Director of Operations).

Implementation: the sustainable water management strategy is rolled out in coordination with the Terroirs CSR Department, the Operations Department and the site CSR champions, in order to be adapted to specific local issues and challenges.

Challenges and impacts

Water management is a strategic focus for the operations and supply chain of Rémy Cointreau, which recognises the strategic importance of this issue for the planet and its communities. Water

poses a major challenge for the Group, particularly in terms of its availability for distillation activities at the Barbados, Islay, Westland, Domaines Rémy Martin and Domaine des Hautes Glaces sites, as well as its quality for the production of the Group's products. However, only a small part of the Group's agricultural activities need to be irrigated: the production of oranges and pears, and part of the vines (for the production of the St-Rémy and Metaxa brandies).

The Group has therefore adopted a three-step approach to identify risks, actions and impacts in order to contribute to the preservation and restoration of natural ecosystems and the natural water cycle, in the most important areas. These three steps are as follows:

- **measurement of water-related risks** based on tools from the Water Risk Filter (a public database and an interactive mapping tool, which provides information on water-related risks according to the exact location of production sites) and the World Resources Institute's Aqueduct for Food.
The analyses carried out show that none of the Group's production sites are located in an area with a high or extreme water risk. Nevertheless, the Cognac AOC is at moderate water risk overall, and some of the Group's supplies related to oranges, sugar cane, muscat wine and wine *eaux-de-vie* are located in watersheds with high and very high water risks;
- **development of mitigation and adaptation plans based on different types of intervention:** agroecology for its supply chain, optimised use of water as well as increased management of the quantity and quality of effluents at its production sites and actions to regenerate the ecosystems surrounding its production sites;
- **prioritisation of actions** according to the risk faced by the sites.

Policy

Since 2016, the 2020 CSR plan identified water consumption and conservation as an environmental objective. The first step was to make consumption measurements more reliable at all production sites. Precise water consumption maps were also carried out at certain sites in order to identify the water actually drawn from the natural resource and not discharged by the site, *i.e.* net water consumption.

In addition to water consumption, the Group also pays particular attention to preserving its quality. The treatment of liquid waste from its production sites is thus closely monitored. The majority of this liquid waste takes the form of vinasse. For several years, the volume of effluents has been measured and BOD/COD analyses are carried out regularly before and after treatment and before discharge into the natural environment.

In 2022, the Group reviewed its strategic approach to sustainable water management in order to structure and accelerate its strategy. It is now built around three levels of commitment, with priority given to the areas most at risk:

- water risk at its production sites: roadmaps are being prepared on each of the Group's sites, in order to define reduction targets by 2030;
- water risk in its value chain: in order to measure the Group's footprint across its entire value chain (using the same model as the carbon footprint), the Group has been calculating its "water footprint" since 2021/2022 (scopes 1, 2 and 3);
- water resources in its communities: the Group works alongside the WWF to identify or define the most relevant regeneration projects in areas where physical, regulatory and reputational risks are highest.

The Group's action focuses on three main levers:

- reduce its water consumption;
- reduce and improve the quality of its effluents;
- regenerate water through actions with high impact, particularly in water-stressed areas.

Our policy is part of a number of national and international initiatives

— **Eco d'eau partner:** Eco d'eau is an initiative launched by Véolia that enables local authorities, companies, associations and citizens to make a commitment to preserve water resources. This requires commitments made by each organisation to reduce its water consumption and move towards increasing sobriety. This also involves raising awareness and informing all stakeholders (employees, fellow citizens, customers, partners, etc.) about the daily actions they can adopt. Rémy Cointreau joined the collective in 2023.

Performance and results of the year

Rémy Cointreau footprint (direct)

Total (gross) water consumption amounted to 259,977 m³, up 10% in absolute terms and 14% in intensity (5.2 L per litre of alcohol produced). These increases are consistent with the increase in volumes distilled during the year. They are also due to the construction of new cellars in Cognac and by methodological adjustments to the calculation at certain production sites.

The Mount Gay site in Barbados accounts for 42% of the Group's water consumption, with the Cognac, Angers and Islay sites accounting for most of the rest.

KEY PERFORMANCE INDICATOR: WATER CONSUMPTION

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Water consumption (in m³)	195,096	189,287	200,838	237,356	259,977
Annual change	+12%	-3%	+6%	+18%	+10%
Water consumption per litre produced (in L/L)	4.1	4.4	4.6	4.6	5.2

Note: 2021/2022: integration of Telmont and Brillet.

Rémy Cointreau footprint (indirect)

Since 2021/2022, Rémy Cointreau has been measuring its "water footprint" across its entire value chain (in the same way as the carbon footprint).

For quantity, the water footprint measures:

- net water consumption (water that is withdrawn from a watershed and not returned). This may result from its evaporation, its integration into a product or its discharge into a different catchment area from the one from which it was collected. Net water consumption takes into account all sources of water for this production (irrigation when it takes place as well as groundwater and well water);
- water stress is calculated by weighting water consumption according to the region of the world where it is taken via a water stress index (this represents the risk of depriving another user of fresh water [human or ecosystem] by consuming freshwater in a particular region). To calculate it, we use the AWARE (Available Water Remaining) water stress indicators recommended by the European Commission and the PEF.

For water quality, the footprint measures:

- acidification, which comes from the addition of acidic substances to the environment (nitrogen oxide, ammonia and sulphur oxide);
- eutrophication, which quantifies the impact of phosphate-based inputs (fertilisers) on the growth of algae in freshwater and the degradation of surrounding ecosystems;
- freshwater ecotoxicity, which measures the impacts caused by the release of substances that have a direct effect on the health of surrounding ecosystems.

In 2021/2022, this was 4,202,623 m³, of which 6% related to scopes 1 & 2, and 94% to scope 3. Within scope 3, most of the water consumption comes from the cultivation of agricultural ingredients and to a lesser extent from packaging.

The Group will publish an update of its water footprint in its 2023/2024 Non-Financial Performance Statement. In the meantime, it aims to refine its calculations and the use of more specific emission factors, in order to have a reliable and relevant working basis.

The Group's water stress level is "medium", combining a low indicator for the portion consumed in France and a higher indicator in the countries of agricultural supplies such as Ghana, Spain, Tunisia, Morocco, Greece and Barbados.

ACTION PLAN**Action 1: reduce water consumption**

Three main types of actions were continued or started in 2022/2023, with a gradual impact expected in the coming years:

- **installation of flow meters throughout the production chain:** in order to be able to more accurately measure water consumption at the various stages of the production chain, as well as the quantity of water returned to the planet (without transformation) at the end of the process, the Group's various production sites are being equipped accordingly. Until now, only the Angers site was fully equipped;

Action 2: reduce and improve the quality of effluents

Half of the Group's liquid waste is made up of distillation vinasse, and the remainder is industrial waste (non-hazardous). For several years, the volume of effluents has been monitored and BOD/COD analyses are carried out regularly before and after treatment and prior to discharge into the local water treatment system or the natural environment.

Effluent discharges (124,549 m³) changed little (+3.6%) compared to the previous year. However, the Group is in the process of preparing roadmaps at site level to reduce its effluents in the coming years.

WASTEWATER TREATMENT

All of the Group's production sites are aligned with national and local regulations for the treatment of effluents. In addition, the Group strives to accurately measure the quality of waste, whether it is sent to local treatment plants or to the natural environment.

Concerning the Angers and Cognac sites (including Domaines Rémy Martin), the measurement of pollution related to effluents leaving the site shows a further improvement compared to the previous year, based on figures that were already low: 0.8 tonnes

- **launch of rainwater harvesting projects** at sites that are not yet equipped, particularly in Cognac and Domaine des Hautes Glaces;
- **launch of projects to increase water circularity:** in Islay, a new cooling water recycling system was installed at the end of the financial year. Combined with a sub-cooler system for condensers, this new installation is expected to reduce cooling water consumption by up to 80% by volume during the summer months.

of BOD (biochemical oxygen demand), down 27% compared to 2021/2022) and 3.5 tonnes of COD (chemical oxygen demand), down 24%.

For all sites, the pollution of effluents leaving the sites amounted to 2,639 tonnes of BOD (+35%) and 2,958 tonnes of COD (+8%).

RECYCLING OF VINASSE

Vinasse is a distillation residue that is rich in organic matter, which can be recycled by spreading it on agricultural land or recovered for energy (methanisation and green energy production).

In 2022/2023, 37% of vinasse was recycled, compared to 53% the previous year. This decrease is mainly due to less spreading in Barbados (46% *versus* 70%), on account of the abundant rains in 2022. By 2024/2025, the objective is for this ratio to reach 70% by 2025.

All of the vinasse from the Domaine des Hautes Glaces is spread on its estates, while all vinasse from the Domaines Rémy Martin is entrusted to a local methanisation and green energy production unit (REVICO) for the Cognac region, of which Rémy Martin is a director.

KEY PERFORMANCE INDICATOR: EFFLUENTS

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 target
Effluents (in m3)	83,677	79,835	79,603	120,194	124,549	
Annual change	-0%	-5%	-0%	+51%	+4%	
% vinasse recycled	-	23%	32%	53%	37%	70%

Note: 2021/2022: integration of Telmont and Brillet.

Action 3: regenerate water through impact actions, particularly in water-stressed areas

The conversion of all the Group's estates and, in the long term, its farming and winegrowing partners, to agroecology (use of plant cover, reduction of ploughing, addition of organic matter, agroforestry programmes, soil decompaction, etc.) should allow better water retention in the soil during dry periods and therefore better preservation of water resources in general.

1.4 GROUP SOCIAL AND SOCIETAL COMMITMENT

1.4.1 OUR EMPLOYEES, THE EMBODIMENT OF OUR KNOW-HOW (SDG 4, 5, 8, 10)

Governance

Vision and policy: Rémy Cointreau's Chief Executive Officer and the Group Human Resources Director, together with the Group Talent Director, oversee the governance of its human resources challenges. The Group Talent Director also reports to the Chief Executive Officer.

In collaboration with the human resources teams of the Group's various production sites and main markets, they design and implement Rémy Cointreau's social commitment strategy. They thus define the roadmap according to the main challenges identified and draw up an action plan. They are responsible for their deployment and the effectiveness of their implementation.

Risk identification process: the development of the strategy is based on the employee satisfaction survey conducted every two years. It also relies on the process of identifying social risks and impacts, based on regular analyses carried out by the CSR and Operations Departments, as well as Audit, Compliance and Insurance.

Review and validation: the review and implementation of this strategy are, as for other sustainability topics, part of the responsibilities of the:

- Board of Directors;
- Nomination and Remuneration Committee;
- CSR Committee; and
- Executive Committee, in particular through the presence of the Director of Human Resources and a "Diversity, Equity and Inclusion" officer (Group Transformation Director) within this management body.

Implementation: the human resources strategy is implemented in collaboration with the human resources teams of the Group's various production sites and main markets in order to be adapted to local specificities and challenges.

Compensation criteria: in 2022/2023, all members of the Executive Committee receive variable compensation directly or indirectly linked to the achievement of concrete targets relating to the Group's social commitment (SDG 5, SDG 10).

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Performance and results of the year

At 31 March 2023, the Group's total headcount was 2,021 employees on permanent contracts (CDI) and fixed-term contracts (fixed-term contracts and work-study students), a significant increase compared to March 2022 (1,924 employees). This change is linked to the implementation of the Group's strategic transformation plan to 2030 and makes it possible to support the development of our activities in France and internationally. These recruitments also reflect the Group's attractiveness to candidates.

HEADCOUNT BY GEOGRAPHIC AREA

	March 2023	%	March 2022	%	March 2021	%
France	815	40.3	794	41.3	745	40.7
Europe (outside France) – Africa	322	15.9	315	16.4	305	16.6
Americas	369	18.3	340	17.7	347	18.9
Asia	515	25.5	475	24.7	435	23.7
TOTAL	2,021	100	1,924	100	1,832	100

HEADCOUNT BY ACTIVITY (GRI STANDARD 401-1)

	March 2023	%	March 2022	%	March 2021	%
Group Brands	836	41.4	820	42.6	757	41.3
Distribution	1,106	54.7	1,027	53.4	1,001	54.6
Holding	79	3.9	77	4.0	74	4.0
TOTAL	2,021	100	1,924	100	1,832	100

HEADCOUNT BY FUNCTION AND POSITION

	March 2023	%	March 2022	%	March 2021	%
Commercial	584	28.9	540	28.1	537	29.3
Marketing	295	14.6	289	15.0	248	13.5
Production	271	13.4	268	13.9	267	14.6
Farming – Distillation – Ageing	188	9.3	178	9.3	163	8.9
R&D – Quality – Environment	98	4.8	92	4.8	76	4.1
Supply Chain	121	6.0	113	5.9	99	5.4
Purchasing	29	1.4	27	1.4	36	2.0
Finance & Legal	223	11.0	215	11.2	216	11.8
IT	78	3.9	67	3.5	62	3.4
Human Resources	61	3.0	62	3.2	55	3.0
General Services	21	1.0	21	1.1	19	1.0
Senior management	52	2.6	52	2.7	54	2.9
TOTAL	2,021	100	1,924	100	1,832	100

1.4.1.1 ATTRACTING AND RETAINING EMPLOYEES (SDG 8)

Challenges and impacts

The women and men who make up Rémy Cointreau are a fundamental asset because they embody the know-how passed down from generation to generation, which is essential to the development of exceptional products. Maintaining the attractiveness and loyalty of employees is therefore an important issue for the Group.

Excessive turnover, particularly in key positions, could ultimately penalise the Group’s growth.

Rémy Cointreau ensures that all its activities comply with the laws and regulations in force in all the countries in which it operates.

Policy

The Group is committed to the professional development of its employees and to strengthening the sense of belonging to the Group. Remuneration policies are framed by role evaluations informed by a methodology and by expertise from outside the Company and by performance evaluation based on identified skills and shared objectives.

Recruitment and internal mobility policies are subject to international procedures and/or charters that guide managers and encourage collegial decision-making based on objective criteria.

The compensation policy is supplemented by performance incentive plans, which are required to meet the aims of encouraging key talent to deliver medium- and long-term

performance, encouraging outperformance and involving the individuals concerned in the Company’s value creation, loyalty and optimisation of cost effectiveness. The plans are aimed at a select group of individuals: Group Executives, Executive Committee members, key contributors, pillars of the organisation and high flyers. Key contributors are managers who have a strategic role (mainly brand managers and regional managers) and managers who report to senior management. “Pillars” are managers who perform an essential role that requires experience and who would be difficult to replace. “High flyers” are managers who have been identified as potentially able to reach Director level, or who could be promoted through two levels of management.

In addition, employees are supported by the Talent team, which is dedicated to providing personalised support for all those identified as being likely to fill the Group’s strategic functions, in

order to assist them in their development, in complete confidentiality. This commitment is reiterated in the form of a manifesto distributed within the Group.

Performance and results of the year

During the 2022/2023 financial year, the turnover rate was 13.3% of the population, compared to 15.6% the previous year. The average age of the Rémy Cointreau Group’s workforce is 41 years (vs. 41.1 years), with a slightly higher average age in France (42.1 years).

The average seniority of the Group’s employees is 7.4 years, with an average in France of 9.2 years.

These figures validate the relevance of the employee attractiveness and loyalty policy, which makes Rémy Cointreau an employer of choice.

In France, the Group closely monitors changes in average and median compensation based on the indicators comparing the levels of executive and employee compensation as described in section 3.5.5. of this document.

In addition, monthly and annual reviews ensure that employees receive a salary level that is above the legal or contractual minimums and competitive with market practices.

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KEY PERFORMANCE INDICATORS

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 targets
Turnover (in %)	13.2	13.8	13.6	15.6	13.3	<17
Average age (in years)	41.5	41.1	41.0	41.1	41.0	Average in France: 42.1 years
Average seniority (in years)	7.9	8.0	7.9	7.6	7.4	Average in France: 9.2 years

ACTION PLAN

Action 1: roll-out of a “My Rémy Cointreau” international Employee Shareholding Plan (success with a subscription rate of 50%)

To strengthen its social balance through a sense of belonging, in 2021 the Group had already rolled out its first employee shareholding plan reserved for employees of the various entities based in France, called “My Remy Cointreau”. This operation, which is part of the Group’s transformation strategy plan by 2030, offered employees the opportunity to acquire, via a mutual fund, shares of the Company at a discounted price. This employee shareholding plan was marked by a significant subscription rate of nearly 77% of the active employees, reflecting a strong expectation of employees to be fully and sustainably involved in

the achievement of long-term objectives. During the 2022/2023 financial year, the Group rolled out a new employee shareholding plan called “My Rémy Cointreau 2022”, reserved for international employees of 15 entities based in the nine countries with the highest number of employees. This employee shareholding plan was once again marked by a high subscription rate with nearly 50% of employees, reflecting their strong commitment and their confidence in the Group’s long-term development prospects.

Under the two plans implemented, the subscription rate is 60.9% of active employees.

Action 2: monitoring of the employee turnover rate

The Group monitors the turnover rate of the Group’s employees closely in order to analyse the causes of any deterioration, if necessary. In the 2022/2023 financial year, the Group made 318 recruitments, mainly in the sales force (22%), marketing (17%), production (11%) and finance (9.1%). 84.2% of recruitments were permanent contracts.

At the same time and within the same scope, there were 221 people who left the Company, the main reasons being resignations (53.8%), the end of fixed-term contracts (15.8%), mutually-agreed departures (12.7%), retirements (10%) and redundancies (6.8%).

Thus, the turnover rate was 13.3% of the population. The Company’s objective is to ensure that the rate does not exceed 17%, taking into account the pressure on employment in certain markets where the Group operates.

Action 3: satisfaction survey to measure employee engagement

Every two years, Rémy Cointreau conducts a global satisfaction survey to measure employee engagement. In 2021/2022, 86% of the Group’s employees responded to the survey (compared to 83% for the survey conducted in 2019/2020). This survey is

accompanied by meetings with groups of employees, in order to develop action plans taking into account the opinions and feedback collected, as part of a continuous improvement process.

1.4.1.2 WORKING CONDITIONS AND EMPLOYEE WELL-BEING (SDG 8)

Challenges and impacts

The job market has seen significant changes following the Covid-19 health crisis, and with new employee expectations relating to working methods, in particular with the sustainable introduction of a hybrid mode, alternating face-to-face and remote working. The organisation of working conditions and flexible working hours meet the growing expectations of employees concerning their physical and mental well-being and

the management of their personal and family responsibilities. Rémy Cointreau wants to offer all employees an environment that meets these expectations so that they can experience a general sense of satisfaction and fulfilment in and through work within diverse teams. If the Group fails to meet these requirements, the development of its activities and its results could be affected.

Policy

The Group invests to continually improve working conditions, taking into account the specific challenges of each business.

Rémy Cointreau also ensures that all its activities comply with the laws and regulations in force in all the countries in which it operates. Furthermore, in France, in keeping with its historical choices, Rémy Cointreau promotes collective agreements in all areas of negotiation.

Finally, Rémy Cointreau is committed to ensuring that its practices with regard to the organisation of work and other time spent in the Company aim, as far as possible, to maintain a good balance between professional and private life, allowing in particular for parenthood.

In France, in particular, a remote working charter based on the trust and responsibility of each individual was put in place seven years ago and reviewed in 2019 and again in 2020 to encourage organisational methods designed to improve quality of life at work while reducing travel time.

In addition, our subsidiary Bruichladdich introduced flexible working hours. This scheme allows eligible employees who so wish to work more flexible hours by going to work later, coming home earlier or having the option to take a longer lunch break than a fixed model of hours would allow. This new policy was also an opportunity to review the applicable legal provisions on working hours.

Performance and results of the year

In France, the remote working charter benefits 57% of the employees of the Rémy Cointreau Economic and Social Unit. Remote working methods, as proposed, allow employees a great deal of flexibility in its use.

ACTION PLAN

Action 1: remote working, work-life balance

In order to continue to meet the expectations of candidates and employees who wish to be able to more easily reconcile their professional and private lives in France, the Company has reactivated the remote working charter. The latter, revised during the 2020/2021 financial year, gives the possibility of agreeing fixed

and/or occasional remote working days thus authorising up to two days of remote working per week. These provisions make it possible to renew professional ties that have been damaged by successive periods of lockdown.

Action 2: new premises offering space and well-being

After the employees of the Paris site moved to new premises in April 2022, employees at the Singapore site were able to benefit from additional renovated spaces in September 2022. After three months of renovation work, the premises are able to meet changes in work organisation (remote working, flexible working hours), with more areas for discussion, brighter meeting rooms, more open and less formal discussion spaces. formal rooms as

well as teleconferencing equipment that meets the needs of remote working, and above all a convivial space that offers a unique view of Singapore and its seafront location. Furthermore, in September 2022, Rémy Cointreau employees based in Malaysia moved to larger, more flexible and collaborative spaces within a building that received multiple awards in terms of sustainable development.

Action 3: actions in favour of parenthood

As far as possible, meetings are organised during working hours and training sessions are scheduled sufficiently early to allow parents to organise childcare. The parties wished to adapt the

application of family solidarity leave and to allow the employees concerned to consider part-time work with their line management when employees are required to manage certain family events.

1.4.1.3 EMPLOYEE HEALTH AND SAFETY (SDG 3)

Challenges and impacts

The Group is responsible for ensuring the health and safety of its employees in optimal working conditions and supporting them in their professional development. We consider, for example, that absenteeism-related indicators or the workplace accident severity and frequency rates provide an overall indication of how well the needs of our employees are being taken into account.

In our field of activity, we pay even more attention to the promotion of responsible consumption among our employees so that they understand the risks of harmful consumption, including excessive alcohol consumption, drink driving, and alcohol consumption during pregnancy.

Policy

The Rémy Cointreau Group is committed to providing and maintaining a working environment that ensures the health and safety of staff, customers, external stakeholders, visitors and the general public who may reasonably be affected by its activities. The Group’s policy in this area is to prevent accidents, illnesses or other injuries by ensuring that risks are taken into account in the operational management of production processes.

While health and safety is a global commitment, our entities around the world are each responsible for deploying initiatives aimed at offering the best possible working conditions, taking into account the specificities of the business lines (in particular between office or mobile jobs and industrial jobs). This is reflected in the Quality, Health and Environment policies that are

implemented locally and communicated to new employees during their induction. In addition, training courses are regularly organised at our industrial sites in France to take account of any changes in standards, legislation or regulations.

In France, in accordance with legal provisions, all employees are also covered by a health insurance policy and by a life and disability policy, covering in particular long-term sick leave (more than 90 days).

Moreover, at Group level, all employees are covered by business travel insurance, which includes repatriation assistance, including international repatriation, and offers other services that contribute to peace of mind.

Performance and results of the year

The various initiatives taken to monitor performance indicators provide a better understanding and qualitative analysis of the indicators. We note good control of the absenteeism rate as well

as the severity rate. However, the change in the frequency rate is due to an increase in our activity and invites us to strengthen our vigilance to prevent accidents in the workplace.

