

**CAMPARI
GROUP**

**SUSTAINABILITY
REPORT
2019**

Consolidated non-financial declaration
pursuant to Legislative Decree 254 of 30 December 2016,
implementing Directive 2014/95/EU

TOASTING LIFE TOGETHER

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TOASTING LIFE TOGETHER

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BUILDING MORE VALUE TOGETHER

In 2019, Campari undertook the consolidation of the Group's business model, making it more competitive and focused on the creation of a sustainable ecosystem embracing culture, tradition, innovation, territory and society, while generating a return, not just in economic terms, all along the entire value chain.

The initiatives taken by the Group to ensure sustainability were further reinforced by constant, conscious and responsible management of the business, responding to the demands of our stakeholders and building the value of our assets, both tangible and intangible.

We were also able to strengthen our brands by creating strong territory links in the principal markets in which we are present. Our commitment to culture, education and work is confirmed by the projects we have undertaken that are of social benefit to many of the countries in which we operate and contribute to improving people's quality of life. Attention has constantly been paid to how we communicate our brands, the emphasis always being placed on conviviality and their cultural heritage. The company's mission is, moreover, to promote responsible consumption in a positive celebration of life: 'Toasting Life Together'.

At the international level, 2019 saw young people again taking the stand, putting environmental issues on the agenda and calling on stakeholders to live up to their responsibilities: citizens, governments, financial institutions and businesses. For its part, Campari continued to pay careful attention, in operating its business, to energy efficiency issues, from the fight against single-use plastics and a reduction in waste and refuse in production phases, to the environmental footprint of the company's activities.

The past year has confirmed our commitment to ensuring that each and every 'Camparista', the Group's key asset and that of its brands, has a place to work that is always welcoming and open to diversity. Our continuing investment in personal development has allowed us to attract and maintain a diversified workforce in an inclusive working environment that shares the core values on which the Group is based. All these are factors essential to the success of the business and to galvanise the growth required to continue to overcome tomorrow's challenges. The Group's focus on Camparistas is also reflected in its culture of viewing job security as an essential component of the company's business activities.

In 2020, as in the coming years, the synergies and competences within the Group will continue to be the driver for the development of an ever more sustainable business, capable of dealing with the present, looking to the future and seizing opportunities to create, together, more value. Because a future without growth is not sustainable.

LUCA GARAVOGLIA



NOTE ON METHODOLOGY

This Sustainability Report represents the Campari Group's Consolidated Non-financial Declaration, pursuant to Directive 95/2014/EU and the resulting Legislative Decree 254 of 30 December 2016, including its subsequent amendments and additions. It therefore contains non-financial information specifically relating to environmental, social and employment matters, as well as respect for human rights, anti-corruption and bribery issues. The Group's strategies, policies, main impacts, risks and the related management approach for each of these issues are also described based on the principle of materiality.

The declaration is drawn up every financial year, and like the financial statements, is approved by the Board of Directors of Davide Campari-Milano S.p.A. on February 18th, 2020, which is also responsible for its publication in the Companies Register. The control body is, however, responsible for ensuring compliance with the provisions of the Decree, while the Statutory Auditor verifies the preparation of the statement and its compliance with legal requirements and reporting standards, through a limited review according to ISAE 3000 Revised.

The materiality analysis, established in 2017 on the basis of a comprehensive benchmarking comparison with competitors in the sector and of the results of a sustainability questionnaire distributed to the Group's entire management, was further refined in 2018 by including bartenders among the categories of stakeholders that are most relevant to us and in 2019 in the wake of a focus group under the aegis of the Campari Group Sustainability Committee.

Campari Group's Sustainability Report was drawn up in accordance with the GRI Sustainability Reporting Standards, the guidelines set by the Global Reporting Initiative ('GRI') that establishing the most advanced standard for sustainability reporting and that are used by companies around the world. The document complies with the In Accordance-core option of GRI, ensuring that at least one indicator for each material issue is disclosed. In addition to the key performance indicators established in the GRI Standards and the sustainability aspects whose reporting is subject to specific legal obligations, as in previous years, Campari Group also reports some additional qualitative and quantitative indicators that are particularly relevant for a multinational company operating in the spirits sector (e.g.: responsible marketing and communication practices).

The reporting scope is the same as that used for the Consolidated Financial Statements and, therefore, in accordance with the requirements of Legislative Decree 254/16, includes the data of all Campari Group companies consolidated on a line-by-line basis with reference to the period from 1 January 2019 to 31 December 2019 (2019 fiscal year); any data relating to previous years are reported for comparative purposes to allow performance to be assessed on a multi-annual basis.

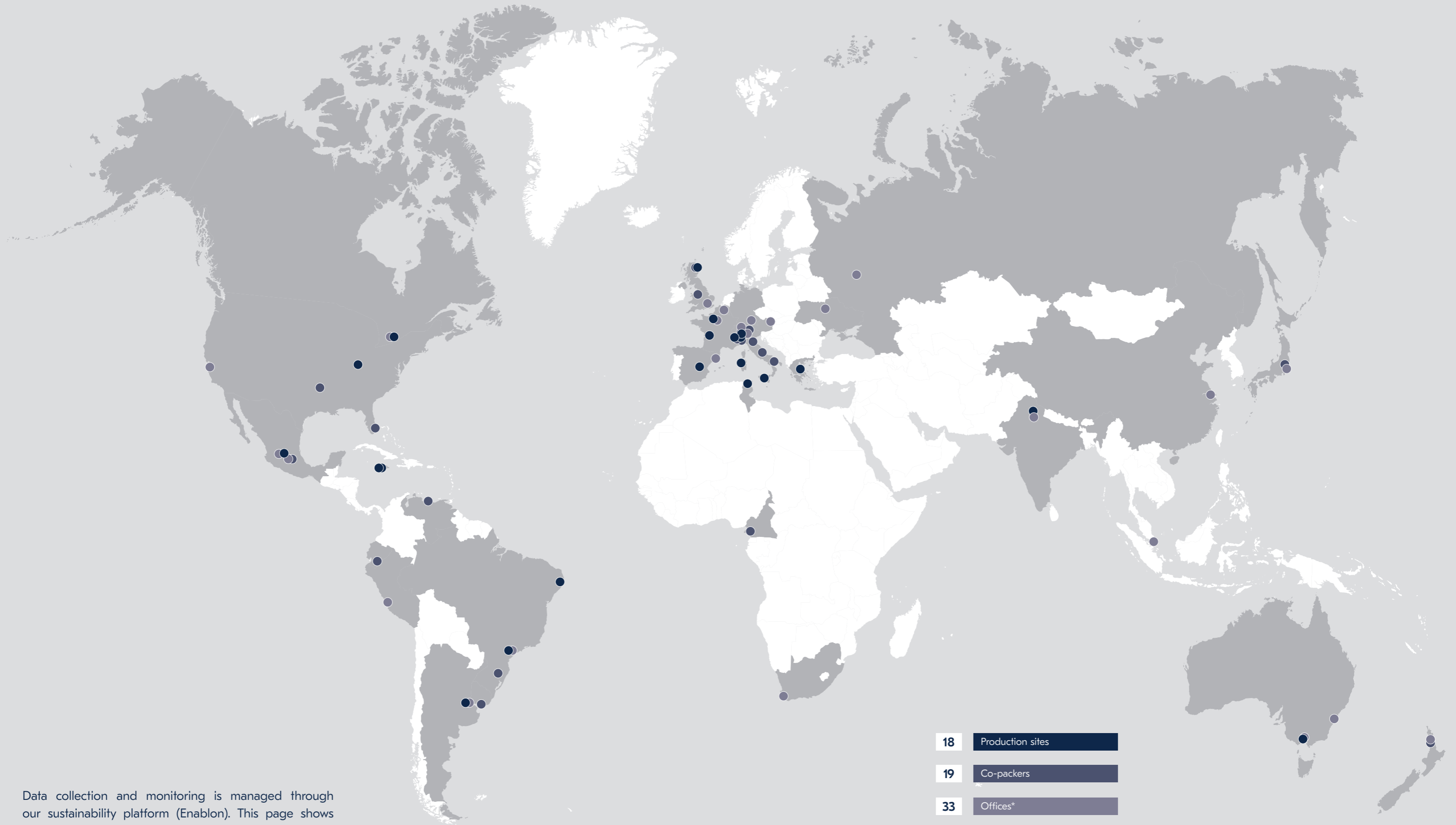
There was a perimeter change in 2019 compared with the previous year due to the sale of the Sorocaba plant in July 2018. For the purposes of this report, the data relating to the plants at Rivière-Pilote (Martinique) and Puebla and Oaxaca (Mexico), owned by the Group following the recent acquisitions of French rums Trois Rivières and La Mauny and the super-premium brands Ancho Reyes and Montelobos, are not included in the scope of consolidation. Only in the tables representing the Group headcount as at 31 December 2019 (in the chapter Our people) are also included the employees of recently acquired company Rhumantilles SAS, while the two employees with permanent contracts belonging to Licorera Ancho Reyes y Cia S.A.P.I. de C.V. and Casa Montelobos S.A.P.I. de C.V. are excluded from the scope of this Report since no further information is yet available. With regard to the Environment chapter, all environmental data, including those relating to energy consumption and emissions, do not include the consumption of offices (except for the headquarters based in Sesto San Giovanni-Milan).