KEY PERFORMANCE INDICATORS

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 targets
Absenteeism (in %)	2.0	2.3	2.0	1.8	2.4	<4
Workplace accident frequency rate	7.6	11.21	3.5	7.9	13.3	<9
Workplace accident severity rate	0.51	0.53	0.67	0.30	0.13	<0.3

ACTION PLAN

Action 1: training, awareness-raising and monitoring of indicators

In order to raise employee awareness of accident prevention in the workplace, the accident frequency rate indicator for industrial sites in France is part of the profit-sharing criteria developed under a collective agreement signed with the social partners.

The Group also monitors the absenteeism rate for France, Barbados and Islay. Over the next five years, the Group intends to include Domaine des Hautes Glaces, Telmont and Westland in this scope. For the financial year ended, the cumulative absenteeism rate, measured in hours of absence per theoretical hours worked, was 2.38, a slight increase on the previous financial year. This rate does not include long-term illnesses of more than 90 days’ absence.

In addition, the frequency rate of work-related accidents at the production sites in France (excluding Domaine des Hautes Glaces, Telmont and Brillet), Barbados and Islay for 2022/2023 is 13.34, expressed as the number of work-related accidents with time off per million hours actually worked. Over the next five years, the Group intends to include Domaine des Hautes Glaces and Westland in this scope.

The severity rate, expressed as the number of days lost due to work-related accidents per thousand actual hours worked, was 0.13. In order to remedy the causes of each accident, members of the Health and Safety Committees systematically draw up a cause tree and submit conclusions and recommendations to said committees.

In terms of preventing risks related to excessive alcohol consumption, mandatory training has also been rolled out via the e-learning platform. This training course for all employees, which is part of the onboarding process, helps people to understand and acquire good habits in terms of responsible consumption of our products. It also aims to make each Rémy Cointreau employee a

true ambassador for responsible consumption and to spread this culture among their professional and personal circles. During the financial year, 1,048 Group employees (more than 59% of the workforce at year-end) took part in this training. We will continue to roll out this training to all employees, also in a face-to-face format during the coming financial year.

Action 2: upgrade of equipment and adaptation of work tools

Within Rémy Martin, on the Cognac industrial site, an Occupational Health and Safety officer, who has also been Disability officer since last year, is in charge of risk prevention. Each year, workstation studies are carried out as part of the musculoskeletal risk prevention approach (MSD). This term refers to a set of painful conditions including conditions affecting structures located on the periphery of the joints. MSDs have multiple causes, but professional activity frequently plays a role in their occurrence, continuation or aggravation. Also during the financial year ended, occupational accidents and any

occupational illnesses leading to these disorders were analysed. As part of the approach, workstation studies, which result in identification sheets, were carried out with the doctor and/or ergonomist on workstations such as a case packer/cartoner, case erector and depalletiser as part of the development of a new production line. These studies lead to concrete actions that include the intervention of professionals specialising in well-being to correct postures at work, the acquisition of ergonomic balls or investment in postural support harnesses (exoskeletons).

Action 3: free health check-up for employees

Sensitive to the well-being of employees, Rémy Cointreau has chosen to offer employees in France a non-mandatory health check-up. The purpose of this assessment is to provide them with information on their current state of health and to inform them of

the steps to be taken to maintain or improve their health. The availability of this system was once again circulated during the financial year.

1.4.1.4 SKILLS DEVELOPMENT (SDG 4)

Challenges and impacts

The challenge for Rémy Cointreau is to be able to maintain the adequacy of the Company’s qualification needs by maintaining and developing the skill level of its employees. The human resources policy must constantly anticipate the Group’s needs and this is particularly the case in terms of training.

Furthermore, the Group’s exceptional products meet high customer expectations and require specific know-how which the Group must maintain. In this sense, Rémy Cointreau must ensure the employability of employees and career opportunities within the Group.

Policy

Rémy Cointreau is committed to promoting the development of skills, in particular through internal training, which is necessary for the transmission of the know-how that is essential for the development of our exceptional products.

Rémy Cointreau also supports the development of its employees by offering them the possibility of enriching their professional experience through professional and geographical mobility opportunities.

The Group has set up several collective or individualised action plans aimed at supporting the professional projects of the Group’s women and men, encouraging the development of skills and promoting team performance:

- performance assessment processes;
- succession plans;
- training policies;
- international mobility policies: in 2017, Rémy Cointreau reformalised an international mobility policy, reevaluated each year, and which seeks, through the homogenisation and standardisation of practices (global common standards) to promote international mobility to meet the Group’s needs and to support employees as necessary.

Each of these is led by a dedicated resource within the head office.

Performance and results of the year

KEY PERFORMANCE INDICATORS

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 targets
Percentage of employees completing at least one training course per year (in %)	68	74	69	80	81	80
Number of training hours per employee	13.9	17.1	10.9	15.8	17.2	Annual monitoring

ACTION PLAN

Action 1: an exceptional integration programme

A good understanding of the Company’s culture is a guarantee of performance. Rémy Cointreau takes care to support its new employees as they begin their duties by offering them, through integration programmes, the chance to discover the values and history of our companies and the managerial culture that is so specific to Rémy Cointreau. More specifically, in France, the mentoring system is an integral part of the integration programme.

The objective is to give new employees the keys to facilitate their integration by quickly discovering the Company’s culture. Each new employee joining Rémy Cointreau on a permanent contract is assigned a mentor. This person shares his or her experience in all aspects of life in the Company and is a privileged contact who helps the employee find his or her way around the Company on induction and during his or her first few months.

Action 2: training and career development

Rémy Cointreau strives to develop employees’ skills by offering face-to-face and remote training tools. In particular, employees have access to a platform that offers a wide range of training courses in different areas related to the development of managerial skills, language skills, education about our brands and technical training.

The Group has implemented a monitoring indicator expressed as a percentage of employees who have benefited from at least one training session per year. This indicator stands at 81.4% of the population, an increase compared to last year (80.1%). The Group’s ambition is to maintain this rate above 50%.

In addition, during the 2022/2023 financial year, the number of hours of training declared for the entire Group was 34,852 hours, of which 16,284 were for women and 18,569 for men.

Action 3: promote mobility

Rémy Cointreau encourages its employees to take an active role in their mobility and professional development. In close collaboration with their Human Resources Department, managers actively participate in the skills development plan and in the management of their teams’ career paths.

The Group’s international mobility policy seeks, through the homogenisation and standardisation of practices (common global standards), to encourage international mobility to meet the Group’s needs in terms of: employees’ career development or assignments abroad at the request of the employee.

Due to the Group’s highly international activity, 59.7% of Rémy Cointreau’s workforce was located outside France as of 31 March 2023. Rémy Cointreau believes that the Group’s multicultural dimension represents a major asset in its international development. International mobility – both professional and geographical – contributes to the widespread dissemination of the Group’s values within its organisation.

Finally, with a view to developing the international skills of young talent, Rémy Cointreau offers international volunteer contracts (VIE) throughout the world.

Action 4: succession plans

A process for identifying key positions, shared with the Executive Committee, ensures that the Group has the skills necessary for its

development and/or guides human resources decisions to guarantee the organisation’s long-term future.

1.4.1.5 PROMOTION OF DIVERSITY, EQUITY AND EQUAL OPPORTUNITIES (SDG 5 AND SDG 10)

Challenges and impacts

Rémy Cointreau aspires to have a fair representation of the employment areas, the markets in which it operates and its end customers. In this respect, the Group wishes to preserve its good reputation with regard to the various stakeholders in order to maintain its attractiveness on the one hand and to guarantee

social balance on the other. The Group also promotes an environment that fosters creativity and open-mindedness in its teams. Promoting this environment is an important lever for attracting and retaining talent and building a meaningful value proposition as an employer.

Policy

The Group has defined policies and procedures on the following topics, as a priority:

Tackling discrimination

With regard to equal treatment of men and women and non-discrimination in general, the Rémy Cointreau Group has decided to implement international procedures and processes that guarantee fair treatment of the Group's employees. Non-discrimination without distinction as to race, religion, colour, age, sex, national origin or any other discriminatory factor not based on professional requirements is an integral part of Rémy Cointreau's policies and practices, particularly in the context of recruitment, promotions, transfers, remuneration and training.

Equal treatment of men and women

With regard to remuneration, the Group has undertaken in France to develop its remuneration policy to ensure that gender is not a criterion taken into account. Three areas have been formalised with a common objective and measurement indicators:

- no gender difference on the hiring salary for equal skills;
- no gender difference in individual salary increases for equal performance and market ratios;
- analysis of gender differences on base pay at equal levels of employment, experience and performance, and action plan to reduce them.

Promoting diversity

Diversity is promoted at Group level by the Group Transformation Director, who is a member of the Executive Committee. This priority, implemented during the financial year, is an opportunity to start building and developing the fundamentals of our commitment, always in line with our history and the values held by the Group. It has been proven that working in a diverse, egalitarian and inclusive environment creates value, because it allows everyone to feel empowered and respected for who they are and for their contribution. An international steering committee has also been set up to coordinate, lead and promote Group and local policies to promote diversity.

Performance and results of the year

The breakdown by gender is stable; men represent 53.7% of the workforce, women 46.3%, with different positions depending on the business line and country.

By profession, men are mainly represented in the ageing, maintenance and sales professions. Women are more predominant in marketing, customer service and packaging.

KEY PERFORMANCE INDICATORS

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025 targets
Professional equality index (out of 100)		83	83	84	89	90
Percentage of female/male managers (<i>in %</i>)	44	45	46	48	46	50
F/M training rate (<i>in %</i>)	46	45	45	43	48	50
Percentage of women on the Executive Committee (<i>in %</i>)	17	17	10	33	33	40

ACTION PLAN

Action 1: actions in favour of equal treatment of men and women

The Group monitors the ratio of female to male managers, which for the 2022/2023 financial year was 45.5% at Group level, a decrease on the previous financial year.

In addition, in France, we monitor the weighted difference in promotion rates between women and men per calendar year.

In 2022, this was just 1.12% in favour of men, which translates into a promotion rate (proportion of employees promoted in the sense of the socio-professional category) of 6.0% for women against 8.9% for men. This indicator is part of the calculation of the Gender Equality Index as defined by the decree relating to the application modalities and published in the Journal Officiel on 9 January 2019, amended by the decree of 25 February 2022. In addition, the gender equality index was published by the Group during the 2022/2023 financial year in compliance with the legal provisions.

The Group also ensures equal access to training for employees. Thus, during the 2022/2023 financial year, the ratio of women to men who benefited from at least one training course was 47.7%, an increase compared to the previous financial year.

Remuneration policies are framed by role evaluations informed by a methodology and by expertise from outside the Company and by performance evaluation based on identified skills and shared objectives. Recruitment and internal mobility policies are subject to international procedures and/or charters that guide managers and encourage collegial decision-making based on objective criteria.

Action 2: tackling discrimination

The documentation given to employees upon induction in one of our entities reminds them of the legal or contractual provisions applicable in terms of non-discrimination and also remind them of the procedures applicable if an employee is a victim of such a situation.

For example, the employee guide given to employees at our European management site in Switzerland stipulates that “The prohibition of any discrimination applies in particular to hiring, the assignment of tasks, the adjustment of working conditions, remuneration, training and professional development, promotion and the termination of employment relationships”.

At the Angers site, a working group took the initiative to conduct information sessions for employees on sexual harassment and sexist behaviour. These sessions were an opportunity to raise employee awareness of these risks.

Action 3: social inclusion

DEVELOPMENT OF APPRENTICESHIPS AND VIE

To train the talents of tomorrow and encourage generational diversity, Rémy Cointreau is committed to apprenticeships. On the French sites, young apprentices (at Bac Pro to Bac +5 level) learn a trade, with a view to rapidly developing the rigour, creativity and professionalism expected in the professional world. The Group has therefore continued its proactive policy on work-study training, with the renewal of work-study contracts that have expired when necessary and the recruitment of new contracts for new professions. At the end of March 2023 the proportion of these contracts represented 4.54% of the workforce in France, up from the previous financial year.

In addition, each trainee is given an interview before departure to review his or her training within the Group and share the vision of his or her future direction.

PARTNERSHIP WITH NOS QUARTIERS ONT DU TALENT SINCE 2014

In order to continue to foster the Group's multicultural identity and promote diversity, the Group is actively committed to promoting the professional integration of young graduates (3 years of higher education or more) under the age of 30, from low-income social

Action 4: integration of people with disabilities

As regards disability, the Cognac and Angers sites have been pioneers within the Group.

Last October and December, the Cognac site invited all employees to a “Theatrical Conference” on diversity, organised in collaboration with a theatre company specialising in this type of business event. The aim was to reveal the negative impact of prejudice and to promote the integration of people in all its dimensions. More specifically, these one-hour sessions enabled everyone to learn about some of the usual prejudices on the subjects of disability, gender equality and origins in a fun way. Around ten sessions were organised on the site and more than 180 employees attended.

In Angers, the Group continued to choose to pay its apprenticeship tax to organisations, schools or support structures that promote the integration of disabled workers. In addition, during the year the site also took part in the European Disability Employment Week through the DuoDay initiative. On this

We also encourage employees to raise an alert by reporting through the Ethics Line any breaches, wrongdoing or dangers that they notice or of which they are aware. This includes all forms of discrimination. Alerts are governed by the Whistleblower's Charter, which reminds users that the use in good faith of the Ethics Line will not expose the Whistleblower to any disciplinary sanctions, even if the facts prove to be inaccurate. or do not result in any action. We prohibit any retaliation or reprisals, including threats or attempted retaliation, against employees who report, in good faith, their concerns about suspected breaches or dangers at work. Thus, no person may be excluded from a recruitment procedure, no employee may be sanctioned, dismissed or subject to discriminatory measures, particularly in terms of compensation or professional promotion, for having reported an alert in the compliance with the law.

backgrounds or from priority areas. In particular, the partnership with Nos Quartiers ont du Talent (Our Neighbourhoods Have Talent) initiated at Rémy Martin in 2014 has continued to promote the professional integration of young graduates from disadvantaged backgrounds. In this important and supportive social scheme, the Company's sponsors play a very important role with all these young people who have lost confidence and are concerned about their future by giving them valuable advice on how to improve in recruitment interviews and sharing their professional network. Since 2014, this scheme has helped 104 young graduates and contributed to the hiring of 59 young people on permanent or fixed-term contracts.

PARTNERSHIP WITH SPORT DANS LA VILLE SINCE 2017

In Paris, our site has been involved since 2017 with *Sport dans la Ville*, the main association for integration through sport which supports young people from priority neighbourhoods on the path to training and employment. This year, employees were involved in various events organised during the year (solidarity tennis events in July 2022 and annual solidarity evening in December 2022).

occasion, the Angers teams welcomed two people with disabilities, in duo with volunteer employees in the Human Resources and Production departments. On the programme for this day: introduction to the job, active participation, immersion in a company. This day was an opportunity to meet in order to change our outlooks and, together, overcome our prejudices.

In France, the entities of the Economic and Social Unit initiated an analysis/diagnostic process during the financial year with all stakeholders. This approach has made it possible to offer employees the opportunity to come and strengthen the network of Disability officers, on a voluntary basis. The missions offered to the volunteers involve contributing to raising awareness and informing all employees about all types of disabilities, facilitating the integration of recognised employees with a disability (RQTH) and helping RQTH employees to stay in their jobs. This assessment will also make it possible to set up an action plan and draw up a disability charter.

1.4.1.6 SOCIAL DIALOGUE (SDG 8)

Challenges and impacts

Social dialogue covers all forms of negotiation, consultation, information and consultation between employees or their representative bodies and management on political and social issues of common interest. It contributes to the meaning of work

and its quality and thus ensures its economic and social usefulness within Rémy Cointreau. The absence of this dialogue would hamper the development of our activities.

Policy

In France, in keeping with its historical choices, Rémy Cointreau promotes collective agreements in all areas of negotiation. In addition, every two years, Rémy Cointreau conducts a global satisfaction survey which is a direct means of expressing employees' feelings and perceptions of the various aspects of working life at Rémy Cointreau. Internationally, the Group ensures,

under the responsibility of the Human Resources Directors of the countries in which the Group operates, that it complies with legal provisions in terms of collective or individual social dialogue. Furthermore, all human resources teams are tasked with maintaining dialogue with employees, both individually and collectively.

ACTION PLAN

Action 1: frequency of social dialogue

In France, the 2022/2023 financial year was marked by 24 meetings between management and the representative bodies of the Economic and Social Unit, in addition to meetings organised at the sites. These discussions led to the signing of five agreements on subjects as diverse as, in particular, workplace elections, salary policy, sustainable mobility and the supplementary pension scheme.

In Barbados, dialogue with representative organisations is also an essential component of labour relations. For example, after six meetings with employee representatives, an agreement was signed in 2022 covering the calendar years 2022 and 2023. This agreement covers elements of salary (increases and meal allowances) for many Mount Gay Distillery employees.

The implementation of these agreements covers 90.8% of the workforce in these two countries.

Action 2: information transparency

In France, management provides social dialogue partners with an economic, social and environmental database. This database brings together information on the Company's major economic and social guidelines and includes nine categories of information: social investment, tangible and intangible investment, professional equality between women and men, employee and executive

compensation, employee representatives and social and cultural activities, remuneration of funders, financial flows, partnerships, commercial and financial transfers and the environment. Rémy Cointreau also provides the information necessary for informed dialogue or, at the end of the meetings, the information shared.

1.4.2 COMMITMENTS TO OUR VALUE CHAIN (SDG 8)

1.4.2.1 DUTY OF CARE AND RESPONSIBLE PURCHASING (SDG 8)

Governance

The Rémy Cointreau Group's strategy on the duty of care and responsible purchasing is under the responsibility of the Chief Executive Officer, the Executive Vice President of Operations and the Chief Purchasing Officer.

In collaboration with the production sites and the "CSR Carbon" departments (CSR Production, Purchasing, Supply Chain, and Packaging Development champions) and "CSR Terroirs", they design and implement the responsible purchasing strategy.

The "duty of care and responsible purchasing" strategy is rolled out in coordination with the sites' Purchasing departments in order to be adapted to specific local needs and challenges. Supplier relations are regulated by a contract that makes reference to the UN Global Compact. Under such contracts, suppliers are required to adhere to the values of respect for human rights, the environment and fundamental social principles. In addition, the code of ethics for purchasing ensures that best practices are adopted by all Rémy Cointreau purchasers, avoiding, wherever possible, any infraction that may be detrimental to the Group's interests.

Challenges and impacts

For Rémy Cointreau, CSR implies the involvement of all its stakeholders, including its suppliers. Getting its suppliers to adopt its CSR policy is therefore a key issue for Rémy Cointreau, to ensure that all purchases are made within a responsible framework, in particular in terms of respecting Human Rights, the environment and safety at work. It is also vital for the Company's reputation with its customers.

Moreover, the Group ensures that there is no dependency on a key supplier. Rémy Cointreau lists around 100 strategic suppliers. Supplies of cognac eau-de-vie, for example, are the subject of long-term commitments, thereby reducing the supply risks.

Policy

Rémy Cointreau's responsible purchasing policy covers all three aspects of CSR: the environment, employees and society. In order to implement it effectively, the Group's policy relies on several levers:

- **Adherence to the Group's CSR policy:** regular discussion is ensured with our suppliers, in order to present the Group's CSR policy and its objectives. This year, several meetings were organised with strategic packaging suppliers, glass manufacturers, cardboard manufacturers, cork manufacturers, among others, in order to share in detail our CSR ambitions and better understand theirs.
- **Tools & Reporting:** the Group relies on pooled tools, shared with first- and second-tier global suppliers. This applies to centralised purchasing of raw materials at Group level, including ingredients, packaging and promotional items.
- **Partnership criteria:** Rémy Cointreau expressly asks its suppliers to join an international organisation whose purpose is to encourage ethical and responsible practices in global supply chains, such as SEDEX (Supplier Ethical Data

Exchange), ECOVADIS or equivalent. The requirement to join one of these platforms was thus included and formalised in the Group's purchasing procedure.

- **Requirement for regular audits:** Rémy Cointreau requires that CSR audits are carried out regularly (every three years at most) for its suppliers located in geographical areas considered to be at risk.

Rémy Cointreau recognised by the CDP as a "Supplier Engagement Leader"

Rémy Cointreau's sincere and long-standing commitment to its suppliers was thus rewarded by the Carbon Disclosure Project (CDP) which, under its "Supplier Engagement Rating", awarded Rémy Cointreau an "A" rating, along with "Leadership" status, in 2022 and 2023. Rémy Cointreau ranks among the top 8% of companies assessed for their commitment to their suppliers in terms of climate change.

ACTION PLAN

Action 1: a requirement for CSR proactivity and transparency in information sharing

The Group's responsible purchasing policy aims to build sustainable and fair supplier relationships and contribute to the creation of ethical and responsible supply chains. For this, it is essential that the partners with which the Group works have an active CSR approach and work transparently.

The SEDEX international platform has notably simplified the Group's purchasing practices and allows it to share supplier audits performed by their other customers: information on labour standards, hygiene and safety, the environment and business ethics is stored online.

The self-assessment questionnaires also allow suppliers to share information about their business with their customers by answering a comprehensive list of questions tailored to different types of businesses. In the case of SEDEX, questions are based on the four pillars of the SMETA audit methodology (SEDEX Members Ethical Trade Audit) regarding working conditions, employee health and safety, environmental impacts and business ethics.

Lastly, the use of SEDEX data makes it possible to identify more precisely the potential CSR risks at the Group's suppliers. Suppliers whose risk level appears to be high and who do not seem to have a solid management and control system are closely monitored by the purchasing team: an alert is raised to the

supplier, a detailed analysis is made of their feedback and areas for improvement are suggested.

Currently, less than 1% of suppliers who are members of SEDEX present a high risk.

In order to have a more detailed view of the CSR policies of our suppliers, including tier-two suppliers, in 2020/2021, it was decided to create two new indicators representative of their SEDEX commitments:

- **percentage of strategic suppliers with a proactive CSR approach** (SEDEX membership, transparency in information sharing, ECOVADIS assessment or labels such as "CSR Committed Label"), and giving access to all the information contained in the platform of an international organisation (responses to the self-assessment questionnaire, visibility on their published audits, etc.). The Group has around a hundred strategic suppliers;
- **percentage of suppliers who are SEDEX members and who have completed all the information** requested in the self-assessment questionnaire.

The actions carried out by the purchasing team in 2022/2023 made it possible to improve the two key performance indicators in terms of responsible purchasing.

RESPONSIBLE PURCHASING: KEY PERFORMANCE INDICATORS

Indicator	2020/2021	2021/2022	2022/2023	2024/2025 targets
Percentage of strategic suppliers with a proactive CSR approach (in%)	82%	79%	83%	100%
Percentage of suppliers who are SEDEX members and who completed all the information in the self-assessment questionnaire (%)	49%	82%	87%	100%

Note: the Group has around a hundred strategic suppliers and some 200 suppliers who are members of SEDEX.