The collection and monitoring of data are managed via our sustainability platform (Enablon), which was initially adopted by the Quality, Health, Safety and Environment function in 2016, and then extended to all business units involved in sustainability reporting, notably Marketing, Legal, Human Resources and Public Affairs, in 2017. Data collection is undertaken locally and double-checked at country and regional levels. Additional sample checks are carried out by the Group's heads of functions and by Internal Audit to ensure maximum data consistency. The adoption of the platform enables us to monitor our performance more effectively and to define internal targets for medium to long-term overall improvement.

The document was submitted for limited assurance according to ISAE 3000 Revised by the independent auditing firm EY S.p.A., which was appointed to audit Campari Group

at the Shareholders' Meeting on 19 December 2017 for the financial years 2019-2027. The auditor's report is shown in the 'Independent Auditor's Report' attached.

Campari Group's sustainability reports can be viewed and downloaded in Italian and English from the website: www.camparigroup.com/en/sustainability



Data collection and monitoring is managed through our sustainability platform (Enablon). This page shows the scope of reporting, which excludes production sites obtained through acquisitions in the last quarter of the year, currently being integrated.

*Bar Camparino (MI) included

CAMPARI GROUP'S IDENTITY



CAMPARI GROUP'S IDENTITY

OUR WORLD

Since the 2017 Group Management Convention, we have been working on the definition of a renewed corporate culture. This process enabled us to identify the defining aspects of our culture and the constituent elements of our identity: Essence, Mission, Values and Behaviours. In the two years since their introduction, we have been working on further refining these principles, paying the utmost care and attention to preserving their original meaning.

ABOUT US

Campari Group, a leading company in the global branded beverage industry, was founded in Milan in 1860, when Gaspare Campari created the world-famous red aperitif.

With a portfolio of more than 50 premium and super premium brands owned, marketed and distributed in over 190 countries worldwide, with leadership positions in Europe and the Americas, Campari Group is now the sixth largest branded spirits⁽¹⁾ group in the world and employs approximately 3,700 people.

OUR MAIN COMPETITORS ARE:

1	DIAGEO
2	PERNOD RICARD
3	BACARDI
4	BROWN-FORMAN
5	BEAM SUNTORY
6	CAMPARI GROUP
7	CONSTELLATION BRANDS
8	E.&J. DISTILLERS
9	MAST-JÄGERMEISTER
10	THE EDRINGTON GROUP

HEADQUARTERED IN ITALY:

**SESTO
SAN GIOVANNI
(MILAN)**

MANUFACTURING
PLANTS ON 31.12.19

21

PROPRIETARY
DISTRIBUTION NETWORK

20 COUNTRIES

THE SHARES OF THE PARENT COMPANY
DAVIDE CAMPARI-MILANO S.P.A.
HAVE BEEN LISTED

**ON THE ITALIAN STOCK
EXCHANGE SINCE 2001**

ESSENCE

The Group essence, 'Toasting Life Together', shows the fundamental role that our people play in ensuring the success of the business. For this reason, Campari Group's people ('Camparistas') are offered the opportunity to continuously develop the skills they already have while also acquiring new ones. 'Toasting Life Together' also celebrates the positive role that our brands and drinks play in enhancing sociable occasions, encouraging people to get to know each other, and celebrating life in a positive and responsible way.

MISSION

'The smallest big company in the spirits industry building iconic brands and superior financial returns together with inspired and passionate Camparistas'.

'Our strategy combines organic growth with mergers and acquisitions. This is critical to enable continued margin expansion and to drive substantial reinvestment in brand building and business infrastructure for growth' (Paolo Marchesini, Group Chief Financial Officer).

'At Campari Group we are passionate about our work and deeply committed to building iconic brands. They are iconic because they attract consumers, customers, bartenders, and influencers from around the world due to their unique taste, unparalleled quality and intriguing and authentic stories' (Julka Villa, Managing Director Global Spirits).

'Together' we embrace our responsibilities and share our knowledge and best practices, accepting challenges and helping others to do the same with honesty and courage. 'Together' we break all cultural, organisational and geographical barriers, working across countries, businesses and functions, with mutual trust based on our common values and goals' (Giorgio Pivetta, Head of Group HR).

**'Together' we break
all cultural, organisational
and geographical
barriers**

(1) Source: Impact's top 100 Premium Spirits Brands Worldwide by Company, March 2019.

PASSION

VALUES

Passion

Passion is a defining trait of our way of thinking and acting in Campari Group. We are passionate about our sector, our work and our brands. We work as a team and always give our utmost to ensure that our consumers have positive experiences with our brands day after day.

Integrity

We recruit, develop and reward people who work transparently. For us, integrity means living responsibly as part of the organisation and treating all our stakeholders with the utmost respect; it also, and most importantly, means ensuring that fairness, honesty and consistency underpin our way of doing business and guide the professional life of all Camparistas.

Pragmatism

In all functions, and at all levels, we encourage and reward a pragmatic attitude towards resolving problems and tackling challenges. We eschew bureaucracy and firmly believe in a practical approach. Simplicity underpins our actions. Our unique structure allows us to take agile and customer-focused decisions, while benefiting from synergies and the sharing of know-how across the whole Group.

Together

'Together' is our team philosophy. It is the common thread that connects the nature of what we do with how we do it; it involves the joint efforts of Camparistas (including customers and consumers) around the world, working passionately on every brand and every cocktail that is served. Together we tear down silos, break down every cultural, organisational and geographical barrier, and all move in the same direction to achieve our common goal.

INTEGRITY

OUR BEHAVIOURS

Be humble and hungry

'Humble and Hungry' means continuously putting ourselves to the test, stepping out of our comfort zone, being open to change, fixing our mistakes and learning from them, and continuing to do the things we do but striving to do even more, and to do it better.

Respect others and the planet

Campari Group has always supported responsible and sustainable behaviour, which it considers of paramount importance for the Group's growth. Sustainability, which runs through all our business activities, is part of our DNA. The path we have followed over the last few years has allowed us to achieve a greater level of maturity and awareness of the fundamental role that the business world can, and must, play in society.

Keep it simple and do more with less

We eschew bureaucracy and firmly believe in a practical approach. Simplicity underpins our actions. Our unique structure allows us to take agile and customer-focused decisions, while benefiting from synergies and the sharing of know-how across the whole Group.

Embrace the challenge and drive the change

We are a Group that evolves and changes rapidly, and which operates in a volatile and highly dynamic competitive environment. Against this backdrop, each day brings new challenges and opportunities for us. To contribute to the Group's success in the context in which we operate, each Camparista must embrace the challenges that arise and drive change. Staying in the safety of our comfort zone and defending the *status quo* is not a viable option.

Build more value together

We need to tear down silos and all move in the same direction, better synchronising our capabilities and strengths, in order to accelerate growth and optimise costs. The only way to unlock the potential of our organization is to take a more synchronized approach to the way we do business and focus on our priorities. All Camparistas can play a key role in creating our iconic brands and generating better financial results, by consistently acting in accord with our Values and Behaviours, and overcoming every obstacle.

TOGETHER

PRAGMATISM

OUR HISTORY

A HISTORY OF CULTURE

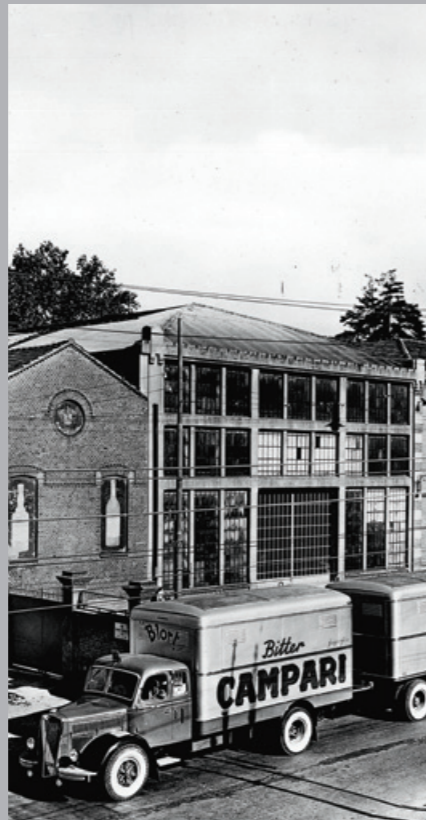
CAMPARI: THE EVOLUTION OF A BRAND



1860

ORIGINS

Novara, Italy. The experiments of liquorist Gaspere Campari culminated with the invention of a new beverage with a distinctive bitter taste and a recipe that has been kept secret to this day.



1904

CAMPARI EXPANDS

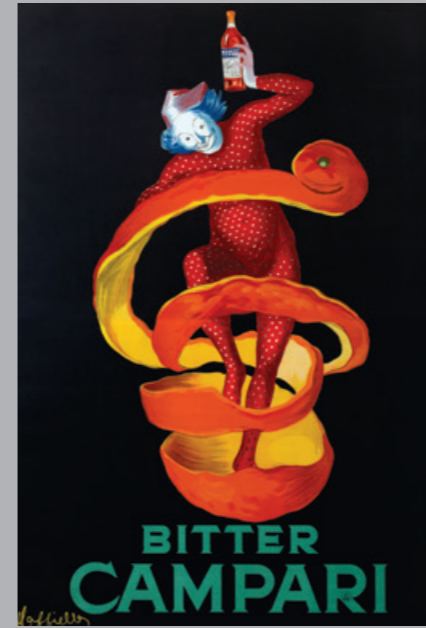
On 1 October 1904, the first manufacturing plant opened in Sesto San Giovanni.



1915

THE CAMPARINO BAR IN MILAN'S GALLERIA

A cornerstone of the Italian aperitif, the establishment known as Camparino opens in the centre of Milan in Galleria Vittorio Emanuele II alongside the Duomo cathedral, and quickly becomes one of the symbols most commonly associated with the city, along with fashion and design.



1920

CLASSIC COCKTAILS AND THE ASSOCIATION WITH ART

The classic cocktails are born, first and foremost the Americano and Negroni, which became increasingly popular and renowned and are now included in the 'unforgettable' category of the official International Bartenders Association (IBA) list. At the same time, many great artists of the era started to work with Campari, giving rise to the historic association between the brand and the art world. In 1921, Leonetto Cappiello created the famous 'Spiritello', for example, and its advertising poster became an icon for the product. It depicted a figure halfway between a spirit and a jester, wrapped in orange peel, suggesting one of the classic Campari combinations, offering the observer a bottle of Campari.



1930

THE FUTURIST PERIOD

Art became more geometric and dynamic, and the styles more distinctive, and Campari's advertising could not fail to reflect these changes. The collaboration with Depero represented an important turning point for the advertising material, which was enhanced in that period with mechanical designs and structured forms. An avant-garde choice for Campari, Depero was an artist with a synthetic, graphic, almost stylised style, who experimented with solutions that are still current today. An example of this is Depero's iconic 'robottino' (little robot), a siphon that sprayed seltzer into a glass of Campari. It was copied by architect Mario Botta who oversaw the construction of the Campari headquarters building in Sesto San Giovanni and transferred the sketch to a bas-relief on the left-hand side of the historic building that was the Group's first plant, inaugurated in 1904 and which is today home to the Galleria Campari.



1940

REBIRTH

At the end of the 1940s, after a forced hiatus occasioned by the war, the brand launched a new advertising campaign in partnership with avant-garde artist Carlo Fisanotti.



1950

THE WORLD OF SPORT

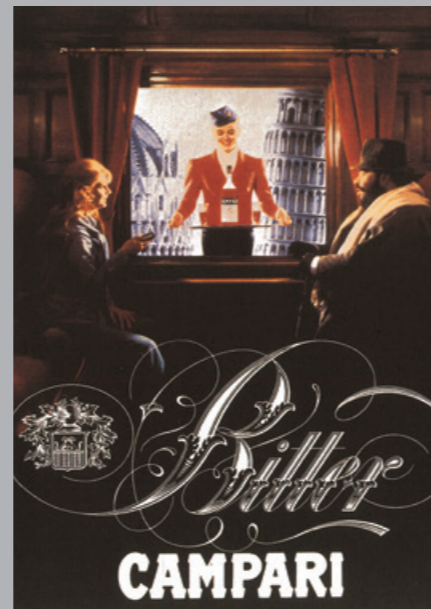
Artists such as Felice Mosca, Attilio Rossi and Giovanni Mingozzi expressed the Campari energy and dynamism in posters inspired by the world of sport. The image of the bottle of Campari travelling around the world like a Sputnik is still iconic.



1960

UNDERGROUND POP

The strong bond between Campari and art continued. In 1964, Bruno Munari produced the *'Declinazione grafica del nome Campari'* (Graphic variations of the Campari name), a poster designed for the opening of the first line of the Milan metro, and now on permanent display in the Museum of Modern Art, New York. In the work, the artist breaks down and reassembles the various lettering styles used by the company over the years. The poster became a symbol of the infinite number of interpretations that only Campari - with its uniquely versatile combinations - could inspire.



1970

INTERNATIONAL FILM STARS AND DIRECTORS WITH CAMPARI

Campari's partnerships with famous actors and directors, which started in the 1970s, reached its peak in 1985, when the Italian director Federico Fellini shot his first television advertisement for Campari.

1980

A UNIQUE LIFESTYLE

During the 1980s, a period of great economic and cultural growth, Campari was at the centre of the most exclusive and distinctive occasions at which drinks were served, and was the star of the famous 'Milan aperitif'.



ITALY 90

For the World Cup in Italy in 1990, Ugo Nespolo created an advertising campaign for the company based on football, which showed a winning Campari team made up of bottles of Campari and Campari Soda. The campaign highlighted the role of the aperitif and of Campari, like football, as one of the great passions of the Italian people.

1990

TARSEM, A DIRECTOR'S CUT

At the end of the 1990s, Campari launched a new partnership with the famous Indian director Tarsem, who, as part of the 'Campari Red Passion' campaign, directed the exceptional commercial 'Il Graffio' (The Scratch), the first to broach the subject of sexual identity in Italy.

2000

2010

150 YEARS OF CAMPARI

HOTEL CAMPARI

The first global TV advertising campaign for the brand starred Salma Hayek, directed by Matthew Rolston in the 'Le Connaisseur' commercial, which was filmed in an imaginary Hotel Campari. The actress, an icon of sensuality, but at the same time sophisticated, elegant and headstrong, was subsequently immortalised by photographer Mario Testino in the 2007 Campari calendar.