Action 2: CSR audits

A second level of control is provided by the CSR audits required in geographical areas considered to be at risk. In these situations, Rémy Cointreau requires its suppliers to have undergone a CSR audit (preferably “SMETA 4 pillars”) within the last three years. Either the audit already exists on the platform of an international organisation (such as SEDEX or ECOVADIS), or it is triggered by Rémy Cointreau or by the suppliers themselves, via external auditors.

In 2022/2023, CSR audits were carried out on around 50 sites relating to suppliers of packaging items, advertising items and

agricultural raw materials. Obtaining data from audits, in particular non-compliance and their classification (minor, major, critical, extremely critical), has enabled Rémy Cointreau to encourage rapid action by suppliers to resolve those issues. Currently, no “extremely critical” non-compliance has been identified (forced labour, slavery, refusal of audit, etc.).

The Group conducts regular reviews with its suppliers to encourage them to close ongoing non-compliance issues in a spirit of continuous improvement.

1.4.3 COMMITMENTS TO OUR REGIONS AND SOCIETY (SDG 3, 4, 8, 12, 16, 17)

1.4.3.1 PROMOTION OF ETHICAL AND RESPONSIBLE CONSUMPTION (SDG 3)

Governance

The Group Rémy Cointreau strategy in promoting ethical and responsible consumption relies on the active collaboration of the CSR, Legal, Regulatory, Communication and Public Affairs teams, in the form of a steering committee, sponsored by the Group Legal Director and the Group Communication Director (member of the Executive Committee). This committee meets on an ad hoc basis to validate future marketing campaigns.

It is also deployed internally in collaboration with the Group and market human resources teams.

Challenges and impacts

Due to the high-end positioning of its wines and spirits, Rémy Cointreau has advocated responsible and high-quality consumption for decades.

However, the Group recognizes that alcohol can be abused and that its inappropriate consumption can cause serious health problems for consumers. In this context, the Group fully supports the World Health Organisation (WHO) objective of reducing harmful alcohol consumption worldwide by 10% by 2025.

For this reason, the Group is committed to raising the awareness of its employees and stakeholders about responsible behaviour in terms of alcohol consumption, based on scientific principles.

Rémy Cointreau is not alone in undertaking promotion of responsible consumption alcohol. Partnerships with professional organisations in the main markets of the Group, public authorities and local communities have been a reality for many years for the Group (see box below).

Policy

Rémy Cointreau wishes to promote a culture of responsibility around two axes:

- **promoting responsible consumption** for all its internal and external stakeholders;
- **promoting responsible communication** for its customers and consumers.

The Group’s “value strategy”, which has guided it for several decades, argues for responsible consumption: structurally high-end positioning of the portfolio, limited growth in volumes and constrained by availability (in particular for cognac), and significant price increases every year.

In addition, for several years, Rémy Cointreau has played an active role in representative organisations that develop action plans to raise awareness among consumers about responsible alcohol consumption.

Lastly, awareness-raising and internal training actions for its employees have also been regularly carried out, particularly at its main sites in Cognac and Angers.

Well aware of its duty to set an example, the Group nevertheless intends to further accelerate its internal and external awareness-raising and communication actions from 2022/2023. Its "RESPECT" responsible consumption plan is based on three pillars:

- **internal education**, with the update of a Group responsible consumption charter (including a list of local or regional hotlines specialising in supporting employees seeking help on the subject of alcohol), the launch of a ritual responsible consumption owner (RESPECT) internally (December 2021) then externally (December 2022), and a mandatory e-learning programme (launched in June 2022). The Group also encourages the organisation of webinars on the subject in its main markets. **The objective is that 100% of the Group's**

employees will have been trained by March 2025 (this target was postponed by two years, following the arrival of many new employees within the Group during the year);

- **a specific and ad hoc programme for the Group's sales representatives** was launched in 2022/2023, including specific training as well as regular medical and psychological monitoring. **The objective is for 100% of them to have been included in this programme by 2025;**
- **the external communication on responsible consumption will be accentuated**, at the initiative of the Group, the Houses and the main markets to raise awareness among its stakeholders, bartenders and customers. **The Group's objective is for all Houses and main markets to communicate at least once a year by 2025.**

Performance and results of the year

KEY PERFORMANCE INDICATORS: RESPONSIBLE CONSUMPTION

Indicator	2022/2023	2024/2025 targets
Employees trained in responsible consumption (% completion of a specific e-learning)	59%	100%

ACTION PLAN

Action 1: commitment to representative organisations

Rémy Cointreau is a member of one or more organisations representing the industry in all of its major markets. One of the common objectives of all these organisations is to contribute to the development of action plans in favour of responsible consumption, in order to assist the governments of countries in protecting consumers.

In its annual report for 2022, spiritsEUROPE (<https://spirits.eu/upload/files/pressrelease/PR-002-2022%20-%20RDI%20report%202023.pdf>), presented a summary of the work carried out by the sector to promote responsible consumption and help reduce alcohol-related harm, which has decreased across Europe in recent years. Last year, 90 initiatives covering six different thematic areas were carried out in 23 European countries, reaching up to 194 million people.

Rémy Cointreau is active in the following major organisations:

- in France: the FFS (Fédération Française des Spiritueux, or French federation of spirits producers), the FEVS (Fédération des Exportateurs de Vins et Spiritueux, or French federation of wine and spirits exporters) and the Prévention et Modération (Prevention and Moderation) association; Industry organisations: BNIC (Bureau National Interprofessionnelle du Cognac), SNFL (Syndicat National des Manufacturers de Liqueurs), FWF (Fédération du Whisky de France), FFB (Fédération Française du Brandy);
- in Europe: spiritsEUROPE (the European Spirits Industry Federation);
- in the United Kingdom: SWA (Scotch Whisky Association);
- in the United States: DISCUS (Distilled Spirits Council of the United States);
- in Barbados: BAIA (Barbados Alcohol Industry Association) and WIRSPA (West Indies Rum Producers Association);
- in Asia: APISWA (Asia Pacific International Spirits and Wines Alliance);
- in China: FSPA (Foreign Spirits Producers Association).

Action 2: Raising awareness and educating to promote responsible consumption

R.E.S.P.E.C.T: the Group's proprietary responsible consumption ritual

In 2021, the Group developed its responsible consumption ritual: R.E.S.P.E.C.T.

R.E.S.P.E.C.T aims to support the Group's employees and customers in an experience of responsible consumption of its exceptional wines and spirits, with simple and easy-to-remember steps, each of the R.E.S.P.E.C.T letters representing an action from this ritual. These steps are based on scientific principles, which do not exempt consumers from controlling their consumption according to circumstances.

R for 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!"/"Take on your role as captain and make sure your friends celebrate responsibly as well!"

T for TIME: "Take your time"

This ritual has been integrated into the Group's induction processes for new employees, is systematically promoted at internal events and has been rolled out in site visit circuits. In Cognac, R.E.S.P.E.C.T was detailed in the form of seven videos containing the principles of responsible tasting for the WeCare Academy (training by The House of Rémy Martin on its CSR initiatives for employees).

The ritual was launched internally in December 2021 and externally in December 2022, notably via social networks, with a reach of more than 10,000 views.



RÉMY COINTREAU

Each letter of R.E.S.P.E.C.T guides through the ritual:



Get **Ready**: start by drinking a glass of water



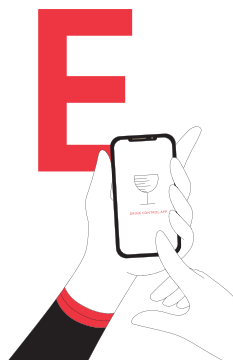
Eat before and during the tasting



Smell and Sip slowly



Pause by drinking water again



Enjoy responsibly: check your limits with your favorite "Drink Control" app



Be the **Captain** by making sure your friends are celebrating responsibly too



Take your **Time** and pay a tribute to the people who crafted these spirits generation after generation

In 2022, China was particularly active in training its employees in responsible consumption. At their annual market conference, the subsidiary's 430 employees were able to attend a "Culture and CSR" workshop. 40 teams were able to discuss the R.E.S.P.E.C.T. responsible consumption ritual, including thinking of situations (business meal, family reunion, evening in a bar, party, wedding) in which this responsible consumption ritual is clearly appropriate.

Cointreau: CONTINUING THE DEVELOPMENT of "alternative cocktails"

In 2021/2022, the House of Cointreau wanted to innovate in terms of "more responsible" consumption, with the launch of "alternative cocktails". Considered as a category in its own right, these cocktails contain an alcohol content of between 1.2° and 8° and their proportion of spirits at 40° does not exceed 25 ml per glass (or equivalent). As these cocktails are not alcohol-free, the brand encourages consumers to consume them responsibly and in moderation. "Alternative Cocktails" account for 10% of Cointreau's Cocktail recipes and the target is for them to represent 20% by 2025.

The House of Mount Gay is continuing its collaborative actions in Barbados:

- Donations to the National Substance Abuse Council (Barbados's lead agency in the fight against substance abuse and addiction) to deploy posters and fund a radio programme to raise awareness of the importance of responsible consumption.
- Partnership with "Adopt-A-KM", which promotes responsible consumption signage along the island's motorway, while helping to maintain it (waste collection, grass cutting, etc.).
- Participation in key decisions for Barbados and the Caribbean region in terms of responsible consumption and advertising, in partnership with the West Indies Rum & Spirits Producers Association (WIRSPA) of which it is a member.

Action 3: ethical and responsible communication

The Rémy Cointreau Group is committed to ensuring that all commercial communication campaigns comply with the following principles:

- they do not encourage irresponsible consumption or abuse in any way (no empty bottles, excessive festivities, risk-taking situations, etc.);
- they do not highlight any particular virtues attributed to alcohol (improvement of abilities, therapeutic benefits or health dimension);
- minors and other sensitive populations are not targeted and, in particular, the ambassadors or influencers used in the media do not project an excessive image of youth (no children; influencers or celebrities under the age of 25);

- responsible consumption messages are systematically indicated and if possible illustrated (glass contents, presence of food and/or water in a consumption situation, etc.);
- communication must be respectful, particularly in terms of inclusivity. The Rémy Cointreau Group undertakes not to violate the dignity of any person and never to be associated with any kind of discrimination or defamation, taking into account the specific cultural characteristics and social norms of the markets.

In the event of questions or sensitive points, the Group Responsible Communication COPIL, comprising representatives of the CSR, Legal, Regulatory Affairs, Communication and Public Affairs departments, is consulted and issues a collective opinion on the project.

1.4.3.2 TRANSPARENCY, TRACEABILITY AND PRODUCT QUALITY (SDG 12)

Challenges and impacts

Thanks to the growing awareness of civil society on the dangers threatening the planet, the Group's customers are paying more and more attention to the quality of what they consume, and also to the way they consume and their environmental footprint.

Therefore Rémy Cointreau has a duty to provide transparency, answers and assurances in response to these expectations. There is also the issue of the Company's sustainability and customer reputation.

Policy

In order to guarantee product transparency, traceability and quality, the Group acts on three main levers:

- a demanding quality policy (objective of "zero complaints");
- marking of bottles with a code or batch number (mostly through etching and for some products using an NFC chip), in order to guarantee their traceability and thus the quality of the products inside;

- comprehensive information on labels (physical labels and, in some cases, supplemented with digital information) and websites, providing transparency to customers on the brands' manufacturing processes and their sustainability commitments.

ACTION PLAN

Action 1: Labelling of bottles to ensure traceability

Almost all of the Rémy Cointreau Group’s bottles are etched on the glass (or laser-marked) in order to have complete traceability and thus fight against counterfeiting. It is also a way of

guaranteeing the quality of the Group’s high-end wines and spirits to its customers.

Action 2: Consumer information; energy value on labels and European commitment to greater transparency

For the sake of transparency for our customers, information relating to composition and nutritional values of our champagne and spirits is available, either on the label or on dedicated websites.

In 2022/2023, Rémy Cointreau largely achieved the target set by the European association spiritsEUROPE in 2019 concerning voluntary communication on the energy value of products (labels). The list of ingredients and the complete nutritional declaration (brand websites) of products marketed in the EU has been available on the Internet since 2020 and will gradually be available digitally via a QR code affixed to the bottles.

Thus, nearly 80% of the volume of Rémy Cointreau bottles sold in the European Union and the UK carry energy information on their back label.

In 2019, Rémy Cointreau joined forces with five of the world’s leading producers of spirits and several national federations. The latter have signed a memorandum of understanding under the terms of which they undertake to gradually include the energy value of their products on the labels and to indicate the list of ingredients and the complete nutritional declaration in digital form. By the end of 2022, the objective was for 66% of the products marketed by the signatories within the European Union to carry this data for better consumer information.

All of the Group’s product labels also include pictograms concerning the recyclability of packaging, as well as a reminder of the importance of responsible consumption of products.

Action 3: QR codes and digital label

Rémy Cointreau and, more specifically, the Cointreau brand took part in the test and launch of the “U-label” platform developed by spiritsEurope and the CEEV in 2021/2022.

Nevertheless, the Group has decided to develop an in-house dematerialised labelling solution and will thus launch its first bottles bearing a consumer information QR code in the course of 2023 on a European scope, to provide its consumers with an effective solution to their growing demand for transparency on products.

Each bottle will have a QR code on its back label. Scanned using a mobile device, it will redirect consumers directly to a website that provides regulatory information (energy and nutritional value, list of ingredients)as well as promoting responsible consumption. In the long term, consumers will be able to find information on the origin of agricultural raw materials and the environmental impact of products.

Action 4: Guarantee products of the highest quality

The Group’s quality policy is based on a vision of bringing each player closer to the end customer to ensure complete satisfaction and aim for “zero complaints”.

These principles are applied through four operational programs: “supplier quality” (aimed at further involving our suppliers in order to meet the needs expressed; “Internal quality” aimed at improving process control and reducing priority losses (HACCP method); “Design quality” aimed at improving the robustness and reliability of product launches or new equipment; “Supply quality” aimed at controlling the transport and distribution of products to improve customer satisfaction.

The Group’s main sites (99.5% of volumes produced) are ISO 9001-certified (quality) and the three main sites (95% of volumes produced) are also ISO 22001-certified (food safety).

Lastly, the Group has developed a network in charge of customer complaints in each market. Their role is to report customer feedback to a global information system (which immediately alerts the Brand Quality department). The cause of the problem is analysed and an action plan is put in place to prevent it being repeated. A response is made to the customer and, where necessary, the product is replaced. In 2022/2023, 59 complaints were received, including 22 deemed justified after investigation.

Lastly, the Group maintains its commitment to guaranteeing that all agricultural raw materials used in the production of its wines and spirits are GMO-free.

KEY PERFORMANCE INDICATORS: NUMBER OF JUSTIFIED CONSUMER COMPLAINTS

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Annual number of justified claims	7	32	40	44	22

1.4.3.3 CUSTOMER RELATIONS AND SATISFACTION (SDG 8)

Challenges and impacts

The Group continues to invest and develop its own distribution network. Nevertheless, the majority of its activity is carried out through wholesalers and partner distributors, particularly in its large markets. Rémy Cointreau has had a long-standing relationship with them. However, the Group is committed to constantly improving customer satisfaction as part of a continuous improvement approach.

Policy

For the past few years, Rémy Cointreau has conducted an internal rating process carried out in two steps during the year to assess the level of satisfaction of its retailer customers. Areas for improvement are then systematically examined and shared with said customers.

In 2022/2023, the satisfaction score obtained remained at a very high level of 17.3 out of 20. 96% of customers surveyed believe that the Rémy Cointreau Group offers a higher or equivalent service than other companies in the same sector.

The Group also responded to questions asked by retailer customers, mainly in the United Kingdom and in duty free, in terms of the Group's CSR commitments and CSR actions at the brand level.

KEY PERFORMANCE INDICATORS: RETAIL CUSTOMER SATISFACTION SCORE

Indicator	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Retailer satisfaction score (out of 20)	17.8	-	16.9	18.0	17.3

Note: Covid did not allow the usual survey to be carried out in 2019/2020.

1.4.3.4 LOCAL INTEGRATION (SDG 8, SDG 17)

Challenges and impacts

Being involved with communities and acting as a responsible player is at the heart of the strategy of the Group's various sites and subsidiaries. In line with its worldwide activity, Rémy Cointreau is mindful of its societal impact in relation to the sustainable economic development of the areas in which it

operates. The Group thus contributes to local community development by helping to create value in the regions in which it is based.

It is also a question of the Company's reputation and appeal, whether with customers or future employees.

Policy

In order to meet the challenges related to its societal impact, Rémy Cointreau supports sustainable local economic development and community initiatives. The Group's aim is to be involved alongside the actors in its terroirs and local communities.

Worldwide, Rémy Cointreau's employees are also joining forces to serve the public and connect with local communities. Through its actions, its direct and indirect impacts and the enthusiasm of its

employees, the Group is spearheading initiatives to foster a climate of mutual assistance and interaction in the regions where it operates.

By 2025, the Group has set a target for each of its sites to carry out at least one territorial action. Ahead of this objective, all of the Group's sites were active in their communities in 2022/2023 (86% in 2021/2022).

Our policy is part of a number of national and international initiatives:

Rémy Cointreau, member of the committee of CSR Experts of the Colbert Committee in France: Founded in 1954, the Colbert Committee is an association under the 1901 Act that brings together 93 French luxury houses, 17 cultural institutions and six luxury brand houses in Europe. Its purpose is "To passionately promote, sustainably develop, patiently transmit French creativity and savoir-faire to instill dreams." To this end, Rémy Cointreau contributes to the sharing of best practices in terms of CSR, provides its expertise on several topics for discussion and promotes the virtues of a corporate social responsibility approach.

ACTION PLAN**Action 1: Financial support for communities in the form of sponsorship**

Over the last five years, the Group's community support in the form of sponsorship amounted to more than €5 million, including nearly €800,000 in 2022/2023.

For example, this year, the House of Rémy Martin became a member of the International Dark Sky Association (IDA), an American association founded in 1988, which notably certifies the world's dark sky sanctuaries and reserves. The House now

applies IDA's lighting specifications to its new sites, such as the Martins site in Juillac, and is committed to defending the cause around the world. Because fighting light pollution means preserving biodiversity, helping to improve human well-being and reducing our carbon footprint. Rémy Martin China, in particular, regularly conducts events inviting influencers and customers to observe the purity of starry skies, and to educate the general public about the fight against light pollution.

Action 2: Supporting local communities and acting as a responsible stakeholder

In 2022/2023, in addition to the Group's many community actions, two actions are worth highlighting:

In September 2022, the France subsidiary launched a Skills-Based Patronage initiative. This system enables companies to make employees available to a general interest organisation. In this context, employees can make use of their skills to help non-profit organisations during their working time (two days). Around 130 missions from non-profit organisations were selected by the Group, based on three themes: exceptional know-how and craftsmanship; Helping others; Protecting the environment.

On the Isle of Islay, Bruichladdich is the largest local private employer. It is, therefore, naturally very involved in the life of the local community (and recognised by B-Corp since 2020). At the Bruichladdich Distillery in Scotland, a charity committee has been set up, bringing together a group of volunteers whose mission is to select and coordinate all the House's charitable donations and initiatives. In addition, the 108 staff members volunteered for three local projects, cumulating a total of 648 volunteer hours.

MAIN CONTRIBUTIONS OF THE GROUP TO ITS LOCAL COMMUNITIES

	House	Main actions	Country
Societal and community support	The House of Rémy Martin	Partnership with “Nos Quartier ont du talent” since 2014: Employees support young people who are losing confidence and are concerned about their future, providing them with advice for their recruitment interviews and for building their professional network. Partner of the Second Chance Foundation for 15 years: the Foundation aims to help and support people wanting to recover from life's accidents.	Cognac, France
Involvement with schools	Buichladdich Distillery Mount Gay Group CSR team	From the summer of 2023, launch of a three-year “end of studies programme” (one year optional): production or sales track. Internships, professional training and scholarships for students of the University of the West Indies, the Samuel Jackman Prescod Institute of Technology (ITSJP) and Barbados Community College Presentation of the Group's CSR strategy and actions to students from Grandes Écoles such as ONIRIS Nantes and ESSCA d'Angers .	Islay, Scotland Barbados France
Landscape enhancement	Buichladdich Distillery Telmont	In 2021/2022, it funded the design and construction phase of a local cycle and pedestrian path, the Loch Indaal Way . This road runs for two miles between Buichladdich and Port Charlotte. Financing of a green space of 730 shrubs and 18 trees in Epernay	Islay, Scotland Champagne, France
Environmental action	Mount Gay	Partnership with 4Ocean : eight beach clean-ups in the states of Florida, Texas, New York, Delaware, Virginia and Maryland.	USA

Action 3: Launch of the “Sustainable Shakers” programme

In October 2022, the Group launched the “Sustainable Shakers” programme, in all its markets, a community of “on-trade” partners (bars, restaurants, hotels, etc.) who share the values and commitments of Rémy Cointreau in terms of sustainability. With the creation of this community, the Group wishes to: 1) Give visibility to the sustainable actions of its partners, by sharing their best practices on the Group's social networks; 2) Promote the organisation of responsible events with its partners; 3) Positioning itself as a key partner of the on-trade community in terms of sustainability.

In this context, Rémy Cointreau launched its first sustainable bar concept, DENTREE, in Shanghai, China. The concept and sustainability initiatives are embedded in every detail of the bar, from its location, decoration and materials, to the way customers are welcomed and served, waste handling methods, to the broader network that has developed around the bar. This bar offers a variety of drinks and cocktails that, in addition to the usual options, pave the way for new concepts of sustainability: locally-sourced organic ingredients form the basis of the drink and snack menu.

1.4.3.5 PRESERVATION OF ASSETS AND KNOW-HOW (SDG 4, 8)**Challenges and impacts**

Sustainable development within the Houses of the Rémy Cointreau Group involves the transmission of ancestral know-how, particularly in the distillation and aging of wines and spirits. The emblem of this transmission is the exceptional Louis XIII cognac, in which the distillation, aging and, in some cases, blending of centuries-old eaux-de-vie require the contribution of around four generations of cellar masters.

In each of its regions, Rémy Cointreau thus contributes to the preservation and sustainability of craftsmanship know-how, conducive to more responsible and sustainable economic development.

The preservation of the portfolio and know-how also means promoting a corporate philosophy, the sharing of best practices and the spread of expertise that is often the pride of the Houses and their regions.

Policy

All of the Group's production sites offer tours to promote their know-how and heritage, most of which are centuries old.

ACTION PLAN

Action 1: Bring the sites' craftsmanship know-how to life

Since 2012, the Cognac site has held the French government's *Entreprise du Patrimoine Vivant* (Living Heritage Company) label, which was established to reward businesses that promote French craftsmanship and tradition.