CAMPARI TALES

For the 2008 edition of the Campari calendar, Eva Mendes starred in Campari Tales. The cover and 12 tales told a magical story through Mario Parisotto's 13 shots, which creatively embodied the 'Red Passion' value.

CLUB CAMPARI

For its tenth anniversary, the 2010 Campari calendar portrayed a seductive, elegant Jessica Alba, star of 'Club Campari', the film directed by designer, photographer and director Jean Paul Goude. The commercial represented a place that was both real and imaginary with the most exclusive clubs on the planet: enjoyable, provocative but, most importantly, sociable, in line with the brand's values.



THE LIMITED EDITION 'ART LABEL' COLLECTION

The AVAF (assume vivid astro focus) art collection and international artists Vanessa Beecroft and Tobias Rehberger celebrated Campari's 150 years by creating the Campari Art Labels, a limited edition of three commemorative labels. A tradition that marks the connection between brand, product and art, and which will be replicated each year from now on.

CAMPARI MILANO

The city of Milan, where it all started, was the setting for the special edition 2010 Calendar, which starred the seductive Olga Kurylenko, photographed by talented young photographer Simone Nervi.



GALLERIA CAMPARI

In 2010, the new Galleria Campari opened its doors. A special space symbolic of the strong connection between Campari and the art world, the gallery was created with the aim of revisiting this historic link using modern, contemporary technology to provide an experience to be enjoyed.

2007

2008

2010

2010 150 YEARS OF CAMPARI

THE RED AFFAIR

The 2011 Campari Calendar was the first to feature a male star, Oscar-winning Benicio Del Toro, who, in Michel Comte's photographs, tells the story of The Red Affair, the adventure of a fascinating art lover.



BITTERSWEET CAMPAIGN

Kate Hudson was the star of the 2016 Campari Calendar, entitled Bittersweet Campaign. The different facets of the campaign reflected the unmistakable Campari taste, with its dual but complementary nature, in which either the 'bitter' or the 'sweet' side prevails depending on the type of blending, with both aspects portrayed by the Hollywood actress in the Calendar's 13 images, the work of international fashion photographer Michelangelo di Battista.

CAMPARI CREATION AND KILLER IN RED

Paolo Sorrentino told the Campari Red Passion in a new publicity campaign with a film that expresses the essence of the brand, because 'Nothing is created without passion'. In 2017, Paolo Sorrentino again wrote and directed an intriguing film noir starring Clive Owen, a film that inaugurated the Red Diaries, the cinematographic evolution of the Campari Calendar. Playing the role of famous bartender Floyd, the actor told the story of the Killer in Red cocktail.



THE LEGEND OF RED HAND

The Red Diaries project continued: in 2018 Campari chose Stefano Sollima to tell how behind every cocktail there is a story. Actors Zoe Saldana and Stefano Sollima were the stars of an intense, compelling story and a journey around the world in search of the perfect cocktail. The film shows the imagination and creativity of bartenders, notably celebrating the talent of the 'Red Hands', the only ones who can create the best cocktails in the world.



2019

IF YOUR SOUL IS CURIOUS, ENTER THE RED

Following Campari's philosophy that 'every cocktail tells a story', the short film, forming part of the Red Diaries project, marked the beginning of the celebrations in 2019 for the 100th anniversary of Negroni, the iconic world-famous cocktail with Campari as its key ingredient. Portrayed by actress Ana de Armas and Italian actor Lorenzo Richelmy, 'Entering Red' was directed by multi-award-winning Italian director Matteo Garrone. Milan, Campari's city of origin, played an important role in the film, which brought to life its most symbolic places, such as the extraordinary Galleria Vittorio Emanuele II, the location of the iconic Camparino bar in the Galleria, and the Cathedral, all transformed for the occasion with a splash of Campari red.

2011

2016

2017

2018

CAMPARI GROUP A HISTORY OF ENTREPRENEURSHIP

13 DISPOSALS
SINCE 2013

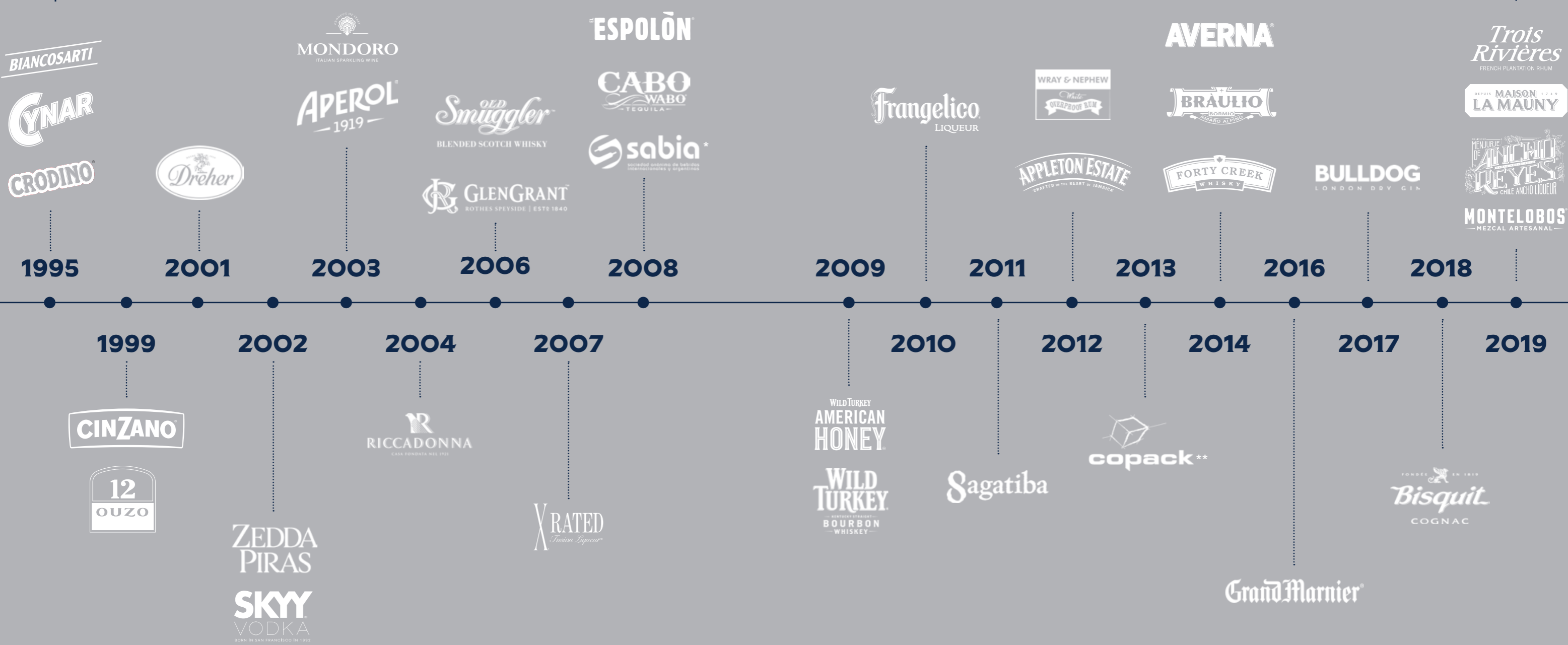
DIVESTMENT
AMOUNTING
TO AROUND

€460 MILLION
SINCE 2016

29
ACQUISITIONS
SINCE 1995

The Group made its first acquisition in 1995, marking the start of a strategy that still today combines 50% organic growth with 50% external growth. Since then, each brand that has joined the Group has brought with it a unique history and identity.

FOR A TOTAL VALUE OF OVER **€3.1** BILLION



* Distribution Company
** Contract beverage Packer

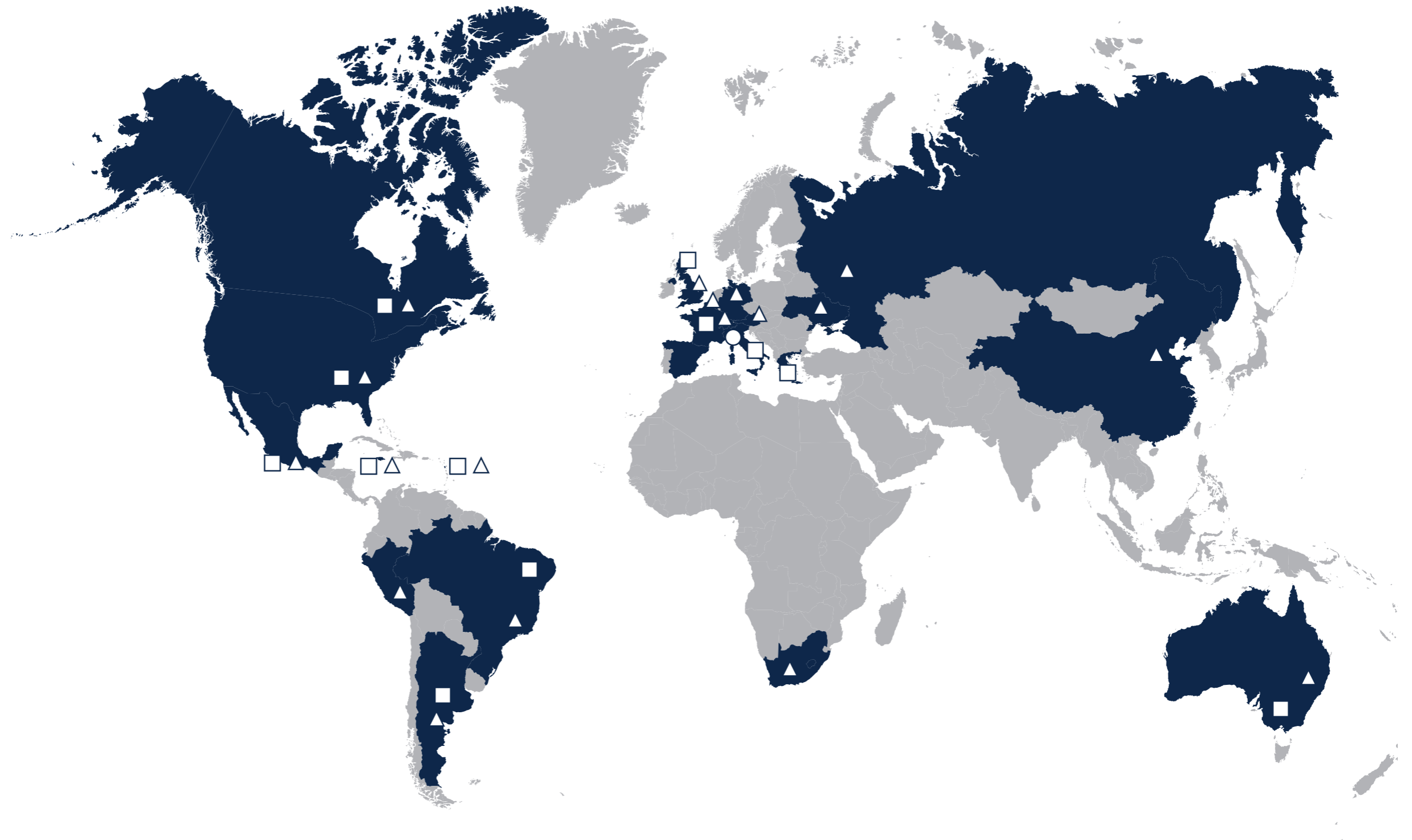
CAMPARI GROUP WORLDWIDE

Since 2004, Campari Group, headquartered in Sesto San Giovanni (Milan), has been developing a proprietary direct distribution network, which has grown in 15 years from 5 to 20 markets worldwide and represents over 90% of total sales. The Group brought the bottling activities in the core markets of the US and Australia in-house and, since 2004, has been increasing the number of production sites around the world from 8 to 21 at 31 December 2019: Italy (4), Greece, Scotland, Jamaica (3), France (4), Australia, Mexico (3), United States, Canada, Argentina, and Brazil.

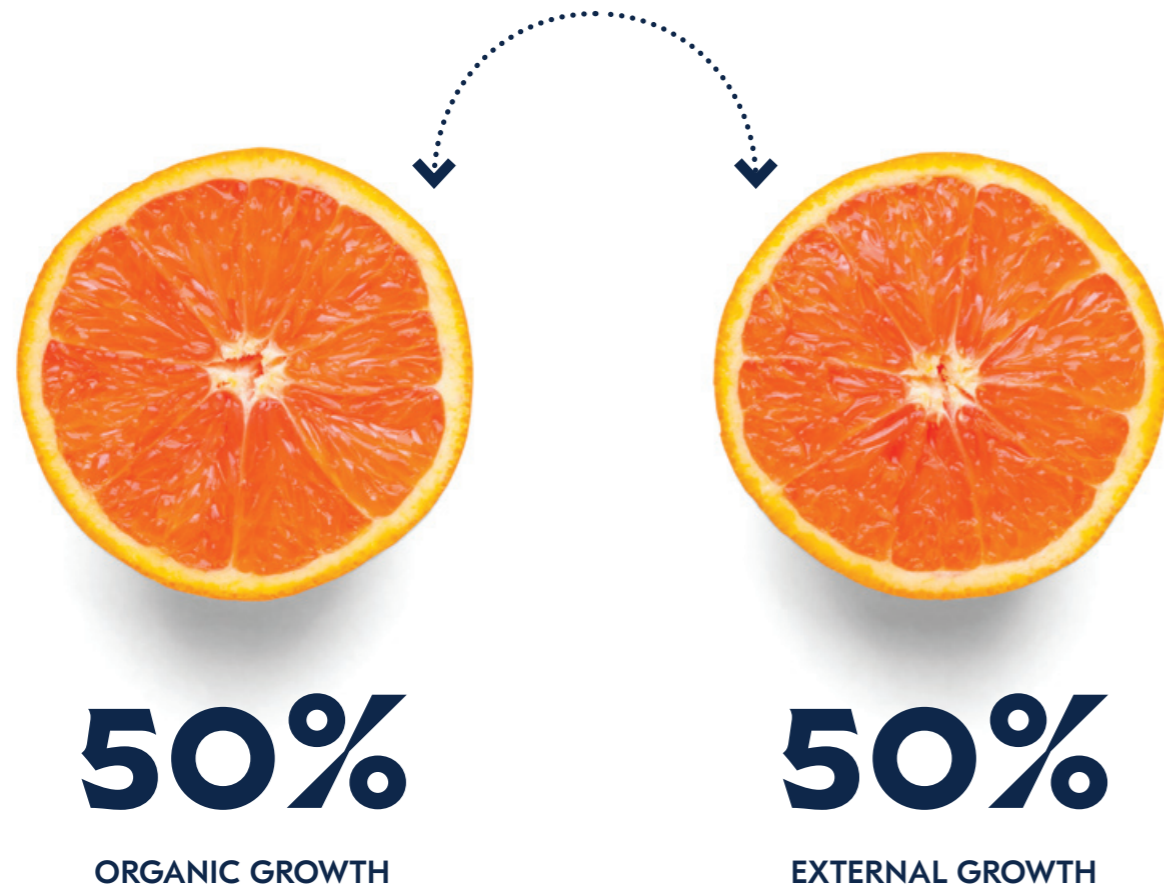
The distribution subsidiaries in 2004 were in Italy, Germany, United States, Brazil and Switzerland.

The expansion since 2004 has encompassed Austria, China, Argentina, Mexico, Ukraine, Belgium, Luxembourg, Australia, Russia, Jamaica, the UK, Spain, Canada, Peru and South Africa.