And in January 2023, the House of Rémy Martin obtained *AFNOR NF ENVIRONNEMENT SITES DE VISITE* certification for the visitor circuits in Cognac and the Product Production Centre in Merpins, making the **House of Rémy Martin the first wine tourism company in France to be AFNOR NF Environnement Sites de Visite certified**. After the creation, in recent years, of very successful CSR visits, such as "Les Coulisses de l'Exception durable", this certification is now the showcase of the House's commitments to Hospitality. Being *NF Environnement Inspection Sites de visite* certified guarantees the reduction of our water and energy consumption as well as the production of waste. This certification also makes it possible to implement a responsible purchasing policy, to carry out a carbon assessment and to raise environmental awareness among visitors. Finally, it is a philosophy of hospitality for all of us and a continuous improvement approach: acting and progressing with humility. A motto dear to the House of Rémy Martin.

Action 2: the Rémy Cointreau Foundation

The mission of the Rémy Cointreau Foundation is to support initiatives of general interest in France and abroad for the promotion and transmission of excellence in know-how. Through its four areas of commitment, namely transmission for the long term, the promotion of exceptional savoir-faire, and the promotion and sponsorship of skills, it now supports nearly 40 craftspeople in various fields: working with wood, cardboard, metal, glass, ceramics or wax.

For its craftspeople, the Foundation's support is reflected in investments in tools and equipment.

The Foundation is also involved in various missions with ten partners focused on exemplary craftsmanship expertise, such as:

Partnership with Christophe Galfard: understanding the laws of nature to better protect our planet

Since 2021, the House of Rémy Martin has been working with Mr Christophe Galfard, the French astrophysicist, to make him its ambassador and the spokesperson for its environmental commitments in France and internationally. The premise: "the more we understand the laws of nature, the better we can protect our planet". To help us take height and raise awareness among our customers, three films were made for social networks (*Le Terroir*, *Le Centaure*, *La Night*) and were broadcast internationally. Conferences on "Our place in the universe" were organised for the House's employees, its winegrowing partners and the general public: 800 people were reached in France. Lastly, a geological and sensory discovery trail, *L'Exception d'un Terroir*, was designed with the team of the Cellar Master and the Executive Chef of the Rémy Martin's kitchens and opened to the general public from the summer of 2022 at Domaines Rémy Martin. This trail is led by Mr Christophe Galfard himself.

- INMA (*Institution Nationale des Métiers d'Art*), in the creation and development of the 20th edition of the *Avenir Métiers d'Art* award;
- the *Bureau du Design, de la Mode et des Métiers d'Art*, as sponsor of the *Grands Prix de la Création* of the City of Paris and the *Savoir-faire en transmission* award;
- the association of *Ateliers des Maîtres d'Art* and their students, in supporting initiatives of general interest aiming to promote the excellence know-how and its transmission and thus, in the development of the professions of the Masters of Art and their students;
- Schuch Productions, in the production of a documentary on the organ and organ builders broadcast on ARTE in May 2022.

1.5 GOVERNANCE AND BUSINESS ETHICS

1.5.1 RESPONSIBLE GOVERNANCE AND BUSINESS ETHICS (SDG 16)

Governance

The Rémy Cointreau Group's governance in terms of business ethics is described in Chapter 2.1.

Policy

The Group's main principles and commitments are set out in Section 2.4. They are shared internally in the Group's charters: the code of conduct, the anti-corruption charter, the protection of personal data, the gifts and invitations policy, the donations, philanthropy and sponsorship policy, the conflicts of interest policy, and the whistleblower charter.

The Rémy Cointreau Group expects its employees to comply with the rules defined in these various policies, available on the Group's website, some of which are communicated through mandatory e-learning.

In 2022/2023, "Group Compliance" communications included:

- September 2022: Quiz on the Group's compliance rules;
- November 2022: Reminder on the rules relating to gifts and invitations;
- December 2022: The "10 Compliance Commandments" on the occasion of the International Anti-Corruption Day;
- January 2023: "Privacy golden rules" on the occasion of the Data Privacy Day;
- March 2023: Communication on the prevention of conflicts of interest.

1.5.2 RESPONSIBLE DIGITAL MANAGEMENT (SDG 16)

Governance

The Rémy Cointreau Group has set up a comprehensive programme and governance structure for the protection of personal data (GDPR). This structure works daily on GDPR compliance, in parallel with specific actions deployed within the subsidiaries to meet local needs. The Group's Data Protection Officer (Group DPO) and the network of "compliance"

correspondents (particularly in the United States, China and Singapore) enable Rémy Cointreau to implement compliance actions relating to personal data protection, to implement local policies and procedures and to share best practices.

Responsible digital management is also the responsibility of the Chief Information Officer, for "green IT" projects.

Challenges and impacts

The rollout of a personal data protection regulatory compliance programme is an opportunity for the Company to ensure the accuracy and relevance of the personal data collected; and to better understand consumer needs and maintain consumer confidence.

"Green IT" consists of optimising the environmental impact of the use of the Group's IT systems. In 2022, the IT Department was able to calculate a first estimate of carbon emissions related to digital activities.

A pillar of the Group's digital transformation, the protection of personal data is an opportunity to ensure the compliance of our practices in terms of personal data retention, rights management, etc.

"IT for Green" offers the Group's various business lines tools for analysing and consolidating information on the environmental impacts generated by the Rémy Cointreau Group's activities. This second project is the most complex and it comes up against the low maturity of the IT solutions on the market.

Responsible digital technology also includes two projects managed by the Information Department: "Green IT" and "IT for Green".

Policy

The protection of personal data (GDPR) is a subject that concerns all Rémy Cointreau employees. This is why the Group pays particular attention to:

- employee training (via e-learning and face-to-face);
- internal awareness campaigns; and
- legal monitoring.

In addition, in July 2022, the Information Systems Department signed the Planet Tech Care manifesto to share best practices in responsible digital management within the Group.

ACTION PLAN

Action 1: Personal data protection (GDPR)

The Group has created various customised tools and procedures to comply with personal data protection rules, including:

- comprehensive documentation to ensure consistent and comprehensive implementation of personal data protection and common standards. It is based on a global personal data protection policy adapted to local requirements, and is accompanied by detailed procedures and associated tools;
- checklists and templates on specific topics, such as the processing of data subjects requests or the processing of potential personal data breaches;
- audit processes and questionnaires to assess the maturity and level of compliance in terms of personal data protection.

Action 2: Calculation of the Group's digital carbon footprint

Since 2022/2023, the Group's digital carbon footprint has been calculated quarterly, with the help of GREENMETRICS.

The report presents the carbon emissions generated by the Group's digital activities (file and email storage, cloud activities), by the IT equipment used, and by the use of digital technologies.

For the year as a whole, this footprint was 1,409 tCO2e.

The management of the Group's file storage, currently hosted in the USA, will be one of the priority reduction actions for 2023/2024.

Action 3: Rollout of the "Carbon Score" and awareness-raising campaigns

In order to raise employees' awareness of the carbon emissions generated by their use of IT tools, the Information Systems department has rolled out the CarbonScore platform on all of the Group's computers.

This makes it possible to know its individual carbon impact, related to the storage of files and the management of emails. Each employee is assigned a personal score and actions are suggested to reduce their impact.

In April 2023, a clean-up action was launched via CarbonScore. It stabilised the increase in storage volumes and therefore carbon emissions for a few weeks.

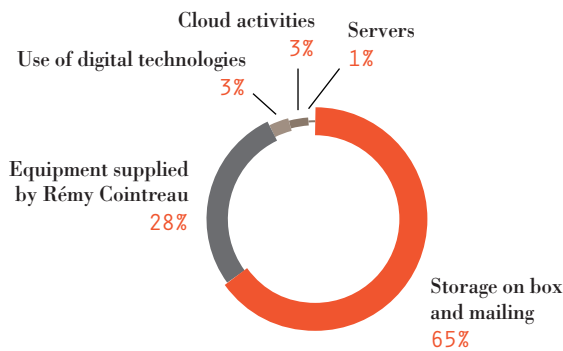
In addition, regular communications are sent to employees. It is based on 12 everyday Green IT reflexes defined by the DSI: shutting down computers in the evening, managing the mailbox, managing the flow of videos, charging smartphones, limiting the use of localisation, to name but a few.

Action 4: Eco-design of websites

Actions to analyse the design of the Group's main marketing and e-commerce websites were launched with Greenmetrics.

The objective is to implement a real eco-design policy for sites by working on their sobriety, hosting and best practices for the development tool, and to display this on the sites.

Digital footprint of the Group in 2022/2023



1.5.3 RESPONSIBLE LOBBYING (SDG 16)

Governance

Responsible lobbying is the responsibility of the Director of Public Affairs (who reports directly to the Chief Executive Officer). He is supported by a team of regional Public Affairs Directors.

Challenges and impacts


The challenge for Rémy Cointreau is to integrate the integrity of lobbying practices into the CSR policy.

Policy




Today, most of the Group's lobbying is done through professional associations (Spirits Europe, Discus, FFS, FEVS, etc.). Within these associations, Rémy Cointreau complies with an "anti-trust statement" which excludes all discussions on the Company's strategic and commercial aspects.

However, the Group wishes to draft its own "Public Affairs" charter, in order to define its lobbying commitments, in line with its values and its business ethics approach.

1.6 INDICATORS

SDGs	Rémy Cointreau's challenges	Risk-related indicators	
		Indicators	Scope
TERROIRS			
	Terroirs adaptation	Percentage of agricultural land under certification, in % ⁽¹⁾	World
		Percentage HVE certification of vineyards in the Cognac wine-growing cooperative (AFC), in % ⁽¹⁾	Cognac site
	Preservation of biodiversity	Percentage of Houses with at least one biodiversity programme, in % ⁽¹⁾	World
		Percentage of new barrels purchased that are PEFC or FSC certified, in % ⁽¹⁾	World
PEOPLE			
	Responsible consumption	Percentage of employees having completed an e-learning course on responsible consumption, in % ⁽¹⁾	World
	Skills development	Percentage of employees completing at least one training course per year, in % ⁽²⁾	Production sites World/Subsidiaries World (>20 employees)
		Number of training hours per employee ⁽²⁾	Production sites World/Subsidiaries World (>20 employees)
	Diversity and equal opportunities	Percentage of female/male managers, in % ⁽¹⁾	Production sites World/Subsidiaries World (>20 employees)
		Gender Equality Index, scored out of 100 ⁽¹⁾	France
		Percentage of training for women/men, in % ⁽¹⁾	Production sites World/Subsidiaries World (>20 employees)
		Percentage of women on the Executive Committee, in % ⁽¹⁾	World
	Attractivity, retention, health, safety and employee well-being	Turnover, in % ⁽²⁾	World
		Absenteeism, in % ⁽²⁾	France/Production sites World
		Workplace accident frequency rate ⁽²⁾	
		Workplace accident severity rate ⁽²⁾	
		Average age ⁽²⁾	Production sites World/Subsidiaries World
		Seniority ⁽²⁾	
		Duty of care and responsible purchasing	Percentage of strategic suppliers with a proactive CSR approach, in % ⁽¹⁾
Percentage of strategic suppliers who are SEDEX members and who completed the entire self-assessment questionnaire, in % ⁽¹⁾			
Local integration	Rate of sites with at least one action in favour of their region, in % ⁽²⁾	World	
	Governance/ Business ethics	Ethics and/or Anti-Corruption Charter training rate, in % ⁽¹⁾	World
		Number of alerts ⁽²⁾	

							CSR targets	
2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2024/2025	2030/2031
TERROIRS								
	36	52	58	64	78	82	100	
	23	42	50	54	56	59	70	100% in 2028/2029
					70	70	100	
					55	94	100	
PEOPLE								
						59	100	
		68	74	69	80	81	80	
10	13	14	17	11	16	17	Annual monitoring	
	43	44	45	46	48	46	50	
			83	83	84	89	90	
43	43	46	45	45	43	48	50	
17	17	17	17	10	33 ^(b)	33	40	50
	15	13	14	14	16	13	<17	
3	2	2	2	2	2	2	<4	
13	9	8	11	4	8	13	<9	
0.1	0.4	0.5	0.5	0.7	0.3	0.1	<0.3	
41	41	40	41	41	41	41	Annual monitoring	
9	8	8	8	8	8	7	Annual monitoring	
				82	78	83	100	
				49	82	87	100	
					86	100	100	
	80	-	86	80	84	84 ^(*)	100	
		6	5	7	7	8	Annual monitoring	

TIME			
	Responsible management of water and liquid waste	Water consumption, in m ³ ⁽²⁾	Production sites World
		Rate of vinasse recovery from distillation, in % ⁽¹⁾	
	Circular economy, sustainable packaging and waste management	Percentage of products sold without secondary packaging, in % ⁽¹⁾	All brands
		Percentage of products that have benefited from an eco-design action, in % ⁽¹⁾	All brands
		Waste recovery rate, in % ⁽¹⁾	Production sites World
	Carbon footprint and limitation of GHG emissions	CO ₂ emissions – Scopes 1, 2 & 3, in TeqCO ₂ ⁽²⁾	Production sites World
		Percentage of significant CO ₂ emissions – product packaging, in % ⁽²⁾	
		Percentage of significant CO ₂ emissions – upstream freight and downstream product transportation, in % ⁽²⁾	
		Percentage of significant CO ₂ emissions – raw materials, in % ⁽²⁾	
		CO ₂ emissions reduction rate – Scopes 1, 2 & 3, in intensity, in % ⁽¹⁾	
		CO ₂ emissions reduction rate – Scopes 1 & 2, in absolute value, in % ⁽¹⁾	
		CO ₂ emissions reduction rate – Scopes 3, in absolute value, in % ⁽²⁾	
		CO ₂ emissions reduction rate, Scopes 1, 2 & 3, submitted as an SBT target, in absolute value, in % ⁽¹⁾	
		Total energy consumption, in MWh ⁽²⁾	World
		Renewable energy consumption rate, in % ⁽¹⁾	
	– of which renewable electricity consumption rate, in % ⁽¹⁾		

(1) Progress indicators.

(2) Monitoring indicators.

(*) Training on the Ethics/Anti-Corruption Charter is planned for 2023/2024.

(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) Announced in 2021/2022, effective in 2022/2023.

(c) Change versus proforma 2020/2021 (138,688 TeqCO₂), as submitted as part of the SBT commitment.

TIME							
133,418	174,945	195,096	189,287	200,838	237,356	259,977	Annual monitoring
			23	32	53	37	70
			21	74	76	78	85
					57	67	80
89	92	94	93	95	95	94	99
145,789	135,528	174,842 ^(a)	180,449	121,189	148,483	151,141	
	37	47	41	35	41	38	
	23	19	24	20	17	14	
	31	15	13	19	23	22.0	
					(9) ^(c)	4	(50) ^(c)
					(18) ^(c)	16	(42) ^(c)
					9 ^(c)	1	
					11	(6)	(27) ^(c)
41,854	39,656	38,495	39,261	40,125	43,511	47,703	
				26	44	38	100
78	77	79	82	86	87	91	100

1

1.7 METHODOLOGICAL NOTE

Rémy Cointreau complies with the legislation on non-financial performance statements (Decree No. 2017-1265 of 9 August 2017). This requires listed companies to prepare a CSR risk map for their business and to link it to progress indicators. These indicators are supplemented by monitoring indicators.

Since 2003, Rémy Cointreau has been a signatory to the UN Global Compact, and aims to be an ambassador for the best practices of this worldwide commitment to human rights, labour standards, the environment and the fight against corruption.

The concept of Corporate Social Responsibility (CSR) is promoted within the Company, as well as externally, with clients, suppliers and all other stakeholders.

The measures implemented in the context of the CSR policy are regularly presented in the annual reports, which describe all the CSR indicators in line with the GRI (Global Reporting Initiative indicators).

These documents are available on the Rémy Cointreau website and are sent to all stakeholders (www.remy-cointreau.com).

1.7.1 REPORTING PROTOCOL

The 2022/2023 reporting protocol is an internal document that describes Rémy Cointreau's CSR commitments and presents the structure and the resources implemented to ensure that reports are of a high standard and reliable.

It acts as a guide for internal reporting and a framework for the external verification in 2022/2023 of the various CSR indicators resulting from the non-financial performance statement.

The reporting protocol is established by Rémy Cointreau's HR and CSR departments. It can be consulted on request from the CSR Director at the following address:

Mrs Laetitia Delaye
 Head of Corporate Social Responsibility
 21 rue Balzac
 75016 PARIS, France
laetitia.delaye@remy-cointreau.com

Tel.: +33 (0)7 87 25 36 01

The reporting protocol is updated annually in order to take into account any changes in reporting requirements and CSR indicators.

1.7.2 SCOPE

Rémy Cointreau's CSR commitments apply to all companies within the Group. There are three main areas of focus: environmental, employee-related and societal.

The CSR reporting scope is based on the Group's consolidated financial scope (33 companies – production sites and distribution companies) and corresponds to the non-financial performance statement (Decree No. 2017-1265 of 9 August 2017).

Companies that are exclusively financial and joint ventures not controlled by the Group are not included in the CSR reporting scope. The same applies to companies disposed of and acquired during the financial year.

ENVIRONMENTAL REPORTING SCOPE

All environmental information covers the production sites in Cognac, Angers, Barbados and Islay (Scotland), as well as the companies Westland (USA), Domaine des Hautes Glaces (France), Domaines Rémy Martin (Cognac), Telmont (France) and Brillet (France).

All production sites are therefore included in the environmental reporting scope. The distribution subsidiaries are excluded, as their environmental impact is not deemed to be significant.

SCOPE OF HR REPORTING

The methodologies used for certain employee-related indicators may have limitations, owing mainly to:

- the absence of common definitions at national or international level;
- necessary estimates, the representativeness of the measures taken or the limited availability of external data required for the calculations.

The definitions and methodologies used for the following indicators are as follows:

1. Employees

The employee-related reporting scope covers all 33 companies.

2. Training

The training data of the French subsidiaries takes into account training programmes taken both as part of and outside continued professional development. The number of employees trained takes into account all employees who took at least one training course during the calendar year, including those who were no longer present as of 31 March 2022. Only training courses lasting for at least one hour are listed.

3. Other indicators

Only the production sites at Angers, Cognac, Barbados and Islay, as well as the Paris site, are included in the indicators relating to employee relations, absenteeism and workplace accidents.

Absenteeism: scope limited to French companies (excluding DHG, Brillet and Telmont), the Barbados and Islay sites.

- Sick leave only for employees recorded in the total Group workforce, *i.e.* for France, employees on permanent and fixed-term contracts. For permanent employees outside France, on the last day of each quarter with the exception of paid leave, special leave (weddings, christenings, house moves, *etc.*), absences for training, authorised unpaid leave, leave for trade union activities, sabbaticals and business creation, time off in lieu, compensatory leave, bank holidays and parental leave.
- For CSR reporting, the number of employees is recorded as at 31 March. The indicator is calculated over the last 12 months.
- The absenteeism rate is equal to the number of hours of absence divided by the number of theoretical hours worked (hours at workstation plus hours absent for illness, leave, training, travel, *etc.*).
- The calculation of the absenteeism rate excludes long-term illness (absence of more than 90 days).

Workplace accident frequency rate: scope limited to French companies (Angers, Cognac, Paris), and the Barbados and Bruichladdich sites.

All accidents in the workplace or on business trips affecting permanent and fixed-term employees counted in the Group's total workforce for the French scope, and permanent employees for the scope outside of France, as at the last day of each quarter and requiring both a declaration to be made and leave of at least one day, irrespective of applicable national regulations.

- This rate is expressed as the number of workplace accidents with lost time per million actual hours worked, calculated as the number of accidents with lost time multiplied by one million and divided by the actual number of hours worked.
- An actual hour worked is one hour of work carried out within the Group by an employee during a tax period, that is to say an hour actually spent at a workstation. Hours of absence are not included (illness, leave, training, travel, *etc.*).
- Where hours actually worked are not available, the frequency rate may be calculated using the number of theoretical hours worked.

Workplace accident severity rate: scope limited to French companies (Angers, Cognac, Paris), and the Barbados and Islay sites.

- All accidents in the workplace or on business trips affecting permanent and fixed-term employees counted in the Group's total workforce for the French scope, and permanent employees for the scope outside of France, as at the last day of each quarter and requiring both a declaration to be made and leave of at least one day, irrespective of applicable national regulations.
- This rate is expressed as the number of days lost to workplace accidents per thousand actual hours worked, calculated as the number of days lost multiplied by 1,000 and divided by the actual number of hours worked.

- The number of lost days has to be calculated as calendar days from the day of the accident.
- An actual hour worked is one hour of work carried out within the Group by an employee during a tax period.
- Where hours actually worked are not available, the severity rate may be calculated using the number of theoretical hours worked.

1.7.3 SELECTED INDICATORS

All indicators included in 2021/2022 reporting are listed below.

They are also presented in the 2021/2022 reporting protocol where, for each one, a detailed fact sheet specifies its scope, definition, calculation methodology, the necessary data and the checks carried out to calculate and verify the figures obtained.

SOCIAL INDICATORS

- Total Group workforce
- Breakdown of employees by gender and position
- Breakdown of employees by geographic area
- Number of recruitments by position and contract type
- Number of departures detailed by reason
- Average age by professional category
- Average length of service by gender and by socio-professional category
- Absenteeism rate
- Workplace accident frequency rate
- Workplace accident severity rate
- Percentage of disabled employees in the total workforce
- Number of training hours
- Number of training hours per employee
- Number of training hours by gender
- Workforce trained by gender
- Gender equality index
- Rate of women within the Executive Committee
- Number of meetings between management and the representative bodies of the Economic and Social Unit (France)

ENVIRONMENTAL INDICATORS

Energy

- Total energy consumption
- Direct energy consumption (fuel or renewables)
- Indirect energy consumption (electricity)
- Renewable energy consumption (direct and indirect)
- Renewable electricity consumption rate

Water consumption

- Water consumption
- Volumes of liquid waste
- Percentage of effluent pollution/Biological Oxygen Demand (BOD) at treatment outlet
- Percentage of effluent pollution/Chemical Oxygen Demand (COD) at treatment outlet
- Volume of effluent recovered

Sustainable agriculture

- Agricultural land farmed sustainably
- Certification of the Alliance Fine Champagne cooperative (Cognac)

Circular economy and packaging raw material

- Products that have benefited from an eco-design action since 2020/2021 (EPI)
- Bottles sold without gift box

Solid waste

- Quantities of solid waste
- Percentage of materials recovery from solid waste (hazardous and non-hazardous)
- Percentage of energy recovery from solid waste (hazardous and non-hazardous)

Carbon footprint assessment

- CO2 audit – GHG emissions (scopes 1 and 2)
- CO2 audit – GHG emissions (scope 3)
- CO2 audit – Significant GHG emissions (scopes 1, 2 and 3)
- CO2 audit – Change in GHG emissions (scopes 1, 2 and 3) committed to a science-based target

Biodiversity

- Percentage of the Group's Houses with at least one biodiversity programme
- Percentage of new barrels purchased that are PEFC or FSC certified

SOCIETAL INDICATORS**Regional and societal impact**

- Percentage of sites with at least one regional and societal impact programme

Responsible consumption

- Employees trained in responsible consumption

Business ethics

- Percentage of employees trained on the ethics charter or on the anti-corruption charter
- Number of alerts
- Digital carbon footprint

Duty of care and responsible purchasing

- Percentage of strategic suppliers with a proactive CSR approach
- Percentage of strategic suppliers who are SEDEX members and who completed the entire self-assessment questionnaire

Transparency, traceability and product quality

- Annual number of justified claims

Customer relations and satisfaction

- Retailer satisfaction score

1.7.4 RELEVANCE OF INDICATORS

The CSR indicators used by Rémy Cointreau demonstrate the concrete nature and reliability of the measures the Group implements in relation to its CSR commitments.

They contribute to the decision-making process of the users of these indicators in respect of plans designed to enable Rémy Cointreau to make the necessary progress and achieve its CSR objectives.

1.7.5 GREEN TAXONOMY 2022/2023**1.7.5.1 METHODOLOGY FOR ASSESSING ELIGIBILITY CRITERIA OF ACTIVITIES**

Pursuant to European regulation 2020/852 of 18 June 2020 (known as the "Taxonomy" regulation), Rémy Cointreau is required to publish performance indicators for the 2022/2023 financial year highlighting the eligible portion of its sales, investments and operating expenses resulting from products and/or services associated with economic activities considered sustainable within the meaning of this regulation and its delegated acts, and covering the first two objectives of the Taxonomy (mitigation of climate change and adaptation to climate change).

For the second year, an assessment of the eligibility of all the Group's consolidated activities was carried out on the basis of:

- the Climate Delegated regulation of 4 June 2021 and its annexes supplementing regulation (EU) 2020/852 by specifying the technical criteria for determining under which conditions an economic activity can be considered as contributing substantially to the mitigation of climate change or adaptation to it;
- a detailed analysis of all activities within its various consolidated entities, carried out jointly by the Group Finance department, the Operations department and the CSR department.

At the end of this new assessment, no eligible sales were identified for the objectives of mitigation and adaptation to climate change, as the activities defined for these objectives do not cover the Group's activities. Due to the absence of eligible sales, investments and operating expenses related to activities contributing to revenue could not be classified as eligible.

Sales eligibility indicator: the Company does not conduct any eligible activities.

Result: 0%

Nevertheless, as Rémy Cointreau is taking actions to mitigate its carbon emissions and making investments to decarbonise its activities and the Group has deepened its analysis by focusing on the CapEx related to this type of investment.

The eligible investments identified mainly correspond to:

- a new long-term building lease (activity 7.7 of the delegated act) as defined by IFRS 16. This amount of nearly €17 million relates to a new real estate lease for the Rémy Cointreau Americas offices in the United States;
- construction expenses (activity 7.1), and in particular the construction of new cellars at the Cognac and Barbados production sites;

- the renovation of existing buildings (activity 7.2) as well as the installation, maintenance and repair of energy efficiency equipment (activity 7.3);
- the installation of solar panels (activity 4.1) at the Barbados production site;
- investments in research, development and innovation for direct air capture of CO₂ (activity 9.2), at the Westland production site in the United States.

Eligible investments are thus estimated at €37.3 million out of a total of €81.9 million (46%).

Capital expenditure eligibility indicator:

Result: 46%

In addition, an new analysis of OpEx led to consider the amount analysed as not significant with regard to the Group's materiality thresholds, the amount of OpEx in the Taxonomy sense representing less than 5% of total Group OpEx. This observation, combined with the fact that the Group's activities are not eligible to date, leads the Group to use the exemption provided for not calculating in more detail the OpEx Taxonomy KPI.

OpEx eligibility indicator:

Result: 0%

1.7.5.2 METHODOLOGY FOR ASSESSING ACTIVITIES WITH REGARD TO THE ALIGNMENT CRITERIA

In order to assess the current level of alignment of the activities identified as eligible, the Group carried out a verification of the compliance with the technical review criteria for a selection of material investments.

Substantial contribution technical criteria

For new buildings, Rémy Cointreau has ensured that primary energy demand is at least 10% lower than the NZEB level ("NZEB – 10%"). For the renovation of an existing building, the Group has ensured compliance with the overall RT, or failing that, a reduction in primary energy demand of at least 30%.

Do no significant harm to the other five objectives of the taxonomy ("DNSH")

The Group carried out work to verify compliance with the DNSH criteria and, in particular, Rémy Cointreau verified compliance with the DNSH on climate change adaptation by carrying out a local analysis of climate-related risks and vulnerability. As a result of this analysis, no high sensitivity on the targeted assets was identified, and, as such, no financial impact was deemed significant.

Verification of compliance with minimum safeguards (MS)

The Group meets the minimum safeguard requirements of the Sustainable Finance Platform (PSF) report in terms of human rights, corruption, competition law and taxation. Rémy Cointreau has ensured that it has verified the absence of convictions on all topics, as well as the implementation of procedures, as described in section 2.4.

Accordingly, aligned investments within the meaning of the Taxonomy Regulation amount to €1.9 million (5% of eligible CapEx and 2% of total CapEx). It should be noted that the alignment criteria for the new real estate lease in the United States (investment of €17 million or 20% of total CapEx) are being assessed (LEED certification of the building in progress).

Capital expenditure alignment indicator:

Result: 2%

TABLE 1 - SALES

Share of sales from products or services associated with economic activities aligned under the taxonomy - Information for year N.

Economic activities	Code(s)	Substantial contribution criteria							
		Sales M€	Sales %	Climate change mitigation %	Climate change adaptation %	Aquatic and marine resources %	Circular economy %	Pollution %	Biodiversit and ecosystems %
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY									
A.1. Environmentally sustainable activities (aligned under the taxonomy)									
Sales from environmentally sustainable activities (aligned under the taxonomy) (A.1)		0	0%						
A.2. Activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)									
Sales from activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)		0	0%						
Total sales from activities eligible under the taxonomy (A.1 + A.2) (A)		0	0%						
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY									
Sales from activities not eligible under the taxonomy (B)		1,549	100%						
TOTAL (A + B)		1,549	100%						

Do no significant harm criterion

Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of sales aligned under the taxonomy year N	Share of sales aligned under the taxonomy year N-1	Category (enabling activity)	Category (transitional activity)
YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	Percentage	Percentage	E	T
							0%			
							0%			
							0%			

■ Not applicable for 2022 reporting (first full reporting year)

TABLE 2 - CAPEX

Share of CapEx expenditure on products or services associated with economic activities aligned under the taxonomy - Information for year N.

Economic activities	Code(s)	Absolute CapEx k€	Share of CapEx %	Substantial contribution criteria					
				Climate change mitigation %	Climate change adaptation %	Aquatic and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY									
A.1. Environmentally sustainable activities (aligned under the taxonomy)									
Electricity production using solar photovoltaic technology	4.1	90	0,1%	100%	0%	0%	0%	0%	0%
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	1,777	2,2%	100%	0%	0%	0%	0%	0%
Research, development and innovation for the direct capture of CO2 from the air	9.2	35	0,0%	100%	0%	0%	0%	0%	0%
CapEx of environmentally sustainable activities (aligned under the taxonomy) (A.1)		1,902	2,3%						
A.2. Activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)									
Construction of new buildings	7.1	13,906	17,0%						
Renovation of existing buildings	7.2	4,122	5,0%						
Installation, maintenance and repair of equipment promoting energy efficiency	7.3	791	1,0%						
Acquisition and ownership of buildings	7.7	16,611	20,3%						
CapEx of activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)		35,429	43,3%						
Total CapEx of activities eligible under the taxonomy (A.1 + A.2) (A)		37,331	46%						
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY									
CapEx of activities not eligible under the taxonomy (B)		44,569	54%						
TOTAL (A + B)		81,900							

Do no significant harm criterion

Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of CapEx aligned under the taxonomy year N	Share of CapEx aligned under the taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	%	E	T
YES	YES	YES	YES	YES	YES	YES	0,1%		E	
YES	YES	YES	YES	YES	YES	YES	2,2%		E	
YES	YES	YES	YES	YES	YES	YES	0,0%		E	
							2,3%			

■ Not applicable for 2022 reporting (first full reporting year)

TABLE 3 - OPEX

Share of OpEx concerning products or services associated with economic activities aligned under the taxonomy – Information for year N

Economic activities	Code(s)	Absolute OpEx	Share of OpEx	Substantial contribution criteria	
				Climate change mitigation	Climate change adaptation
		M€	%	%	%
A. ACTIVITIES ELIGIBLE UNDER THE TAXONOMY					
A.1. Environmentally sustainable activities (aligned under the taxonomy)					
OpEx of environmentally sustainable activities (aligned under the taxonomy) (A.1)		0	0%		
A.2. Activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)					
OpEx of activities eligible under the taxonomy but not environmentally sustainable (not aligned under the taxonomy)		0	0%		
Total OpEx of activities eligible under the taxonomy (A.1 + A.2) (A)		0	0%		
B. ACTIVITIES NOT ELIGIBLE UNDER THE TAXONOMY					
Opex of activities not eligible under the taxonomy (B)		430	100%		
TOTAL (A + B)		430	100%		

Do no significant harm criterion

Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of OpEx aligned under the taxonomy, year N	Share of OpEx aligned under the taxonomy, year N-1	Category (enabling activity)	Category (transitional activity)
YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	Percentage	Percentage	E	T
							0%			
							0%			
							0%			

■ Not applicable for 2022 reporting (first full reporting year)

1.8 CROSS-REFERENCE TABLES

Cross-reference table – Non-financial performance statement	Pages
Employee-related consequences of the business	
Collective agreements and their impacts	92
Tackling discrimination	90 - 91
Promoting diversity	89 - 91
Societal commitments	89 - 90
Commitments to disability	91
Environmental consequences of the business	
Climate change	56 - 65, 66 - 79
Circular economy	76 - 79
Food waste	n/a
Food poverty	n/a
Animal welfare	n/a
Responsible, fair and sustainable nutrition	n/a
Impact of the business on respect for human rights	83 - 84
Impact of the business on the fight against corruption and tax evasion	103, 149, 151, 153 - 156
Cross-reference table for the Task Force on Climate-Related Disclosures (TCFD)	
Climate governance	
Control exercised by the Board of Directors over climate-related risks and opportunities	37 - 38, 56, 66
Management's role in assessing and managing climate-related risks and opportunities	56, 66
Strategy	
Risks and opportunities related to the climate that the organisation has identified in the short, medium and long term	66 - 67
Impacts of climate-related risks and opportunities on the organisation's activities, strategy and financial health	66 - 67
Resilience of the organisation's strategy, taking into account different climate scenarios, including a 2° or lower scenario	66 - 68
Risk management	
Process for identifying and assessing climate-related risks	42 - 45, 56, 66 - 67, 131 - 133
Climate risk management process	71 - 79
Inclusion of processes for identifying, assessing and managing climate-related risks in the organisation's overall risk management plan	42 - 45, 56 - 65, 66 - 79, 131 - 133, 144
Indicators and targets	
Metrics used by the organisation to assess climate-related risks and opportunities, in line with its risk management strategy and processes	68
Scopes 1 and 2 and, where applicable, scope 3 of GHG emissions and associated risks	69 - 70
Objectives used by the organisation to manage climate-related risks and opportunities, as well as performance against objectives	68

Cross-reference table of CSR/Global Compact GC Advanced commitments		Pages
General information	Chairman & Chief Executive Officer's declaration of ongoing support for the United Nations Global Compact and its principles	2 - 3
	Description of policies or measures implemented with regard to human rights, international labour standards, the environment and the fight against corruption	83 - 94, 103-104, 153
	Quantitative measurement indicators	46 - 55, 106 - 109
	Assessment by a credible third party of the accuracy and scope of the information	123 - 128
	Use of high standards of transparency and disclosure such as the GRI (Global Reporting Initiative) guidelines	153
	Integration of Sustainable Development Goals (SDGs)	45, 46 - 55
	Actions to advance Sustainable Development Goals (SDGs)	45, 46 - 55
GC Advanced criteria: implementing the ten principles into Strategies & Operations	Criterion 1: description of mainstreaming into corporate functions and business units	2- 3, 36 - 40
	Criterion 2: description of value chain implementation	92 - 94
	Criterion 3: description of robust commitments, strategies or policies in the area of human rights	83 - 94, 153 - 155
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1.9 REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

(Year ended 31st of March 2023)

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

In our capacity as Statutory Auditor of the company Rémy Cointreau (hereinafter the "Entity"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac), (Cofrac Inspection Accreditation, n°3-1862, scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement", respectively), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de Commerce*).

CONCLUSION

Based on the procedures we performed, as described in the "Nature and scope of procedures" section, and the audit evidence we obtained, other than that described below, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory requirements and that the information, taken as a whole, is not presented fairly in accordance with the guidelines.

COMMENTS

Without calling into question the conclusion expressed above, and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- No key performance indicators are presented for policies relating to the following risks: "Préservation du patrimoine et des savoir-faire" and "Lobbying responsible".
- The policies relating to the following risks do not mention any targets for improvement: « Préservation du patrimoine et des savoir-faire », « Transparence », « traçabilité et qualité des produits », « Dialogue social ».

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement.

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

As stated in the Statement, the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

RESPONSIBILITY OF THE ENTITY

Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been drawn up by applying the entity's reference framework as mentioned above.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the “Information.”

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

IT IS NOT OUR RESPONSIBILITY TO REPORT ON:

- the Entity’s compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL GUIDANCE

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l’OTI – déclaration de performance extra-financière, and acting as the verification programme and with the international standard ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

MEANS AND RESOURCES

Our work engaged the skills of 5 people between March 2023 and June 2023 and took a total of 16 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 10 interviews with people responsible for preparing the Statement, representing in particular CSR direction, risk management, human resources.

NATURE AND SCOPE OF PROCEDURES

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities’ activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti corruption and tax avoidance legislation;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities’ activities, including where relevant and

proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;

- referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;

- tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites: Bruichladdich, Telmont, CLS, Cointreau SA and covers between 25% and 64% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
 - assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities
- The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, 27th June, 2023

One of the Statutory Auditors,
PricewaterhouseCoopers Audit

Amélie WATTEL
Partner Statutory Auditor

Sylvain Lambert
Partner Sustainable Development Department

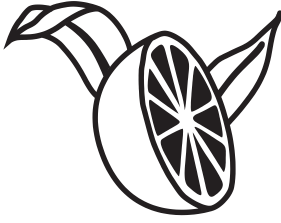
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APPENDIX: LIST OF INFORMATION WE CONSIDER TO BE MOST RELEVANT

Main risks (Rémy Cointreau issues)	Sections of the Universal Registration Document dealing with policies, actions and related results reviewed as part of our work.
Empreinte carbone et limitation des émissions GES	Section 1.3.2 Including the following indicators: <i>Consommation totale d'énergie, en MWh; Consommation d'énergie renouvelable, en kWh; Consommation de biogaz, en kWh; Consommation de fioul, en litres; Consommation d'électricité, en kWh; Taux d'émissions de CO₂ significatives - packaging des produits, en %; Taux d'émissions CO₂ significatives – Fret amont et transport aval des produits, en %; Taux d'émissions de CO₂ significatives – matières premières, en %; Émissions CO₂ liées aux déplacements professionnels; Émissions CO₂ – Scopes 1, 2 & 3, en TeqCO₂; Taux de réduction des émissions CO₂ Scopes 1, 2 & 3, en intensité, en %; Taux de réduction des émissions CO₂ Scopes 1 & 2, en absolu, en %; Taux de réduction des émissions CO₂ Scope 3 (objectif sur plus des 2/3 du Scope 3), en absolu, en %; Consommation totale d'énergie, en MWh; Taux de consommation d'énergie renouvelable, en %; dont taux de consommation d'énergie électrique renouvelable, en %</i>
Adaptation face aux conséquences du changement climatique	Section 1.3.1.1 Including the following indicators: <i>Taux de surfaces agricoles engagées dans une certification, en %; Taux de surfaces viticoles certifiées HVE de la coopérative viticole de Cognac (AFC), en %</i>
Préservation de la biodiversité	Section 1.3.1.2 Including the following indicators: <i>Taux de Maisons ayant au moins 1 programme de biodiversité, en %; Taux de fûts neufs achetés certifiés PEFC ou FSC, en %</i>
Gestion responsable de l'eau	Section 1.3.4 Including the following indicators: <i>Consommation d'eau, en m³; Taux de pollution des effluents / Demandes Biologique en Oxygène en sortie de traitement, en mg/L; Taux de pollution des effluents / Demandes Chimique en Oxygène en sortie de traitement, en mg/L; Volume d'effluents; Taux de valorisation des effluents; Consommation d'eau, en m³; Taux de valorisation des vinasses de distillation, en %</i>
Économie circulaire, packaging durable et gestion des déchets	Section 1.3.3 Including the following indicators: <i>Quantité de déchets, en tonnes; Quantité de déchets dangereux (DID), en tonnes; Déchets valorisation matière, en tonnes; Taux de valorisation matière des déchets (DID et DIB), en %; Déchets valorisation énergétique, en tonnes; Taux de valorisation énergétiques des déchets (DID et DIB), en %; Taux de produits vendus sans emballage secondaire, en %; Taux de produits ayant bénéficié d'une amélioration d'écoconception, en %; Taux de valorisation des déchets, en %</i>
Attractivité et fidélisation des collaborateurs	Section 1.4.1.1 Including the following indicators: <i>Effectifs totaux; Moyenne d'âge, en années; Nombre d'arrivées (revue de cohérence sur les motifs d'arrivées); Nombre total de départs dont Démissions, Retraites, Licenciements, Décès, Fin de contrat à durée déterminée, Départ avec accord mutuel; Ancienneté, en années; Turnover, en %; Taux de souscription au Plan d'Actionnariat Salarié « My Remy Cointreau »</i>
Conditions de travail et bien-être des collaborateurs	Section 1.4.1.2 Including the following indicators: <i>Nombres d'heures travaillées, en heures; Nombre d'heures d'absence, en heures; Nombre d'heures travaillées théoriques Turnover, en %; Ancienneté, en années; "Ancienneté, en années; Turnover, en %</i>
Santé et sécurité des collaborateurs	Section 1.4.1.3 Including the following indicators: <i>Taux de Fréquence des accidents du travail; Taux de Gravité des accidents du travail; Nombre d'accidents avec arrêt de travail; Jour d'arrêt pour accident de travail; Absentéisme, en %</i>

Main risks (Rémy Cointreau issues)	Sections of the Universal Registration Document dealing with policies, actions and related results reviewed as part of our work.
Développement des compétences	Section 1.4.1.4 Including the following indicators: <i>Nombre d'employés bénéficiant d'au moins une formation par an; Nombre d'heures de formation, en heures; Effectifs formés par sexe (Femme); Effectifs formés par sexe (Hommes); Taux de salariés bénéficiant d'au moins une formation par an, en %; Heures de formation par collaborateur</i>
Dialogue social	Section 1.4.1.6 Including the following indicators: <i>Nombre de réunions entre la direction et les instances représentatives de l'Unité Economique et Sociale en France</i>
Diversité et égalité des chances	Section 1.4.1.5 Including the following indicators: <i>Taux de managers F/H, en %; Taux de formation F/H, en %; Nombre d'hommes; Nombre de femmes; Nombre d'employés en situation de handicap; Index Egalité professionnelle F/H, noté sur 100; Taux de managers F/H, en %; Taux de formation F/H, en %; Taux de femmes au sein du Comex</i>
Ancrage territorial	Section 1.4.3.4 Including the following indicators: <i>Taux de sites ayant au moins 1 action en faveur de son territoire, en %</i>
Promotion de la consommation responsable	Section 1.4.3.1 Including the following indicators: <i>Taux de fournisseurs stratégiques avec une démarche RSE proactive, en %; Taux de fournisseurs adhérents de SEDEX et qui ont répondu à la totalité des informations demandées dans le questionnaire d'auto-évaluation, en %; Taux de salariés ayant suivi un e-learning obligatoire sur la consommation responsable, en %</i>
Préservation du patrimoine et des savoir-faire	Section 1.4.3.5 No indicators presented
Relation et satisfaction des clients	Section 1.4.3.3 Including the following indicator: <i>Note de satisfaction distributeurs</i>
Gestion responsable du numérique	Section 1.5.2 Including the following indicator: <i>Empreinte carbone du numérique du groupe</i>
Devoir de vigilance tout au long de la chaîne de valeur	Section 1.4.2.1 Including the following indicators: <i>Taux de formation à la charte éthique et charte anti-corruption, en %; Nombre d'alertes</i>
Lobbying responsable	Section 1.5.3 No indicators presented
Transparence, traçabilité et qualité des produits	Section 1.4.3.2 Including the following indicators: <i>Nombre de réclamations clients (justifiées) annuelles</i>
Gouvernance responsable	Section 1.5.1 Including the following indicators: <i>Taux de formation à la charte éthique et/ou anti-corruption, en %; Nombre d'alertes; Nombre de sites de production certifiés B Corp</i>

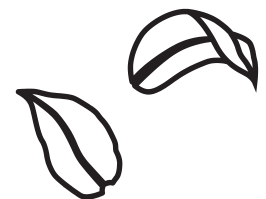




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GROUP RISKS

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2.1 RISK MANAGEMENT AND INTERNAL CONTROL PROCEDURES

GENERAL PRINCIPLES OF RISK MANAGEMENT

For Rémy Cointreau, risk management is an integral part of the responsibilities of the various management teams at the Group level, as well as at the Business Unit and legal entity levels. Some risks inherent to the Group's activities are described in section 2.2 "Risk factors", as well as the policies aimed at preventing and dealing with them.

DEFINITION AND OBJECTIVES OF RISK MANAGEMENT

Risk represents the possible occurrence of an event with a potential impact on people, assets, the environment and the objectives of the Company or its reputation. The definition used in this registration document goes beyond the financial aspects, and covers the reputation of the Group Brands and the sustainability of the Company. It is therefore important that all staff and, in particular, management teams are aware of how to manage risk in order to:

- create and preserve the value, assets and reputation of the Group;
- safeguard decision-making and operational processes to ensure that objectives are achieved;
- promote the consistency of the Group's activities with its values;
- promote a shared vision among Group employees of the main risks weighing on their activities.

COMPONENTS OF RISK MANAGEMENT

RISK MANAGEMENT ORGANISATION

The key players are the members of the Group Executive Committee, Business Unit Management Committees and the key market managers. They are responsible for identifying the principal risks in their field or geographic area and the extent of those risks given their frequency and the scale of the potential impact. They are also responsible for action plans to secure operations.

The information collected is summarised for distribution to all stakeholders. This system can be supplemented by feedback, allowing it to be strengthened virtually in real time.