- DIRECT MARKETS
- HEADQUARTERS
- PRODUCTION FACILITIES
- LOCAL SUBSIDIARIES



GROWTH STRATEGY



In 2019, the Group's net sales totalled €1,842.5 million, an overall increase of +7.6% as compared with 2018. The organic growth component continued to show a positive trend, and contributed +5.9% to growth. The exchange-rate variation, which was positive at +2.1%, was only partly offset by the negative perimeter effect of -0.4%. Overall, sales recorded an organic increase in all the Group's geographical regions, particularly in Europe, where growth was driven by the high-margin key markets. The Americas also showed a positive trend and were characterized by a favourable mix of sales. The emerging markets showed a positive change, despite the macroeconomic and political instability that continue to persist. Growth in sales of brands was mainly driven by the global priority brands segment, in line with the Group's growth strategy of continuously strengthening its high-margin brands in the major developed markets. The regional priority brands recorded positive growth and, finally, the local priority brands contributed effectively to the growth of the period in question.

Campari Group's development strategy is to combine its organic growth, through strong brand building, with acquisitions that create value for shareholders. Spirits are the Group's core business and where acquisitions are focused. The objective is to achieve or improve critical mass in key geographic markets.

On 1 October 2019, Campari Group completed the acquisition of French company Rhumantilles S.A.S., the owner of 96.5% of Bellonnie&Bourdillon Successeurs S.A.S., headquartered in Martinique.

Reported net sales of Rhumantilles S.A.S. were €24.1 million in 2018. The scope of the transaction included the Trois Rivières and La Mauny brands (strategic brands with premium positioning) and Duquesne (a brand destined for the local market in Martinique), as well as holdings in land, distilleries and visitor centres, and a warehouse for maturing high-quality liquids. As a result of this acquisition, Campari Group has added prestigious *rhum agricole* (cane-juice rum) brands to its portfolio, strengthening its

position in the rums category, where demand for premium products is continuing to rise, and which is currently benefiting from the growing trend in mixology and the increasing popularity of the cocktail culture.

Trois Rivières and La Mauny give Campari Group significant critical mass in France, a country set to become one of the Group's strategic markets.

On 20 November 2019, Campari Group completed the acquisition, from a group of Mexican entrepreneurs, of controlling interests in the share capital of (i) Licorera Ancho y Cia S.A.P.I. de C.V. and (ii) Casa Montelobos S.A.P.I. de C.V.. The total price of the acquisitions, for 51% of the two companies, was US\$35.7 million and was subject to typical price adjustment mechanisms. Under the agreement, the remaining capital of both companies are subject to the customary call and put options, estimated at US\$26.4 million on the closing date, which may be exercised from 2024.

The two companies are the owners of the super premium brands Ancho Reyes, a spicy liqueur, and Montelobos, a handcrafted mezcal, respectively. In 2018, net sales of the two brands totalled around US\$7 million, excluding any distribution synergies. The United States is the main market for both brands, accounting for about two thirds of sales. The remaining portion of sales occurs in Mexico, the UK and other international markets.

The acquisition is aimed at enriching the offer of super premium brands with strong exposure to the strategic on-premise channel and with a particular focus on the key US Market. Ancho Reyes is a liqueur with a unique and versatile spicy taste and strong international potential. It is ideally positioned to benefit from the trend in mixology. Montelobos, a handcrafted product experiencing strong growth, will enable Campari Group to enter the premium mezcal segment.

At the end of December 2019, Campari Group signed an agreement to acquire 100% of French distributor Baron Philippe de Rothschild France Distribution S.A.S. ('RFD'), a wholly-owned subsidiary of Baron Philippe de Rothschild S.A.. RFD specializes in the distribution of a diversified portfolio of international premium brands of spirits, wine and champagne in France. Furthermore, it is the exclusive distributor for the French market of Campari Group, which with its product portfolio represents the main contributor to RFD's sales and growth. With regard to the rest of the portfolio, RFD is the sole distributor for the French market of the seller's premium and super premium wines, which includes the Mouton Rothschild and Mouton Cadet brands. The total acquisition price is €60.0 million, and is

subject to the customary price adjustment mechanisms. In 2018, RFD's total sales were €145.1 million (based on local accounting principles). The transaction, subject to a favourable opinion of the antitrust authority, is due to be completed in the first quarter of 2020.

The integration of RFD's distribution structure into the Campari network and the possibility to operate directly in France (a market with high potential for the Group) represents a unique opportunity to increase the focus on key proprietary brands, with benefits linked to the increase in critical mass for the aperitif business and the newly acquired premium *rhum agricole* cane-juice rum brands Trois Rivières and La Mauny.

On 30 October 2019, Campari Group reached an agreement to sell 'Villa Les Cèdres' real estate located in Saint-Jean-Cap-Ferrat, France, at a price of €200 million. The villa had become part of the Campari Group perimeter on the acquisition of Grand Marnier in 2016. It had been put up for sale immediately after the transaction had been completed. Following this sale, the process to sell off non-core activities relating to the acquisition of Grand Marnier was, broadly speaking, complete.

OUR BRANDS

Campari Group has a portfolio of
**OVER 50 PREMIUM
AND SUPER PREMIUM BRANDS**
divided into global, regional and local priorities



GLOBAL PRIORITIES



CAMPARI

The quintessential aperitif with its unmistakable red colour is today one of the most famous brands in the world, sold in over 190 countries. The original recipe was created in Novara in 1860, the result of Gaspare Campari's experimentation and the infusion of bitter herbs, aromatic plants and fruit in alcohol and water, and is used as a base for many cocktails. In 1904, the first manufacturing plant was established in Sesto San Giovanni, Milan. A historic, sophisticated, high class and quality brand, but at the same time always evolving and avant-garde, it represents a symbol of Italian excellence.



APEROL

Aperol was founded in 1919 in Padua, an invention of brothers Silvio and Luigi Barbieri. Since then, Aperol's popularity has grown exponentially, thanks to its fresh taste and compatibility with various other drinks, giving an unmistakable flavour to even the most elaborate cocktails. Acquired in the 1990s by Barbero 1891 S.p.A., Aperol became part of the Campari Group's brand portfolio in 2003, achieving new records of popularity and diffusion at the international level. Aperol's highly secret recipe, which includes infusions of fine ingredients, herbs and roots in perfect harmony, gives it an unmistakable bitter-sweet taste. Another strength that makes it the perfect aperitif is its low alcohol content of only 11%.



SKYY VODKA

Campari Group, which had already acquired a minority stake in Skyy Spirits LLC in 1998, acquired a further 50% in 2001, increasing its interest to 100% in 2006. SKYY Vodka, created in 1992, is now the fifth-largest premium vodka in the world. It has revolutionised the alcohol market due to its innovative quadruple-distillation and triple-filtration process, which ensures a product of proven quality and softness with very few impurities. It is distilled in the United States from wheat grown in the Midwest. With its iconic, cobalt-blue bottle, which reflects the name of the product, SKYY was the first vodka to introduce packaging as a 'style image'.



WILD TURKEY

The acquisition of Wild Turkey in 2009 helped strengthen the Campari Group's leadership position in the US and international premium spirits markets.

It has been the authentic Kentucky Straight Bourbon Whiskey since 1855, whose original distillation and maturing process has not been changed since it was first introduced. Wild Turkey uses a distinctive process in which the bourbon (typically American whisky, recognised by Congress in 1964 as 'America's Native Spirit') is distilled at a low proof to seal in its flavours. It is then aged in white oak barrels, which gives it its typical rusty colour and full flavours of vanilla and caramel. The addition of a little water gives the product a rich and authentic taste, as if just tapped from the barrel. Under the guidance of Master Distiller Jimmy Russell, who has worked in the distillery for 55 years, the Wild Turkey Bourbon offering has seen extraordinary growth. Alongside the classic Wild Turkey 101 Bourbon, the distillery also makes Rare Breed, Kentucky Spirit, Wild Turkey 80, Wild Turkey Rye and American Honey.