RISK MANAGEMENT PROCEDURES

Risk management procedures comprise four distinct stages:

1. identification of key risks in all areas. These risks are classified by predefined category and by location to allow for the analysis of either a particular category or a given country;
2. analysis of each risk, leading to an assessment of its importance, allowing risks to be prioritised and ensuring a focus on those risks identified as major;
3. implementation of action plans with the aim of eliminating risks, reducing them to a predetermined acceptable level, transferring them by taking out an insurance policy, or accepting them;
4. monitoring of the process over time by those responsible, who must provide information on their development, particularly during internal audit reviews, to ensure risks are appropriately managed.

The risk management process has helped promote a culture of risk prevention and the sharing of best practices within the Group by the principal players in terms of both action plans and methodology. The result of this process is a risk chart that is regularly updated. It is aimed at identifying the major risks at a particular time, so that these can be reported to the Audit Committee for inclusion in annual internal audit programmes, and at ensuring that insurance policies are relevant, with adequate coverage for the risks identified.

PERMANENT MONITORING OF RISK MANAGEMENT

Risks considered significant are subject to ad hoc reviews as part of the audit programmes. The various stakeholders are required to confirm the implementation of action plans provided, reassess their level of tolerance when these actions have been carried out, and advise on the emergence of new risks.

CONNECTION BETWEEN RISK MANAGEMENT AND INTERNAL CONTROL

Risk management and internal control mechanisms complement each other for better control of the Group's activities.

The internal control system relies on the risk management system to identify the key controls to be carried out. In addition, the risk management system is also subject to controls to ensure its proper functioning.

GENERAL PRINCIPLES OF INTERNAL CONTROL

DEFINITION AND OBJECTIVES OF INTERNAL CONTROL

The system consists of a set of resources, behavioural patterns, procedures and actions implemented by senior management to enable the Company and its subsidiaries to better control their activities, to make their operations more efficient and to optimise the use of their resources and ensure the proper functioning of risk management. It therefore goes beyond simple procedures or accounting and financial processes.

It aims in particular to ensure:

- the implementation of instructions and guidelines set by senior management;
- the proper functioning of the internal processes of the Company, including those contributing to the safeguarding of its assets;
- compliance with laws and regulations, and with the directives issued by the governing bodies and senior management;
- the reliability of financial information.

Like any control system, it has its limitations and cannot provide an absolute guarantee of achieving the objectives set by the Company. The likelihood of achieving these objectives relies not only on the will of the Company, but can be influenced by many other factors, including the uncertainty of the outside world, the exercise of powers of judgement or malfunctions that may occur due to technical or human failure.

COMPONENTS OF INTERNAL CONTROL

Internal control is based on the following main principles:

- the system of **delegation of power** that aims to reflect the Group's genuine decision-making centres, consistent with the size and complexity of Group structures and the various levels of responsibility of each person, which is put in place to increase the effectiveness of the Group's women and men, and to make them aware of their responsibilities;
- the **internal control procedures**, which reiterate the principles and rules applicable to all of the Group's subsidiaries for the main operational cycles identified;

- the **self-assessment questionnaire**, updated regularly, that aims to assess the existence and robustness of the internal control systems at the level of each entity and used for implementing improvement plans. As such, one report per subsidiary is issued and a specific summary for the Executive Committee is prepared;
- the **Internal Audit Charter**, intended for all Group employees, which includes the ethical and methodological operating framework of internal audit.

The effectiveness of these principles is closely linked to the control environment, the 5 principal components of which are described below.

1. An appropriate and structured organisation

To promote the exchange of best practices and cross-functional control of its operations, the Group has chosen a matrix-type organisation. Functional management provide their expertise to operating management, taking into account their specific local features. For the sake of clarity, regularly updated organisational charts are available on the Group's intranet.

This organisation is enhanced by a human resources policy based on ability, know-how and high standards. The Group is committed to a recruitment policy that improves the professionalism of its staff and attracts talent, and a policy that develops skills that will maintain a high degree of expertise in its workforce.

The organisation is also based on an information system that uses modern, high-performance Enterprise Resource Planning (ERP) solutions (SAP S/4 HANA) to meet the Group's growth ambitions.

Rémy Cointreau's reputation has been built on strong ethical values such as integrity, respect for the law and people, honesty in its relations with customers, suppliers and employees, and social and environmental responsibility, which are transcribed in the Group's code of conduct, updated during this financial year and available internally and externally.

2. Internal distribution system for relevant information

The timely publication and communication of relevant information to everyone within the Group – enabling them to be as well-informed and confident as possible in carrying out their responsibilities – is based on the following 3 main factors:

- departmental meetings organised on a periodic basis by the Group's various actors, in order to publish and share operational information, exchange points of view, set priorities and coordinate action plans;
- technical databases housed within the Group's intranet, which are accessible 24/7 worldwide and which enable the various participants to consult the information necessary for the proper performance of their duties;
- structured databases and information systems, updated on a daily basis, providing the people concerned with relevant and reliable information to enable them to make timely decisions.

3. Risk management

The Group has set up a risk management system to identify, analyse and address the major risks identified in relation to its objectives. This system is described above in the first part of this section.

4. Control procedures

Each Group area or activity has its own reference documentation. It comprises charters, codes, standards, procedures and rules of best practice. These documents set out the manner in which a procedure, action or check must be performed, and are an integral part of the internal control process. They are based on the following key areas of expertise:

- purchasing: supplier relations are regulated by a contract that makes reference to the UN Global Compact. Under such contracts, suppliers are required to adhere to the values of respect for human rights, the environment and fundamental social principles. In addition, the code of ethics for purchasing ensures that best practices are adopted by all Rémy Cointreau purchasers, avoiding, wherever possible, any infraction that may be detrimental to the Group's interests;
- safety and quality: all production standards and rules issued by operating management are held in the databases of each House. Their application is regularly reviewed as part of the ISO certifications, as well as HACCP accreditations, thereby ensuring best practices;
- IT systems: the IT Systems Security manager coordinates the implementation of security policies and their associated procedures in the entities. In particular, the financial systems considered as critical are subject to a daily backup and hosted in data centres offering full availability guarantees. In addition, business recovery plans are under development and will be tested annually;
- central management of funding and cash: the Foreign Exchange Charter and the Interest Rate Charter set out the principles that must be followed to ensure greater security in this area. These documents are supplemented by a summary of the risks of the principal processes managed by the Group's Treasury department. The Treasury department is responsible for laying down a policy and reporting procedures for managing credit;

- consolidation of financial statements and reporting: Rémy Cointreau has a set of principles and standards enabling the production of reliable financial information. The comparability of data is guaranteed by the existence of a single set of definitions and principles for valuation purposes and the processing of accounting and financial data for the 3 processes of budgeting, updating the budget and monthly closings. The calendar for the financial and accounting processes detailing the reporting dates for information and its distribution enables senior management to manage their priorities. In addition, the Chief Executive Officers and Chief Financial Officers of the subsidiaries must send a letter of representation to the Group Chief Executive Officer and Chief Financial Officer, in which they assume responsibility for the fairness of the financial statements and the implementation of an internal control process to detect and prevent fraud and errors.

5. Permanent monitoring

Internal control is implemented by operating and functional departments under the guidance of senior management.

Work is carried out on a regular basis to monitor the proper functioning of their procedures, either by dedicated internal teams or by specialised external organisations, ensuring the effectiveness of the internal control system in place.

The Internal Audit department takes an active part in monitoring internal control procedures, using operating and compliance audits. It ensures the implementation of best practices and compliance with both local laws and regulations, as well as the Group's principles and standards.

The results of this work are disclosed to the Statutory Auditors. Conversely, comments issued by the external auditors as part of their annual assignment are taken into consideration by the Internal Audit department.

SCOPE OF RISK MANAGEMENT AND INTERNAL CONTROL

The internal control system mirrors Rémy Cointreau's matrix organisation and more specifically to the specific features of the subsidiaries and their relationship with the Group.

PERSONS INVOLVED IN RISK MANAGEMENT AND INTERNAL CONTROL

The respective roles of the principal internal and external players involved in internal control are as follows:

SENIOR MANAGEMENT AND THE EXECUTIVE COMMITTEE

The Executive Committee – comprising senior operational and functional managers – lays down guidelines for the internal control and risk management process, defines the roles and responsibilities of the main stakeholders, coordinates their implementation and ensures their effective application.

BOARD OF DIRECTORS

The Board of Directors familiarises itself with the essential features of the internal control and risk management process established by senior management, and ensures that the major risks identified and incurred by the Company are taken into account in its management. As such, the Board of Directors is kept informed by the senior management of the main risks facing the Group and the action plans carried out. With respect to the process of preparing accounting and financial information, the Board of Directors ensures that the management and control process that has been established guarantees the reliability of accounting and financial information.

AUDIT COMMITTEE

The Audit Committee ensures that internal control procedures are in place and are applied, both in the accounting and financial fields and other areas of the Company.

It is kept informed of the results of audit assignments and reviews the annual audit schedule together with the organisation of the Internal Audit department.

It keeps abreast of the major risks identified, their analysis and development over time.

INTERNAL AUDIT

The Internal Audit department, which reports to the Chairman of the Group's Board of Directors, is involved in all Group entities, both in distribution and production.

Its work is planned in agreement with senior management and the Audit Committee. Its assignments are identified based on risks listed in the risk chart, the economic environment and specific requests from the management of the Group's various entities.

The findings of the audit assignments – following a general debate – are sent to the management of the entity concerned. A summary of the findings, as well as an action plan to which the local entity management is committed, is subsequently presented to the senior management.

Once a year, the Director of Internal Audit presents to the Audit Committee the guidelines of the annual plan, a summary of the achievements made during the previous financial year and a provisional audit plan covering the next 3 years.

In addition to these audit assignments, the internal audit function is in charge of updating the risk chart and promoting internal control within the Group. In that respect, it is the recipient of different summary reports on internal control prepared by the various entities, which provide an overview of Group risks.

GROUP FINANCE DEPARTMENT

Its main task is to assist and monitor the operational departments in their financing activities. It establishes the rules for consolidation and management and ensures the definition and promotion of tools, procedures and best practice in areas such as management, accounting and consolidation, funding and treasury, taxation, financial communication and IT systems.

OPERATING DEPARTMENT

It has wide-ranging tasks, combining functions such as the supply chain, purchasing, quality, industrial organisation. It establishes a set of standards and methods for achieving a high level of production quality, as well as safety and respect for the environment. It also supports the subsidiaries in implementing their supply chain and industrial policies in addition to their necessary integration of environmental issues.

LEGAL DEPARTMENT

The Legal department assists Group companies in significant legal matters and in litigation management. It coordinates the introduction of contractual clauses into the various distribution agreements and the legal protection of the Group's brands, intellectual property and other assets.

COMPANY OR DIVISION MANAGEMENT COMMITTEES

These committees are fully involved in the risk management and internal control processes. They are stakeholders in the development and updating of the risk chart. They analyse the results of self-assessment questionnaires and issue a report on their own internal control, which is then submitted to the Group. They develop action plans in response to the recommendations of the internal audit function. They are also involved in crisis management and the existence of business continuity plans.

THE INTERNAL CONTROL SYSTEM
AS IT RELATES TO THE PREPARATION
OF ACCOUNTING AND FINANCIAL INFORMATION

Our approach is part of a process of continuous improvement of the established internal control system.

The internal control procedures in relation to preparing and processing financial and accounting information apply to the parent company and all of the subsidiaries included in the consolidated financial statements. These are designed to ensure:

- compliance with laws and regulations and the correct application of instructions and directions set by Group management in the preparation of accounting and financial information;
- the reliability of information used in the preparation of financial and accounting information, as well as published information;
- the preservation of assets.

**ACCOUNTING AND FINANCIAL ORGANISATION GUIDANCE
PROCEDURE**

Organisation

The process of preparing financial and accounting information is carried out by the Group Finance department. It supervises the Accounting, Finance and Taxation department, the Management Control department, the Funding and Treasury department, Information Systems department and Financial Communications. Each of these departments coordinates internal control in its own area. The system is further enhanced by the presence of financial controllers within each Business Unit.

Financial and accounting procedures

The Group Finance department has created an intranet portal dedicated to the management principles and accounting standards adopted by the Group and the application of which is mandatory for all subsidiaries.

At every reporting date, the instructions cover key dates in the calendar as well as matters that require specific attention to enable the various Group companies to be well prepared, so that the required information is disclosed within the appropriate timeframe and that the proper checks are carried out in advance of the preparation of financial and accounting information.

In addition, the Group carries out monthly closings. Those before the interim or full-year closing serve as pre-closing reports used to identify and anticipate the different possibilities of treating specific and non-recurring transactions. They are disclosed to the Statutory Auditors for validation at preliminary meetings held when the accounts are closed.

IT systems organisation and security

The Information Systems department has established procedures aimed at ensuring the continuity of accounting data processing. Some hardware has accordingly been duplicated so that the backup can automatically take over in the event of sudden failure.

In respect of data retention and protection, access to accounting and financial data is secured by individually granted rights that are non-transferable, and password protected and job-specific user environments have been set up to ensure task segregation. All data is backed up every day. Batch data processing work is also programmed in a specific sequence, with systems that alert the principal users in case of an incident.

Other automatic control systems have been established, such as thresholds requiring validation, automatic reconciliation and limited access to critical transactions.

The Statutory Auditors

As part of the interim and annual closing of the financial statements, the Statutory Auditors carry out various reviews:

- preliminary reviews, which may focus on the internal control of processes for the preparation of accounting and financial information;
- a limited half-yearly review of all accounting and financial data prepared by Group companies;
- a limited half-yearly review of the consolidated financial statements prepared by the Group Finance department;
- an annual review of all year-end accounting and financial data prepared by Group companies;
- an annual review of the consolidated financial statements prepared by the Group Finance department.

This allows the Statutory Auditors to certify the legality, truthfulness and fair presentation of the consolidated and Company financial statements. The summary of their work is presented to the Group Finance department, and to the Audit Committee.

PROCESSES CONTRIBUTING TO THE PREPARATION OF ACCOUNTING AND FINANCIAL INFORMATION

Operating processes for preparing the financial statements

All the initial accounting production processes are subject to specific procedures as well as validation, authorisation and recognition rules. As such, procurement is carried out within a secured framework, with a list of pre-selected suppliers and previously negotiated terms and conditions. Order forms are required for all purchases exceeding a given threshold, and investment projects approved by the Executive Committee must be duly documented, justified and endorsed before they are implemented.

Closing process and preparation of the consolidated financial statements

The process of closing the financial statements is subject to specific instructions, which provide schedules, exchange rates to be used, consolidation scopes and specific matters to be monitored. These instructions are systematically sent to all Group companies.

Procedures for validating the various stages of the consolidation process have also been established. Their main objective is to validate the following:

- correct application of accounting standards and principles;
- relevance of restatements of certain corporate data;
- identification, reconciliation and elimination of intersegment transactions;
- correct calculation of deferred taxation;
- correct analysis and explanation of movements in shareholders' equity, both at parent company and consolidated levels;
- consistency between management and accounting information.

Financial communication procedure

Financial communication managers draw up a schedule summing up all of the Group's obligations in terms of accounting and financial disclosures. It specifies the nature of the information and the name of the person in charge of its drafting or preparation. Once the information is available, a proofreading procedure assesses its reliability and accuracy, whether the information is of an accounting nature or otherwise. The Legal department ensures compliance with the prevailing laws and regulations in respect of the nature of the information and the mandatory deadlines, and with the principle of providing the same disclosures to all shareholders.

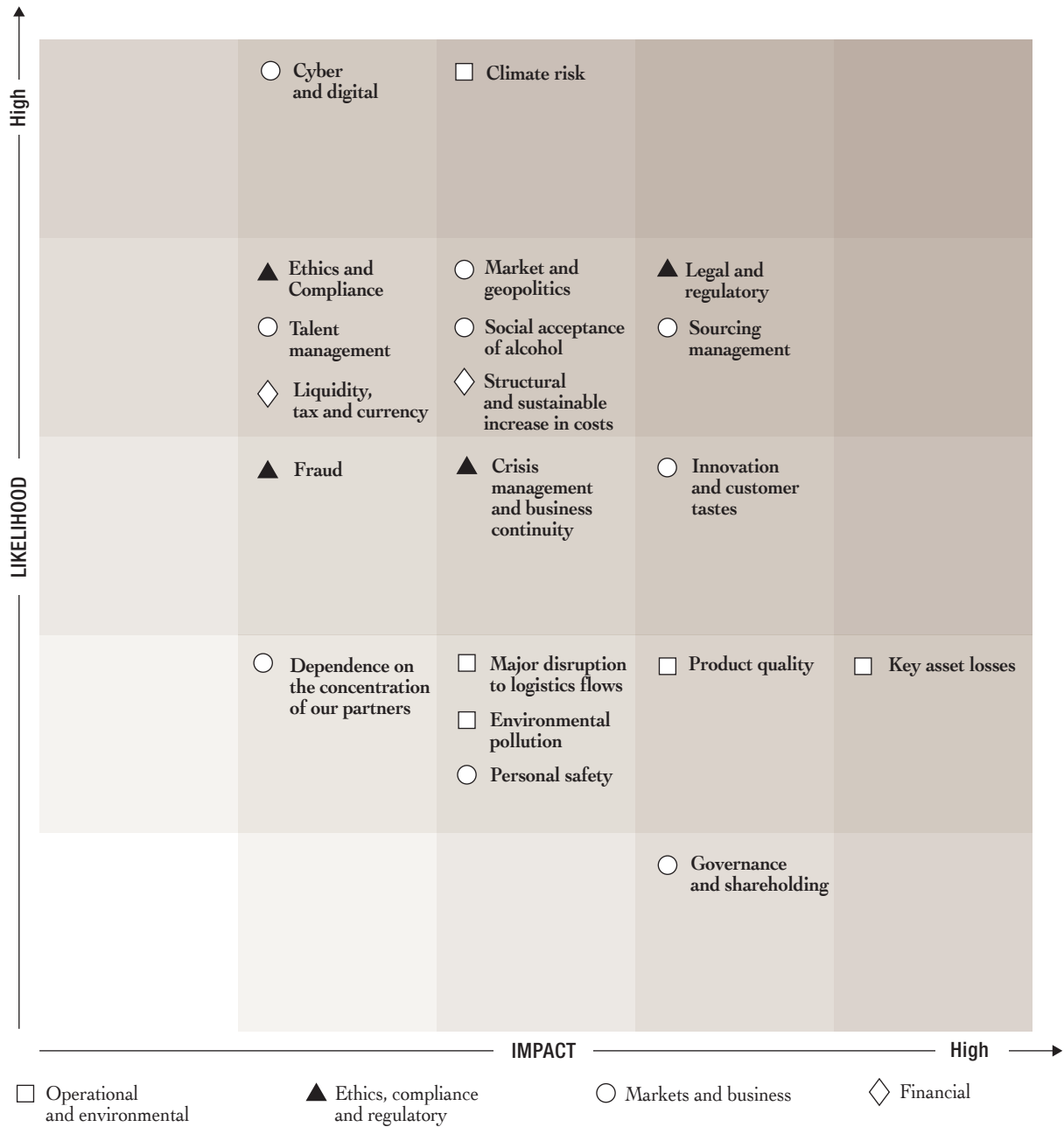
2.2 RISK FACTORS

The main risks to which the Rémy Cointreau Group is exposed, the materialisation of which could have a significant adverse effect on its business, results, financial position or outlook are presented below. A comprehensive risk assessment exercise was conducted during the 2021/2022 financial year with the help of an external partner and based on a comprehensive understanding of the main risks faced by the Rémy Cointreau Group.

This risk analysis focuses on the impact and likelihood of these risks materialising and any repercussions likely to influence the achievement of the Rémy Cointreau's 2030 strategic plan which was announced in June 2020 and has been updated during the 2022/2023 financial year. A system for anticipating and managing these risks has been set up and is periodically updated to take into account any regulatory, legislative, economic, societal, geopolitical and competitive changes.

The chart below ranks the various risks according to their potential impact and likelihood, and represents the Group's exposure, after considering the risk-control measures implemented.

The risks identified are divided into four main categories: market and business risks, operational and environmental risks, ethics, compliance and regulatory risks and financial risks, all of which rank equally. This risk chart is key in assessing risk and identifying risk control measures. These are updated every year. This chapter includes a detailed description of these risks, their potential impact on the Group and the measures implemented to manage them.



GROUP RISKS

RISK FACTORS

• Market and business risks	2.2.1.1	Sourcing management
	2.2.1.2	Innovation and customer tastes
	2.2.1.3	Market and geopolitics
	2.2.1.4	Social acceptance of alcohol
	2.2.1.5	Cyber and digital
	2.2.1.6	Talent management
	2.2.1.7	Governance and shareholding
	2.2.1.8	Personal safety
	2.2.1.9	Dependence on the concentration of Group's partners
• Operational and environmental risks	2.2.2.1	Climate risks
	2.2.2.2	Key asset losses
	2.2.2.3	Product quality
	2.2.2.4	Environmental pollution
	2.2.2.5	Major disruption to logistics flows
• Ethics, compliance and regulatory	2.2.3.1	Legal and regulatory risks
	2.2.3.2	Crisis management and business continuity
	2.2.3.3	Ethics and compliance risks
	2.2.3.4	Fraud
• Financial risks	2.2.4.1	Structural and sustainable increase in costs
	2.2.4.2	Liquidity, tax and currency risk

2.2.1 MARKET AND BUSINESS RISKS

2.2.1.1 SOURCING MANAGEMENT

Risk presentation

A majority of the Rémy Cointreau Group's production is carried out in-house, in line with its strategy of exceptional products linked to the particular environment, traditions and culture which influence the production of the Group's products (the "terroirs"). Supply security, both in terms of quality and quantity, is therefore a critical issue:

- to guarantee continued growth for the Group within the framework of its 2030 strategic plan; and
- to ensure that its partners apply the same principles of respect for human rights, labour law and the environment.

Potential impact on the Group

A supply disruption in either volume or quality could result in a production breakdown and thus a loss of business.

Moreover, working with partners who do not respect the Rémy Cointreau's commitments under its corporate social responsibility plan, as described in the NFPS report, would impair Rémy Cointreau's commitments to its terroirs and its customers

Management and measures implemented

The Rémy Cointreau Group's products are intrinsically linked to their terroirs, which brings the Rémy Cointreau Group to build long-term partnerships with producers from these terroirs.

Operationally, supplier risk is managed by the purchasing department, jointly with the Product Development teams. Rémy Cointreau is improving the security of its supplies, implementing a diversification policy to limit its dependency on suppliers, and building up strategic inventories if necessary.

The Group enters into special partnerships with its suppliers based on ethics, trust, long-term commitment, and shared values. In the interests of supporting all of its partners in the long term, Rémy Cointreau ensures that they share and respect its social, environmental, and ethical ambitions and commitments.

The Group expressly asks its suppliers to join SEDEX (Supplier Ethical Data Exchange), an international organization which aims to promote ethical and responsible business practices in global supply chains. Rémy Cointreau's Purchasing department make sure supplier operations are in compliance with the Group's expectations. Regular reviews are carried out to assure the effectiveness of actions.

These actions are further detailed in chapter 1.4.2.1 "Duty of care and responsible purchasing".

2.2.1.2 INNOVATION AND CHANGING CUSTOMER TASTES

Risk presentation

Customer preferences and spending habits could change for a whole host of reasons, for example because of the economic climate, demographic and societal trends, public health initiatives and policies, laws on alcoholic beverages and changes in consumer spending and in recreation and social habits.

In addition, any inability of the Group to innovate by presenting products that meet customers' new expectations would constitute a risk factor.

Potential impact on the Group

A change in consumer tastes and in particular, a decline in the popularity of cognac, would have a significant impact on the Group's sales and its ability to pursue its strategy and maintain its current distribution network.

Management and measures implemented

The Group's latest acquisitions (Telmont champagne, Westland American single malt whisky, Domaine des Hautes Glaces French single malt whisky) have strengthened and diversified the product portfolio, each with a strong hold on their respective terroirs.

The development of the ranges and capacity for innovation of the Houses enable to address the changes in consumer tastes and to be a pioneer in new consumption patterns. Continuous strategic monitoring is also an important factor in the growth strategy.

2.2.1.3 MARKET AND GEOPOLITICAL

Risk presentation

By virtue of its international presence, the Rémy Cointreau Group is sensitive to market developments, protectionist tensions, armed conflicts, potential trade wars or the consequences of terrorist acts. International tensions, armed conflicts and the risks of trade war as well as popular uprisings in various countries, are all events creating instability which could affect Rémy Cointreau's business.

Potential impact on the Group

These events could have multiple consequences such as:

- restricted access to certain markets for the our brands;
- a significant increase in customs duties;
- overly restrictive entry barriers; and/or
- a fall in consumption and our sales;

which could adversely affect the operations and financial performance of the Group.

Management and measures implemented

In the context of its risk control policy, the Rémy Cointreau Group has set out to diversify its exposure through:

- better distribution of its business among different markets (the Americas, Europe, China, Asia excl. China, the Middle East and Africa);
- diversification of its spirits line, developing "limited editions" and highlighting its products' movement upmarket;
- investments aimed at building brands in new countries with high potential or to target larger audiences in markets not yet optimized; and
- development of new distribution channels (brand boutiques, e-commerce, and direct sales).

2.2.1.4 SOCIAL ACCEPTANCE OF ALCOHOL

Risk presentation

The Rémy Cointreau Group endeavours to meet its responsibilities to society. As such, it is keenly aware of its responsibilities with respect to public health. Just as it cares about the quality of its products, it also cares about promoting responsible consumption of its products.

Potential impact on the Group

Any negative effect on the health of its employees and customers by excessive consumption of its products or of alcohol in general may result in:

- stricter regulations on alcohol consumption;
- litigation brought against the Group by employees or customers;
- and/or damage to the reputation of the Group and its brands.

Management and measures implemented

Rémy Cointreau remains involved, together with the industry's major companies and professional associations, in the main joint projects to encourage responsible alcohol consumption across its principal markets. The move towards an upmarket strategy that is a feature of all of the Group's Houses is also very consistent with the pursuit of higher-quality consumption and the aim of reducing high-risk consumption. Internally, Rémy Cointreau routinely raises employee awareness of the importance of responsible consumption through training and targeted messaging.

These actions are further detailed in the section on responsible consumption in chapter 1.4.3.1 (Responsible and ethical consumption (SDG 3)).

In addition, the Group has defined a proprietary responsible consumption ritual called "R.E.S.P.E.C.T." which aims to support the Group's employees and customers in a responsible consumption experience of its exceptional wines & spirits, with simple and easy to remember steps. These actions are described in more detail in the section on responsible consumption in chapter 1.4.3.1 "Promoting ethical and responsible consumption".

2.2.1.5 CYBER AND DIGITAL RISK

Risk presentation

IT risks consisting of data loss, corruption or breach (commercial, production or financial), the inability to operate effectively due to a technical fault, system intrusion or hacking and attacks against the digital platforms of the Rémy Cointreau Group. This complete or partial unavailability may be the result of external attacks such as malware or ransomware (targeting both production and IT support, as well as e-commerce platforms and CRM) or internal attacks (malicious attacks by employees).

Cybercrime is the main cyber threat for companies, with an increase in ransomware attacks in recent years.

In addition, changes in practices and technologies, with the increased use of remote working or the use of cloud solutions, significantly increase cybersecurity risks.

Potential impact on the Group

The Rémy Cointreau Group's processes are based on the extensive use of IT systems. As such, they are exposed to the risk of failure of the Group's IT systems and the network infrastructure used. The processes concerned could be significantly interrupted or sensitive data could be lost or corrupted if these systems were to become totally or partially unavailable.

Management and measures implemented

A dedicated team, headed up by an IT Systems Security manager within the Information Systems department and with strong support from senior management, has been tasked with defining and implementing Rémy Cointreau's cybersecurity strategy in order to ensure that cyber risks are identified and under control. The organisations, processes and tools have recently been significantly stepped up and are constantly being adapted. On the other hand, a 24/7 managed detection and response service manages alerts related to endpoints and identities and has the ability to take immediate and appropriate remediation actions.

In addition, business recovery plans have been developed or are under development and crisis management exercises are organised. Announcements, training and regular reminders are also provided internally to raise the awareness of all Rémy Cointreau Group employees to these different threats, notably phishing, "CEO fraud" or changing bank details.

Lastly, permanent monitoring, regular discussions with other peers and risk quantification exercises enable the Group to maintain a very high level of vigilance within its organisations.

2.2.1.6 TALENT MANAGEMENT

Risk presentation

The reputation and strategy of Rémy Cointreau are built on the know-how of its talents, experts, cellar masters and the skills of its teams. Attracting, developing, and retaining top talent while allowing certain rare or in-demand skills to be passed on is an ongoing challenge.

Potential impact on the Group

Any loss in talent or know-how, or an inability to attract or find new talent, would have implications for the sustainability of certain kinds of knowledge and expertise, as well as for the well-being of our teams (e.g. loss of motivation, weaker investment in projects) and therefore on the Rémy Cointreau Group's ability to execute its business strategy and achieve its goals. Failure by Rémy Cointreau to attract and maintain qualified personnel at competitive wages and other benefits can adversely affect Rémy Cointreau's future growth and financial results.

Management and measures implemented

Rémy Cointreau's Human Resources Department has set up a number of measures:

- a training plan offers employees various modules on the Group's brands and functions, or aimed at supporting individual and professional development;
- the Talent department is tasked with attracting new talent but also identifying and fostering existing talent within the Group;
- internal and external mobility is promoted, giving employees the option of developing abroad or in another role;
- as part of its well-being at work policy, teleworking (both regular and occasional) has been set up;
- as a family-owned Group, Rémy Cointreau wants to retain its employees and involve them in the Company over the long term. As such it has established various benefits: incentives, profit-sharing and supplementary pension schemes, etc.;
- an employee shareholding plan was first set up during the 2021/2022 financial year for French entities, extending internationally in the 2022/2023 financial year. This scheme may be offered again in the near future.

2.2.1.7 GOVERNANCE AND SHAREHOLDING**Risk presentation**

Rémy Cointreau is a listed company controlled by family shareholders. Therefore, Rémy Cointreau is sensitive to the management of its governance, in particular due to:

- the level of involvement of the shareholding family in the Group's strategy (or its potential divestment), which could change its profile;
- the potential capital investment of an activist fund and;
- a potential takeover bid that could have an impact on the continuity of the strategy.

Potential impact on the Group

Rémy Cointreau's strategy is based on a long-term development outlook (as indicated by its values: Terroirs, People, and Time), which could be affected in the event of changes in shareholding. Conversely, over-involvement of the shareholding family could change the Group's governance.

Management and measures implemented

The Hériard Dubreuil family, a historic shareholder in Rémy Cointreau, reasserts and demonstrates its involvement in the Group, whose strategic ambition is to become the global leader in exceptional spirits. Moreover, a stable and committed shareholder base over the long term is a strategic advantage for a portfolio of hundred-year-old brands with a long ageing process. In this respect, the generational transition of the members of the Hériard Dubreuil family on the Board of Directors in July 2022 illustrates this shareholder continuity. Further details are given in chapter 7.2.

A monthly consultation committee between the representatives of the major shareholder, the Chairman of the Board of Directors and the Chief Executive Officer examines any question concerning the smooth running of Rémy Cointreau in relation to the strategic orientations defined by the Board of Directors and usefully prepares the work of the Board of Directors. The Board of Directors remains the only body with decision-making powers. In a company with a major shareholder, the independence of the Board of Directors is guaranteed by the presence of 7 independent directors out of 12 (*i.e.* 58%, a rate higher than the 1/3 recommended by the Afep-Medef Code, the French corporate governance code for listed companies).

2.2.1.8 PERSONAL SAFETY**Risk presentation**

The Rémy Cointreau Group is intent on respecting personal safety regulations and is also vigilant about the safety and health of both its employees and its customers at all times. There are certain factors identified by the Rémy Cointreau Group that may jeopardise the safety of its employees and customers, which include:

- occupational illness or psycho-social risks;
- the risk of accidents during travel in some markets;
- the risks associated with using certain machines;
- the risks associated with excessive alcohol consumption; and
- the risks related to a pandemic similar to Covid-19.

Potential impact on the Group

Any harm to the health and safety of its employees and customers would have significant consequences for the Group, whether:

- reputational impact, related to the fallout from an accident;
- legal impact, due to litigation which could have significant financial consequences; or
- loss of employee motivation.

Management and measures implemented

Rémy Cointreau has always been committed to procedures aimed at continuously improving the safety of its employees and reducing the number of workplace accidents.

First, the Group's production sites undergo independent audits resulting in action plans that are reviewed each year. Our insurers are closely involved in these measures in order to assess their effectiveness.

In addition, Rémy Cointreau has taken out a contract with an international travel safety expert to ensure its employees' safety during business travel.

The Group's employees are also routinely educated on the importance of responsible consumption, through specific training programmes and the implementation and circulation of strict rules for those in contact with points of sale.

During the Covid-19 pandemic, the Group has implemented strict protocols across all of its sites, adapted to local health situations and rules: hygiene measures, organisation of teleworking, working environments and work time. Inter-site and intra-site crisis committees have been set up as well as the organisation of routine communication. Psychological assistance has also been made available by the Group to help employees experiencing difficulties.

2.2.1.9 DEPENDENCE ON THE CONCENTRATION OF THE GROUP'S PARTNERS

Risk presentation

The Wines & Spirits industry is highly competitive and fragmented. However, there is a tendency toward concentration among players in distribution and production alike that may impact Rémy Cointreau in a lasting way, thereby creating a situation of dependency that could be harmful with increased pressure on the Group's prices and margins.

Potential impact on the Group

Industry concentration could have an adverse effect on Rémy Cointreau's ability to distribute its brands to all of its markets and to maintain its margin:

- concentration among competitors could risk marginalizing Rémy Cointreau. There is a risk of it lacking sufficient critical size to be able to negotiate with key partners (such as players in iconic locations in major cities); and
- concentration in the distribution sector could also have a negative impact due to the increased bargaining powers of distributors. This could also entail the risk of our products being delisted with our partners, either temporarily or permanently and affect our sales prices and conditions.

Management and measures implemented

To protect itself from these risks, the Rémy Cointreau Group is continuing to develop its upmarket strategy. This gives it a unique position within the spirits sector and a presence among leading retailers. In addition, the launch of special projects in partnership with celebrated mixologists strengthens the links with big-name establishments and the attractiveness of the Group's brands.

The Group is careful never to be legally dependent on third parties in a way which could significantly affect its industrial or commercial operations. The scope of its various contractual commitments complies with international business practices:

- there is no dependence by Rémy Cointreau on customers or exclusive independent distributors, or third-party spirits distribution contracts likely to have a substantial impact on the results, net assets or financial position of the Group;
- in general, contracts signed by Group companies become a part of the Company's ordinary operations and adhere to commitments in line with international business practices;
- no contracts involving obligations or commitments of particular significance for the Group as a whole were concluded with third parties by any Rémy Cointreau company;
- similarly, with regard to suppliers, there is no dependency on a key supplier. More specifically, supplies of cognac eau-de-vie are the subject of long-term commitments, thereby reducing the supply risks.

Moreover, the Group continues to invest in and develop its own distribution network, guaranteeing its independence and ability to be present in all of its markets.

Lastly, Rémy Cointreau is seeking to diversify its distribution channels, with ambitious targets for growth in stores and in e-commerce.

2.2.2 OPERATIONAL AND ENVIRONMENTAL RISKS

2.2.2.1 CLIMATE RISKS

Risk presentation

The Rémy Cointreau Group's wines and spirits are produced on their own specific terroirs. These are subject to seasonal changes such as drought, hail, and frost, as well as longer-term climate changes like global warming.

Potential impact on the Group

Depending on their type, weather events can have various impacts:

- seasonal climatic hazards: a strong climatic hazard like heavy frost, hailstorm, overly dry summer, or lack of precipitation can impact the production of the raw materials the Group needs. Whether a sharp drop in yield or greatly diminished harvest quality, these would inevitably have an impact on future sales;
- climate change: this long-term phenomenon can have a major impact on the Group's activity. Indeed, a substantial change, specifically warming, may change the crop map and impact the product-terroir link that is a building block in the identity of the Rémy Cointreau Group's products.

Management and measures implemented

Rémy Cointreau is committed to an active policy of adaptation of its terroirs, with the deployment of the "New Generation Terroirs" plan whose target is to (i) protect its terroirs, and (ii) to promote its soils as "carbon sinks". This strategy is based on a chart of climate risks carried out by the Group in 2021/2022 and detailed in chapter 1.3.2 "Issues and Impact". Moreover, the Group operates a dynamic management of its supplies, enabling it to minimise the climatic hazards on its harvests. Our teams are therefore committed to medium- and long-term actions to ensure the quality and sustainability of the Houses' supplies. These actions are also detailed in chapter 1.3.2.

Rémy Cointreau is also involved in the security of its premises, by taking into account the risks associated with climatic hazards when choosing the location and design of its premises. As part of a balanced management of its supply sources, the Group can rely on partnerships that are dispersed in terms of terroir, in particular for the purchase of Eaux de Vie from Petite Champagne and Grande Champagne in Cognac, orange peels, grapes in Champagne area.

Lastly, in the context of its risk management policy, as described in chapter 2.3 "Insurance", the Group has taken out a policy covering hail and frost that may affect our Cognac vineyards.

2.2.2.2 KEY ASSET LOSSES

Risk presentation

Rémy Cointreau's main assets are its brands, employees, sites and inventories.

The Group is particularly sensitive to any event that could affect one of its brands, jeopardise the health of its employees, or deteriorate some of its assets, be the buildings or inventories.

Potential impact on the Group

Because our cognacs, whiskies and rum are aged for long periods, we maintain an important inventory of products that are aged and reach maturity in our various cellars, located on sites specific to each brand. The loss of a high volume of aged inventories – due to fire, another natural or man-made disaster, contamination, or other cause – could considerably reduce supply of the product(s) in question. A consequence of these disruptions, or other breaks in the supply chain, could prevent us from meeting customer demand for a period of time. Insurance claims might not be sufficient to cover the replacement value of inventory of products reaching maturity or other assets, should they be lost in excessive quantities. Disaster recovery plans might not prevent a disruption in operations, and rebuilding damaged facilities could take considerable time.

In addition, any loss impacting our employees could result in the loss of skills and disrupt our production over a shorter or longer period.

Management and measures implemented

To manage this risk, the Rémy Cointreau Group has rolled out a set of measures, carried out jointly by the Operating department and the Insurance department.

Preventive measures have been defined and put in place, particularly at production sites. They undergo regular external audits by our insurers' prevention engineers. These measures include facilities design and maintenance, team training and formalised operating procedures. Rémy Cointreau has also established protection and control systems to control the quality of its products and limit the potential risk of product contamination.

Significant and permanent investments to strengthen the security of the Group's assets are planned in the provisional plans, in particular for sprinkler systems at our various sites. In addition, some sites, notably the Angers site, is able to produce certain brands for other sites, which can be used as a fallback solution in the event of a major disaster.

Lastly, to ensure the safety of its employees, the Group has enhanced personal safety measures on its sites and formed a partnership with an international security expert to cover its employees during business travel. In addition, the purpose of the Group Talent department is to identify rare skills and prepare succession plans. At present, a succession plan is in place for each of the key positions.

2.2.2.3 PRODUCT QUALITY

Risk presentation

Rémy Cointreau Group's brands are known and recognised for their high-end quality, owing in particular to the raw materials used, the expertise of its craftsmen and winemakers, and respect for the local region or terroirs they come from.

Potential impact on the Group

Any deterioration in product quality, taste or presentation (bottles, packaging) could have a significant adverse effect on clients, and deter them from buying the Group's products and brands in future.

Similarly, any severe defects in the liquid product could endanger the health of consumers and permanently affect the reputation of the Rémy Cointreau Group and its brands, and lead to unexpected costs and losses.

Management and measures implemented

To minimise this risk, Rémy Cointreau has introduced various measures and has undertaken to abide by strict principles without compromise. These include respect for the local region and the production and fabrication process of its spirits, as well as selecting the best ingredients and craftsmanship.

The introduction of strict quality controls that meet high standards at all stages of the production and distribution process also ensures that customers are guaranteed a unique experience. For product-related risks, the Group refers to the HACCP (Hazard Analysis of Critical Control Point) standard, an international method for implementing a system to guarantee the hygiene of food delivered to consumers, as well as to the ISO 22000 standard, an internationally recognised standard for the certification of a production site's HACCP plans.

Rémy Cointreau has also rolled out a training programme to identify and respond appropriately to the needs of each member of staff. As a result, each employee has the necessary expertise and know-how to achieve the level of excellence required by the Group.

Finally, because its products are traceable, the Group is able to withdraw from the distribution network any bottles that could be affected by a quality issue.

2.2.2.4 ENVIRONMENTAL POLLUTION

Risk presentation

Working with natural products, the Rémy Cointreau Group is particularly mindful of the issue of environmental protection, as well as the safety of its employees and production sites.

Potential impact on the Group

Any incident affecting the areas in which the vital ingredients for the Group's products are grown – be it cognac or champagne vines, barley and herbs on Islay for Bruichladdich whisky and The Botanist gin, Barbados sugar cane for Mount Gay rum, or orange peel for Cointreau – would have implications for the Group's ability not only to manufacture its products, but to guarantee their quality.

The same applies to the Group's industrial sites, the safety of its employees and the distillation, bottling and shipping process.

Management and measures implemented

The management of industrial and environmental risks, as well as product related risks, is principally handled by the Quality, Safety, and Environment departments working at each Group site, under the ultimate responsibility of the Group Executive Vice President of Operations.

Safety/Environment audits are carried out at production sites by personnel and certified external auditors, leading to action plans which are monitored by quarterly Committee meetings.

- Due to the Group's activities, its main production sites in France are subject to local authority licensing. The Cognac site is classified as Seveso high threshold on account of the quantities of eaux-de-vie stored there. The site is subject to a comprehensive Safety Management System (SMS).
- The Cognac and Angers sites are ISO 14001 certified. This certification is validated by annual follow-up audits. These audits did not reveal any anomalies. Indicators used by ISO 14001 certification have also been rolled out to other Group sites.
- The Regional Direction for the Environment, Planning and Housing (DREAL) conducts a complete review every two years of the sites classified as SEVESO high threshold. The Mount Gay Distillery bottling site is ISO 9000 certified.

In general, regulatory compliance of sites is an ongoing concern and close relationships are maintained with all the administrations involved. In addition, significant training is provided to the employees and to external providers who work on the sites.

All the certifications of the production sites are presented in chapter 1.1.3.5 "Certification of production sites, a continuous improvement approach".

2.2.2.5 MAJOR DISRUPTION TO LOGISTICS FLOWS**Risk presentation**

The increase in global transport and logistics tariffs since the COVID-19 health crisis and the disruptions to global flows continue to generate significant additional costs, reductions in capacity and longer delivery times throughout the world. Long-term social unrest, mainly in France, is also likely to impact on transport flows.

Measures to reduce the carbon footprint are strong in terms of transport and may increase tensions in this area and potentially extend our time to reach the end consumer.

Potential impact on the Group

Strong tensions on capacity or logistics costs could have a significant impact on Rémy Cointreau's distribution or on reaching certain markets or distribution channels.

Management and measures implemented

Wholly dependent on external transport partners, Rémy Cointreau endeavours in this area to call on a large panel of service providers, who are regularly questioned about their capacities and prospects.

The management of this risk is based on permanent monitoring of the most optimal solutions according to the planned flows.

Sales planning, collaborative work between the sales, operational, logistics and financial teams is closely monitored and analysed, enabling responsiveness to any operational deviations or unforeseen events, and thus strong anticipation of flows.

Rémy Cointreau has initiated the exploration of alternative transport flows such as trains or sail boats, making it possible to test new solutions even if still limited at this stage.

2.2.3 ETHICS, COMPLIANCE AND REGULATORY

2.2.3.1 LEGAL AND REGULATORY RISKS

Risk presentation

The Rémy Cointreau Group has a global presence and, as such, is subject to a legal framework that is constantly changing and specific to each market. For example, the production and sales operations of Group products are subject to regulations in France and abroad, which vary depending on each country, particularly with respect to the production, packaging, marketing and advertising of these products, as well as public health, product recall, labelling, promotions and putting products on the market.

Moreover, the Rémy Cointreau Group attaches particular importance to the legal protection of its assets and of its trade relations in France and around the world. This also involves:

- its intellectual property rights, particularly of its brands, which are a major asset in its business;
- its distribution contracts;
- its supplier relationships;
- litigation with customers or government authorities (see the Group's consolidated financial statement / "Provisions for liabilities and charges" paragraph for additional information. Provisions for liabilities and charges mainly consist of provisions recognised to cover trade and employee-related litigation, as well as a provision for international customs risks relating to prior periods.)

Potential impact on the Group

These regulations and their developments can have a strong impact on the Group's ability to do business:

- advertising and promotion: to amend consumer behaviours and reduce alcohol consumption, the various authorities may impose restrictions that may control or even limit alcohol advertising. An example of this is the Évin law (*Loi Evin: Law no. 91-32 dated 10 January 1991 on tobacco and alcohol control*) applicable in France. An increase in regulatory restrictions would hinder Rémy Cointreau's ability to introduce its brands and retain customers as a result of limited campaign efforts;
- labelling: in addition to the restrictions of the legal notices, strong labelling, similar to that carried out in the tobacco industry, could drive customers away from spirits, thereby reducing sales;
- distribution channels: regulatory changes in distribution could restrict Rémy Cointreau's ability to distribute its products or conduct promotional campaigns;
- brand protection: the brands of the Rémy Cointreau Group could be imitated, counterfeited or registered by third parties in violation of its rights. The Group could then encounter difficulties in protecting its brands in certain countries or reassuring consumers who might be misled into thinking that they are buying the Group's products;
- contracts: a lack of contract formalisation in its trade relationships, with suppliers and customers alike;
- litigation: any major litigation could have significant consequences on the Group (financial, reputational) or its brands and products.