APPLETON ESTATE

With Appleton Estate, which became part of the Group portfolio in 2012, Campari Group entered the rum category, further consolidating its critical mass in North American markets, particularly the United States, Canada, Mexico and the Caribbean.

Appleton Estate is the oldest sugar cane plantation and distillery in Jamaica. The first records of rum production on the estate date back to 1749, although its origins date back to 1655 when the British conquered Jamaica. Appleton Estate Jamaica rums have a unique profile, and are only produced on one Jamaican estate within an enclosed area in the Nassau Valley.

At Appleton, rum production is regarded as an art, and the process is controlled at every stage, encompassing the selection of sugar cane varieties harvested on the estate, the natural cultivation of yeast used in fermentation, distillation, blending methods and rum bottling. Appleton Estate Signature Blend is the best-known rum in the Appleton Estate family, created from a blend of 15 aged rums.



GRAND MARNIER

Campari Group acquired Grand Marnier in July 2016, when it took over the Société de Produits Marnier Lapostolle S.A. ('SPML'), founded in 1827.

The liqueur is said to date back to 1827 and was originally called Curaçao Marnier, one of many versions of Triple Sec, which was much in vogue in the second half of the nineteenth century. It was in 1880, however, that liqueur merchant Louis-Alexandre Marnier Lapostolle chose to combine a young cognac with essence of Caribbean oranges and added syrup. The result, briefly barrel-aged to combine the ingredients, has made Grand Marnier one of the best-known French liqueurs in the world. A peculiarity of the brand is linked to its name: when Louis Alexandre came up with his recipe, he named it Curaçao Marnier. It was Cesar Ritz, legendary founder of the Ritz Hotel - who suggested, in 1880, a new name for this liqueur. Back then, the fashion in Paris was for everything to be 'petit', so they would be Grand: 'a grand name for a grand liqueur'.

REGIONAL PRIORITIES



ESPOLÓN

Espolón is a super premium tequila with 100% pure blue agave, distilled and bottled at the San Nicolas distillery in Los Altos, in the Jalisco region of Mexico. Founded in 1998, San Nicolas embodies the environment and culture of the ancient Mexican distillery combined with the most modern and advanced production technologies, winner of the 'Best Factory Tequila in Mexico', an award conferred by the School of Architects and Engineers of Jalisco.

Master Distiller Cirilo Oropeza has decades of experience and craftsmanship for creating Tequila Espolón. The production process involves cooking the agave sap for 18 to 20 hours, 6 hours longer than the sector average, and the distillation process takes 5 and a half hours, compared to the sector average of 3 and a half. Espolón is produced in two varieties: Blanco, which is light in colour, delicate with sweet notes of the agave sap and soft on the palate, and Reposado, which is aged for six months in American oak barrels, giving it an intense golden colour, a spicy aroma and a strong, round taste.



BULLDOG

Bulldog London Dry Gin was launched in 2007 in the United States by the entrepreneur Anshuman Vohra, who chose to create an innovative gin inspired by his travels around the world. The twelve constituent ingredients come from eight different countries, including juniper from Italy, coriander from Mexico, lavender from France, Dragon Eye from China and white poppy seeds from Turkey, and are perfectly blended following four distillation processes that give the produce a fresh, fruity taste. Since 2014, Campari Group has distributed the brand via its own distribution network, obtaining full ownership in 2017. Bulldog is now available in 95 countries and has been classified by IWSR (International Wine and Spirit Research) as the fourth top ranked premium gin in the world.



GLENGRANT

Created in 1840 by the brothers John and James Grant, GlenGrant is one of the world's best-selling single malt Scotch whiskies. Its main markets include: Italy, where it enjoys a leadership position, France and Germany. GlenGrant is a delicate but complex whisky made with barley malt, pure Scottish highland water and yeast. The distillate is produced from tall, slender stills and special purifiers that Master Distiller and precursor James 'The Major' Grant introduced over a century ago and which are still used today. The innovative idea is what sets GlenGrant apart from any other whisky: James Grant was only 25 when he decided to launch a whisky that was not a blend but a single malt. The distinctive colour of GlenGrant develops during the ageing period in oak barrels and matures over time creating a light, fresh and natural whisky with the unique taste of a single malt. The GlenGrant distillery in Rothes (Scotland) is also famous for its beautiful gardens created by James Grant in 1886. After major restoration in 1993-1996, the gardens are today open to the public and represent an extraordinary example of late 19th-century Victorian gardening style. Since 2006 GlenGrant, together with Old Smuggler Scotch Whisky, has been part of Campari Group's product portfolio. In 2019, GlenGrant 15 Year Old won the Spirit of Speyside Whisky Award in the 13-20 year old category and, for the fourth consecutive year, GlenGrant 18 Year Old was awarded 'Scotch Whisky of the Year' by Jim Murray's Bible Whisky 2020.



FORTY CREEK

Forty Creek is a premium Canadian whisky that is both delicate and sophisticated. It is created from a blend of rye barley and wheat, each of which is distilled separately and left to mature in American white oak barrels, selected individually to bring out the best qualities of each. This process allows each flavour to develop: the fruity and spicy notes of rye, the full nutty after-taste of barley and the defining taste of wheat. The liquids obtained from the three types of grain are matured separately for 6 to 10 years and then combined. Next, Forty Creek goes through an additional six months of ageing in sherry casks, so as to make the whisky soft and velvety on the palate.



BRAULIO

Braulio was created in Bormio, in Valtellina, in 1875 through the expert research of the pharmacist Francesco Peloni, a great connoisseur of aromatic medicinal herbs. Produced from the infusion of plants, roots and wild alpine herbs, following a secret recipe still handed down from generation to generation, Braulio is aged in Slavonian oak barrels for 15 months in the cellars that branch out under the houses of the old town. Only four of the numerous herbs used in the production of Amaro Braulio are known: yarrow nutmeg, wormwood, juniper and gentian.

Riserva Speciale Millesimata, aged for 21 months, is characterized by a longer stay in the Braulio cellars' smallest barrels. Once the liquid has completed the maturing process in the barrels, it is delicately filtered to better preserve the plant components of the liqueur and further bring out the highly characteristic scents of the aromatic plants.

To meet the growing global demand for Braulio, new cellars were built in Bormio in 2018: over 1,650 square meters of additional space for the production of 166 new barrels, including 1,200 square meters of cellars for ageing.



CYNAR

A liqueur with a sweet and bitter taste created by the Venetian entrepreneur and philanthropist Angelo Dalle Molle, Cynar was launched in Padua in 1950. Its name comes from Cynar scolymus, the botanical name for 'artichoke', its particular and distinctive ingredient, infused with another 12 herbs and plants. It became popular in Italy thanks to the advertising carried out during the Carnival with actor Ernesto Calindri and the unforgettable slogan 'Contro il logorio della vita moderna' ('Combating the strain of modern life'). Since then the brand, acquired by Campari Group in 1995, has grown and is now distributed internationally; among the main markets: Italy, Switzerland and Brazil.

Cynar 70 Proof, which was developed from the same secret recipe as Cynar, has distinctive herbal notes marrying with hints of dried fruit.



AVERNA

Averna, acquired by Campari Group in 2014, represents the true character of Sicily, with a history rooted in the wonderful land of Caltanissetta. The secret recipe was created at the beginning of the 19th century by the Capuchin monks of the Santo Spirito Monastery and in 1868 it was given as a gift by the monk Friar Girolamo to the textile merchant Salvatore Averna as a gesture of gratitude in recognition of his dedication to the local community. Salvatore launched production of the drink, passing on the business to his son Francesco, who deserves the credit for getting the product known at Italian and foreign trade fairs. By virtue of the growth and status that the product acquired in Italy, in 1912 King Vittorio Emanuele III granted Averna the right to print the inscription 'Patent of the Royal House' on the label. Production process begins with a combination of essential oils of bitter oranges and Sicilian lemons, pomegranate peels and other herbs, roots and natural spices. In 2018, Averna celebrated its 150th anniversary with the launch of the first aged version, Averna Riserva Don Salvatore, which has a stronger and more intense taste. This is created by letting the liquid mature in oak barrels for 18 months with a perfect blend of ingredients.