Management and measures implemented

In order to have an influence on these regulations and their developments, the Rémy Cointreau Group belongs to many professional groups so that it can promote its positions and its interests both with other industry players and with administrative authorities.

An integrated Legal department permanently manages the Group's legal affairs. It carries out preventative checks on all the legal risks, both internal and external, that may affect the achievement of Rémy Cointreau's objectives and ensures that projects are carried out within the framework of the regulations in force in a given territory. If necessary, the team can request the assistance of international lawyers recognised for their expertise in specific areas of business law.

The Legal department strives to only initiate litigation if all possibilities of reaching out-of-court settlements have proved unsuccessful. To defend its interests, Rémy Cointreau takes a position on these risk factors, in particular:

- by committing to communicate through responsible campaigns that do not target "young and/or at-risk" customers, and working to make sure sensible advertising of spirits is always a reality;
- by raising awareness among customers of the dangers of excessive consumption in its communication and advocating responsible consumption;
- by collaborating with the various authorities for the design of labelling;
- brand protection: Rémy Cointreau has an active policy of monitoring its trademark and domain name registration, in each category and market, either directly, using in-house legal specialists to implement modern brand management practices, or through world-renowned intellectual property advisers;
- to prevent counterfeiting, by taking every action necessary to tackle counterfeiting, particularly in Asia and Eastern Europe, against any unfair competition, and by opposing any registration of trademarks by third parties whenever it considers that a trademark application infringes its property rights. Within the Legal department, a specialist lawyer is devoted to protecting the Group's Liqueurs & Spirits brand portfolio. Similarly, a manager is dedicated to protecting the Rémy Martin brand portfolio. To fight against counterfeiting, they ensure the follow up of the report on any counterfeiting of the Group's brands, together with professional bodies, distributors, Sales departments, customs authorities, the Corporate Relations department and government expert agencies. They take every step they deem relevant to oppose the registration of counterfeit trademarks by third parties across the globe. They carry out and manage the litigation proceedings they deem necessary worldwide, with the support of specialised advisers;
- litigation management: in the event of procedures relating to trademark law, the defence and protection of intellectual property rights, the protection of its distribution network, relations with employees and the control of its tax declarations and all other matters inherent in its activities, Rémy Cointreau calls on the services of first-rate lawyers in order to build defences and make provisions, to the extent necessary, for the amounts related to these risks and litigation.

2.2.3.2 CRISIS MANAGEMENT AND BUSINESS CONTINUITY**Risk presentation**

The Rémy Cointreau Group, through its presence in numerous markets and its production process, is exposed to risks of various kinds (human disasters, natural disasters, industrial and economic disasters) that may have a significant effect on the Group's business and its ability to recover rapidly.

Potential impact on the Group

A natural disaster causing the destruction of the production sites, a global health crisis, a political crisis resulting in the closure of borders or any other major event disrupting the activity could have material impacts on the sales of the Group. Similarly, a crisis such as smear campaign in the media and/or social networks generating a reputational crisis will elevate this type of crisis to the same level of importance as the crisis mentioned above. In addition, poor preparation and responses to such crises would affect its ability to resume activity quickly and efficiently, while potentially having an adverse impact on the Group's reputation.

Management and measures implemented

The safety and sustainability of all of the Group's assets: human, tangible, intangible, and know-how, are top priorities.

The Group's production sites have established business continuity plans. In particular, the cellars located in the Cognac region, which house the majority of Rémy Cointreau's assets, are classified as Seveso high-threshold under the authorisation regime and have defined formalised business continuity plans that are shared with insurers and local authorities, as well as a safety management system.

The Rémy Cointreau Group has also a crisis management operations handbook which is regularly tested and, following each event, it conducts a feedback exercise to identify what might have been managed more effectively. Particular attention is given to the management of crises with potential reputational impact.

2.2.3.3 ETHICS AND COMPLIANCE RISKS

Risk presentation

The Group has a global business and is therefore subject to a raft of laws and regulations, including various regulations on anti-corruption (Sapin II law in France, FCPA in the USA, UKBA in the United Kingdom etc.) and data protection (EU GDPR, CCPA in California, PIPL in China etc.), as well as the principles enshrined in the United National Global Compact initiative (The United Nations Global Compact initiative is a voluntary initiative based on CEO commitments to implement universal sustainability principles end to take steps to support UN goals.) In France, non-compliance with the provisions of the French Évin Law is sanctioned by a fine of which the maximum amount can be increased to 50% of the amount of the expenses spent on the illegal operation. Additional penalties may be added: cessation of advertising, prohibition of sale of the alcoholic product which was the object of the illegal operation, etc.

The Group requires all employees to behave in accordance with the Group code of conduct, including with respect to guiding principles reflecting the Group's commitment to the fight against corruption.

Potential impact on the Group

The risk that the Group fails to comply with one of these regulations, or that one of its employees does not follow the rules contained in the Group code of conduct, could expose Rémy Cointreau to various sanctions.

The impacts of these sanctions may be numerous: financial, reputational, psychological for our employees, and even the loss of our appeal to partners or job seekers.

Management and measures implemented

The Group has put in place the appropriate action plans (as described in chapter 2.4 "Ethics and compliance").

To prevent corruption, the Group conducted a risk mapping exercise which resulted in the roll out of local action plans, and implements the other measures provided for in the Sapin II law (Law no. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life, known as "Sapin II"). The risk chart is regularly updated. A code of conduct has been drawn up and specific training modules are provided to Group employees. Lastly, an ethics whistleblowing hotline, accessible both internally and externally has been set up.

Regarding data protection, the Group is pursuing its plan for compliance with GDPR, as well as with the various foreign regulations that govern its operations. The compliance plan is based in particular on data protection policies, internal data management procedures and impact analysis, the use of standard contractual clauses, and lastly, appropriate training for all members of staff.

Lastly, permanent monitoring is being carried out to prepare for new regulations.

2.2.3.4 FRAUD

Risk presentation

Rémy Cointreau distributes its products in the principal markets of the globe and has an excellent reputation and very strong brand recognition. In this environment, the Group could be a prime target for numerous fraud attempts, both in France and internationally.

Attempted fraud can come in many forms:

- external fraud, be it impersonation scams involving the President of a company, supplier impersonations or cyber-attacks either with the aim of stealing confidential data or extortion attempts using ransomware;
- internal fraud by an employee, through theft or collusion with a third party.

Potential impact on the Group

No matter what form the fraud takes (theft, cyber-extortion, embezzlement, it can result in financial losses that are:

- direct, through the fraud perpetrated;
- indirect, in connection with the costs of managing the fraud (consulting fees and legal fees). Fraud can also result in the theft of confidential information or personal data. Lastly, the reputational aspect should also be taken into account when assessing potential impact.

Management and measures implemented

Aware of the growing importance of this risk, Rémy Cointreau has implemented a range of measures and controls. These include:

- raising awareness and training employees for these risks;
- strengthening key procedures;
- improving cooperation with partner banks in the securing of transactions;
- deploying specific IT tools against "cyber" risks.

More specifically, concerning the risk of "internal" fraud, Rémy Cointreau stepped up its procedures for third party control and validation and the segregation of duties. Routine communication and specific training courses are organised, including strict reminders of the principles of integrity.

Although these measures cannot fully eliminate the risk of fraud, they do provide reasonable protection.

2.2.4 FINANCIAL RISKS

2.2.4.1 STRUCTURAL AND SUSTAINABLE INCREASE IN COSTS

Risk presentation

Rémy Cointreau is heavily exposed to external purchases for the production of its exceptional products (eaux-de-vie, glass, other elements such as packaging, energy, labour, etc.). The Group is thus exposed to inflationary pressures or during international tensions that may affect production capacity and thus the balance between supply and demand.

Potential impact on the Group

Additional costs or structural increases in certain production costs are likely to weigh on the Group's profitability and the maintenance of its margins. Strong pressure on demand may adversely impact relationships with key suppliers for specific purchases for which production capacities are reduced with alternative limits.

Management and measures implemented

This relatively recently strengthened risk is covered by a range of measures aimed at reducing situations of excessive dependency and permanent plans to identify projects to contain them have been put in place:

- frequent calls for tenders and precise analysis of purchasing categories;
- implementation of supply contracts with strategic suppliers;
- implementation of alternative solutions on strategic references and optimisation of supplier allocation;
- regular rotation of purchasing teams by category;
- various projects to reduce the weight of glass and packaging as part of our CSR ambitions;
- regular questions about atypical formats or more expensive products;
- ongoing efforts to improve demand planning and related production plans.

2.2.4.2 LIQUIDITY, TAX AND CURRENCY RISK**Risk presentation**

Rémy Cointreau's results are sensitive to fluctuations in exchange rates, as the Group realises about 80% of its sales in currencies other than the euro, whereas most of the production is within the euro zone.

The majority of the Group's activities are characterised by high levels of capital employed, particularly inventories undergoing ageing, which involves adapting to the Group's financial needs over the short and long term.

Finally, due to its international presence, Rémy Cointreau is exposed to financial risks linked to the development, complexity, and interpretation of tax regulations in the countries in which it operates.

Potential impact on the Group

Unfavourable currency fluctuations can generate financial losses.

Any change in the Group's financing structure might impact the Group's earnings as well as its ability to finance itself over the long term in the recent context of the tightening of market conditions.

The changes in tax regulations and the increasing burden of direct and indirect taxation on spirits in particular (excise duties, customs duties, etc.) could negatively affect its earnings.

Management and measures implemented

The currency risk is hedged so as to minimise and anticipate the impact of currency fluctuations on the Rémy Cointreau Group's earnings.

The Group's foreign exchange policy is founded on the following management principles:

- distribution subsidiaries are billed in their own currency, based on an annual exchange rate set in euro;
- the currency risk is hedged by Financière Rémy Cointreau on a yearly basis, calculated on the Group's net positions;
- no speculation is authorized;
- these hedges are performed with firm and/or optional currency transactions eligible for hedge accounting;
- other non-operating transactions are hedged against the currency risk once their commitment is firm and final. These include financial risks generated by intra-Group loan transactions and dividends in foreign currencies.

Further details are available in chapter 5.6 "Notes to the consolidated financial statements" and in particular in note 14.2 "Market risk management policy" of this chapter.

Rémy Cointreau continuously monitors the balance of its financial structure, prioritises long-term resources and combines fixed-rate and variable-rate resources. Refinancing is systematically prepared for those resources reaching maturity. The Group obtains its financing from leading financial institutions or through market operators.

The availability of some financing is contingent upon the level of the so-called A ratio (Average net debt/EBITDA), which is calculated at a Group level twice per year and must be below 4.0 for the €80,000,000 2.945 per cent. Notes due 27 February 2025 issued on 27 February 2015 and Rémy Cointreau's revolving credit facility.

The Group has introduced forecasting procedures in relation to net debt and other key indicators such as cash generation and ROCE (return on capital employed) which involve all divisions in the optimisation of the financial structure of activities and compliance with the A ratio.

Lastly, the Rémy Cointreau Group keeps a regulatory watch and sets its tax policy by relying on a team of tax specialists that reports to the Finance department. The Group is committed to following all tax regulations in the countries in which it operates; its tax policy is not based on any tax-evasion scheme and is compliant with the principles laid down by the Organisation for Economic Co-operation and Development (OECD).

2.3 INSURANCE

The Rémy Cointreau Group has implemented a risk management policy that includes:

- risk prevention at industrial and storage sites and employee safety;
- identification of its risk exposure;
- implementation of business continuity plans;
- optimisation, coordination and pooling of its insurance policies.

The main insurance policies are integrated under international insurance programmes covering the various risks identified, such as general civil liability, withdrawal of delivered products, damage to property and consequent operating losses and transport of goods. Local insurance policies can also be subscribed to meet regulatory requirements and the specific needs of the subsidiaries (e.g. vineyard insurance, auto fleets, etc.).

Insurance type	Coverage and limits of the various policies subscribed
Property damage and business interruption	<p>This coverage is presented as “All risks except”.</p> <p>Basis for compensation</p> <ul style="list-style-type: none"> • Replacement value for movable or immovable assets. • Wine and spirits: market replacement value and carrying amount based on type of inventories. • Operating losses with a compensation period of 24 months. <p>Contractual claim limit</p> <p>A contractual claim limit of €850 million was negotiated for property damage and business interruption combined.</p>
General liability (operations and products)	<p>This policy covers the Rémy Cointreau Group for all physical, material and immaterial damage caused to third parties for €100 million.</p>
Contamination and brand image	<p>This plan is supplemental to the general liability coverage subscribed and covers the product cost, the costs of restoring the brand image, operating losses, and the contamination and any deterioration of the product.</p> <p>Coverage of €15 million per policy year.</p>
General liability Environmental damage	<p>Coverage of €10 million per policy year.</p>
Transport	<p>Coverage of €10 million per claim.</p>
General liability – corporate officers	<p>Coverage of €50 million per policy year.</p>
Fraud and cyber	<p>The Rémy Cointreau Group has specific coverage for each of these risks.</p>
Credit	<p>Coverage of each customer’s outstanding balance, up to a limit set per customer by the insurer.</p>

2.4 ETHICS AND COMPLIANCE

2.4.1 COMMITMENTS

The Rémy Cointreau Group's ethical approach is based on the universal framework of overarching international principles, standards and agreements and governed primarily by:

- the Universal Declaration of Human Rights;
- the International Labour Organization's Charter of Fundamental Rights, which covers in particular the freedom of association, forced labour, child labour and discrimination;
- sustainable development goals as established by the United Nations;
- the 10 Principles of the Global Compact to which Rémy Cointreau has subscribed since 2003;
- the European Union Charter of Fundamental Rights;
- the principles established by the GRI;
- the OECD's guiding principles;
- the OECD's Convention on Combating Bribery of Public Officials.

The Rémy Cointreau Group and its employees are committed to comply with the applicable laws and regulations in all countries where they present and operate an activity.

CODE OF CONDUCT

The Group's values are formalised in a code of conduct, signed by the Chief Executive Officer and distributed to all employees, as well as to new employees upon joining the Group. It is the foundation of the culture of integrity and ethical behaviour of Rémy Cointreau Group Houses and its purpose is to provide guidance to the Rémy Cointreau Group, its Houses and its employees about how to behave and comply with the key principles governing relations between stakeholders and the Company. It also aims to promote compliance and to ensure that laws, applicable regulations and fundamental major principles are properly implemented.

The code of conduct is also designed to encourage and motivate Rémy Cointreau Group employees to communicate and seek answers about how to behave in particular situations.

The code of conduct describes the types of behaviour to be avoided and details the commitment of the Group and its governing bodies to the fight against corruption. It lays down Rémy Cointreau's guiding principles on a number of operational topics and addresses the following topics:

- corruption and influence peddling offences;
- prohibition of facilitation payments;
- rules on gifts and invitations;
- rules on donations, philanthropy and sponsorship;
- prevention of conflicts of interest;
- the whistleblowing system with the ethics hotline;
- interactions with public officials.

This code may be supplemented on a local basis by other procedures. This code is included in the internal regulations.

In addition, a certain number of values surround the conduct of business within the Rémy Cointreau Group:

Business values and responsibilities

The values guiding Rémy Cointreau Group, its Houses and its employees in their business behaviour are:

- **compliance with the laws and regulations** in force in the countries where the Group operates, with Rémy Cointreau complying with its legal and tax obligations;
- the **fight against corruption**, Rémy Cointreau condemns corruption in all its forms, including bribery. The Rémy Cointreau Group believes that such behaviours are to the detriment of the countries in which it operates. The men and women of the Houses must demonstrate their integrity, particularly by refusing any gift, the value of which might contravene the Group's ethics.

Values and responsibilities towards others

Relations within the Rémy Cointreau Group are characterised by a duty of mutual respect between women and men who contribute with integrity to the corporate project and to the Company itself. Every day, the Houses of the Group undertake to respect and promote the following values: trust, acting as an example, excellence, high standards, appreciation, respect and discretion. These values are represented in the following initiatives:

- **respect for the environment:** the Rémy Cointreau Group is committed to serving its customers, while accepting its environmental responsibilities and it therefore makes protecting the environment a key area of its strategic focus;
- **commitment to its employees:** the Rémy Cointreau Group wants all of its employees to work in the best possible conditions and is committed to offering a healthy and safe workplace. The Rémy Cointreau Group is a long-term partner, supporting them in their development and fostering relationships based on trust and respect;
- **a firm commitment to the Group's clients and consumers:** the men and women in Rémy Cointreau's Houses must ensure that the Group honours its commitments towards its consumers and customers. Quality, health security, service and integrity must be their principal concerns in their daily work;
- **Rémy Cointreau Group's relations with its suppliers:** for the Rémy Cointreau Group, supplier relations is much more than a simple act of purchasing and the Group is committed to a sustainable partnership approach. Following the ratification of the Global Compact, the Group undertook to involve its suppliers in its social and environmental commitments, to ensure their involvement and to support them in improving their processes.

Employees' values and responsibilities towards the business and society

Among the values shared by the Rémy Cointreau Group and its employees, those of probity, integrity and confidentiality can be seen in the following commitments:

- **protecting the reputation of the Group and its Houses:** the women and men of the Rémy Cointreau Group represent the image and reputation of its Houses and have a responsibility to protect them;
- **relations between the Rémy Cointreau Group and its shareholders:** the women and men of the Rémy Cointreau Group have a responsibility to protect information relating to the Group's Houses. This confidential information must never be disclosed except within the strict framework of the Group's

rules. The Rémy Cointreau Group also wishes to share with its shareholders, without distinction and respecting shareholder equality, its long-term strategy and values as well as the outcome of the development of the business;

- **preserving the Group's assets and resources:** the Rémy Cointreau Group is committed to developing its business and its income, protecting its assets, ensuring that governance is in line with best practice and transparently reporting on the Group's activities. The women and men of the Group's Houses must also manage the Group's assets and resources with the highest level of integrity;
- **high "terroir-related" standards:** this can be identified through the quality and authenticity of our products: high standards in terms of raw materials and respect for the terroir of origin.

2.4.2 ORGANISATION

COMPLIANCE DEPARTMENT

The Compliance department has been under the responsibility of the Internal Audit, Compliance and Insurance department since 1 September 2018. It is responsible for identifying, assessing and managing the risks to which the Rémy Cointreau Group is exposed, and for verifying compliance with different legislation and regulations, while ensuring that compliance programmes are implemented and updated in close cooperation with the Group's different departments.

The Internal Audit, Compliance and Insurance Director reports directly to the Chairman of the Board of Directors and to the Audit Committee and works in close cooperation with the Group Chief Executive Officer.

Since 2021, the internal audit missions carried out by the team systematically include a comprehensive review of the anti-corruption and personal data protection aspects of the audited entities or BUs. The findings of compliance are fully included in the reports of the missions as well as in their follow-up action plan.

NETWORK OF COMPLIANCE OFFICERS IN THE GROUP

The compliance teams located in Paris and abroad, in particular in the United States, China and in Singapore, make up the network of "compliance" officers, working closely with the Internal Audit, Compliance and Insurance department and the Data Protection Officer, in order to roll out and adapt, on a local scale, compliance programmes within the Group on issues related to the prevention of corruption and protection of personal data.

DATA PROTECTION OFFICER

A Data Protection Officer has been appointed who is responsible for coordinating compliance with the General Data Protection Regulation and, more generally, to handle personal data-related issues. The Data Protection Officer is the principal point of contact for interested parties and for the authorities responsible for protecting personal data.

This function reports to the Internal Audit, Compliance and Insurance department.

2.4.3 IMPLEMENTATION

FIGHT AGAINST CORRUPTION

The Rémy Cointreau Group has a dual requirement: zero tolerance towards infringements of integrity and probity, on the one hand, and a commitment to support an ethical culture, on the other hand.

The fight against corruption is part of an ethical approach to which the Rémy Cointreau Group is firmly committed. The governing body has an active role regarding compliance with ethical rules through communication to all employees. The Group's daily practices, whether managerial, commercial or operational, must foster this ethical culture.

Communications and training on the fight against corruption are regularly offered to management bodies and "exposed" employees.

Rémy Cointreau is committed to complying with all of the relevant laws and regulations, particularly those of the countries in which the Group operates. In order to comply with the requirements of law No. 2016-1691 of 9 December 2016 on transparency, combating corruption and modernising the economy (Sapin II law), the Rémy Cointreau Group has made the Audit, Compliance and Insurance department responsible for implementing the anti-corruption programme and the action plans to reinforce the strict procedures that are already in place, in accordance with the requirements of said law.

A regular review of the pillars of the “Sapin II” law is carried out with the management and the Audit Committee by the Audit, Compliance and Insurance department.

The Rémy Cointreau Group has an Ethics Hotline managed by the Compliance department, the existence and operating principle of which is regularly reviewed within the organisation. This hotline is also available externally, supplemented by a Whistleblower Charter.

PERSONAL DATA AND RESPECT FOR PRIVACY

In order to fulfil the requirements of the European regulation No. 2016/679 of 27 April 2016, the General Data Protection Regulation, the Audit, Compliance and Insurance department was designated to prepare and implement a compliance plan in accordance with the following issues:

- governance: roles and responsibilities of the various players in terms of personal data protection;
- respect for people’s rights: consent, information from the people concerned, exercise of their rights;
- compliant processing: processing records, identification and classification of processing activities, data retention periods, contract management;
- data security: procedures and controls, management of security breaches, impact assessments and privacy-by-design mechanisms;
- continuous improvement: monitoring and internal control.

2.4.4 CONTROL

ETHICS HOTLINE – PROFESSIONAL WHISTLEBLOWING SYSTEM

The Group has set up a whistleblowing system, called the “Rémy Cointreau Ethics Hotline”, the procedures of which are detailed in the Whistleblower Charter. It is accessible both internally and externally.

SYSTEM OF SANCTIONS INTRODUCED

The system of sanctions introduced for the compliance programmes corresponds to the system of sanctions described in the internal regulations. Any failing to comply with ethics and integrity is contrary to the Group’s values and its internal rules.

MONITORING THE IMPLEMENTATION OF ETHICAL VALUES

Audits on the application of the Group’s procedures are conducted on a regular basis in the subsidiaries and may also be carried out with the main suppliers and partners.

These audits primarily cover the following issues: combating corruption, protection of personal data, respect for the environment, respect for human rights and fundamental freedoms.

ETHICS ISSUES TRAINING PROGRAMME

An “anti-corruption” training module for “exposed” employees was rolled out during the 2022/2023 financial year.

Training aimed at raising the awareness of employees who have access to personal data as part of their duties (e.g. customer, prospect, service provider and/or employee data) was rolled out in the 2022/2023 financial year.





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