FRANGELICO

In its characteristic bottle, whose shape resembles a monk with joined hands, Frangelico is a hazelnut liqueur from Piedmont whose origins date back to the 17th century. Legend has it that it owes its name to a hermit friar (Fra' Angelico) who lived in the hills of Piedmont; in fact, the Tonda Gentile Hazelnut, the main ingredient used to produce this liqueur, comes from the hills of the Langhe; after being roasted and distilled, it is mixed with coffee, vanilla, cocoa and other secret aromatic herbs. The Frangelico brand was born in 1978, created by the Barbero family, becoming part of Campari Group's brand portfolio in 2010. Today it is sold mainly in Germany, Spain and the United States.



CINZANO

From their small shop in Turin, in 1757, Master Distillers and brothers Giovanni Giacomo and Carlo Stefano Cinzano researched a new and unique line of aromatised wine-based drinks (vermouths) and opened Casa Cinzano, the first small shop for the brand. It was their innovative work and an enterprising spirit that led the Cinzano family, at the request of the Royal Court of Savoy, to expand the family business with the creation of the first sparkling wine in the mid-1800s. Thanks to the innovative advertising strategy that has attracted the collaboration of great artists, such as Adolf Hohenstein, Leonetto Cappiello, Nico Edel and Raymond Savignac, to the ability to adopt new media techniques, from posters and postcards to free tastings at Turin Expo in 1884, to radio and television commercials in more recent times, Cinzano has become a well-known name both in Italy and abroad for its vermouths and sparkling wines. Acquired by Campari Group in 1999, Cinzano now has numerous brands distributed worldwide, with core markets including Germany, Italy, Argentina and Russia. A line of products adored by consumers worldwide, on the one hand Cinzano vermouths, Bianco, Rosso (one of the most commonly used ingredients to enhance famous cocktails such as Negroni and Americano) and Extra Dry; on the other hand the sparkling wines, a wide range of high quality products that are suitable for different tastes and occasions.



RICCADONNA

Riccadonna is a collection of sparkling wines created in the glamorous and elegant era of Italy in the '20s. Riccadonna's story starts in Piedmont, Italy, in 1921, when founders Clara and Ottavio Riccadonna started to produce high-quality vermouth and sparkling wines. The brand was acquired by Campari Group in 2004. Riccadonna's 'Collezione Moda' (Fashion Collection), distributed starting in late 2018, is reminiscent of the geometric models of Art Deco, celebrating the brand's style and liveliness, characteristic of the 1920s. The Riccadonna label bears the slogan 'Italian style since 1921', underlining the elegant nature of the brand and its nearly 100 years of success. The 'Collezione Moda' includes five wines (Asti D.O.C.G., Prosecco D.O.C., Moscato Rosé, Chardonnay Brut and Ruby) and reflects the passing seasons with products that encompass the dry to the sweet and elegant, designed to fit any social occasion. Riccadonna is distributed worldwide, with core markets in France, Australia and South America.



MONDORO

Mondoro is an Italian sparkling wine that is distinctive because of its luminous *perlage* and iconic emerald green glass bottle with swirling patterns. All four Mondoro varieties, Asti D.O.C.G., Prosecco D.O.C., Brut and Rosé, reflect the highest standards of production, and stand out because of their fresh, elegant taste and their distinctive floral and fruity notes. Today the brand is particularly rooted in Russian culture.

LOCAL PRIORITIES



Below are some of the main local priority brands.

CAMPARI SODA

A true icon since 1932, Campari Soda is the result of an inspired insight of Davide Campari, an enlightened entrepreneur and great art lover, who created the first single-dose aperitif in history, from the perfect mix of Campari and soda water, and asked the futurist Fortunato Depero to design the unmistakable 9.8 cl upturned goblet shaped bottle.

Campari Soda, starting from a characteristic element of its design, namely the lack of a label on the bottle, currently embodies the '#without-label' aperitif par excellence, authentic from every point of view, that brings together individuals who share the same values. Campari Soda is an ever-present rite of belonging, a symbol of Italian culture.

The image is also new: a celebration of the brand, its historicity and iconicity, with a style that enhances its avant-garde attitude. The brand, inextricably linked to the city of Milan, also brought, to Piano City Milano 2019 festival, the aperitif '#without-label' moment, to celebrate with the people of Milan the values of sharing and sociality in all its forms. This is a collaboration, between Campari Soda and Piano City Milano, that has united two identities projected towards the future and marked by an international vision, but at the same time aware of the historical importance of their artistic and cultural heritage.

CRODINO

Non-alcoholic aperitif par excellence for over 50 years, Crodino is a drink produced from an infusion of top quality extracts of herbs, spices, woods and roots from all over the world. The harmonious combination of these refined ingredients contributes to making a non-alcoholic product of the highest quality.

All the ingredients are mixed by expert hands, according to the original and secret recipe, which remains unchanged since 1964. It still takes a long time, however, to obtain the finished product: the extract is in fact left to rest for up to 6 months before being transformed into the blond aperitif, allowing the finished product to acquire the complexity of the aromatic body. The history of Crodino begins in 1964, when it was first launched on the market under the name of Picador, which was changed to Biondino, and finally became Crodino in 1965.

In 1995, Crodino became part of the Campari Group. In the second half of the 1990s, the Group relaunched the brand with the 'Personaggi' (Characters) campaign, with protagonists from comics or literature (Dracula, Frankenstein, Diabolik, Tarzan, Aladdin, Snow White, Napoleon, Tedoforo, Galileo, Colombo) who all made the same request to the bartender: *'Dino, give me a Crodino'*. Irony becomes one of the values that characterizes the positioning of Crodino: a dose of humour mixed with a touch of madness. The slogan *'the non-alcoholic blond makes the world crazy'*, which closes the TV commercial, became a national catchphrase. In 2000, the advertising campaign was enriched with a unique character: the Gorilla. The campaign remained based on an irony that is as simple as it is irreverent, immediate and transversal. The atmosphere is the same as the moment of consumption: the Italian aperitif, made of relaxation and informality. In 2015, the new campaign 'Biondo aperitivo, zero impegnativo' (Blond aperitif, zero commitment), with Hollywood actor Owen Wilson, underlined the ability to have fun in a spontaneous and carefree way, enjoying the moments when we can finally enjoy an aperitif.

Since 2016, Crodino has been supporting the Association art4sport Onlus, born from the difficult but extraordinary experience of Bebe Vio, world paralympic fencing champion, and Giochi Senza Barriere (Games Without Barriers), a great event that has become a point of reference within the sports world and beyond, under the banner of integration between people with and without disabilities.

DREHER

Dreher is a Brazilian brandy with a full-bodied amber colour, distilled and produced with cane sugar and natural plant extracts. It is the most popular and well-known brandy in Brazil, which represents its main market. Dreher was created in 1910 in the southern region of Bento Gonçalves, Brazil's most important wine production area. Dreher became part of the Campari Group portfolio in 2001 and has been increasing its market share ever since.

SAGATIBA

Cachaça is Brazil's national distillate, derived from sugar cane and a key ingredient of *'caipirinha'*, the famous Brazilian cocktail made with lime and sugar. Sagatiba is one of the most representative brands in the premium cachaça (distilled fermented sugarcane juice) category, with a market share of 12% (WSR: 2019). Founded by entrepreneur Marcos de Moraes in 2004 and made from sugar cane from the region of Minas Gerais, Sagatiba became part of the Campari Group's portfolio in 2011. Two of its variants that we are pleased to highlight are Sagatiba Cristalina and Sagatiba Envelhecida. Cristalina was the first cachaça to use the multi-distillation process in steel columns. This production method uses an indirect heating system for steam distillation, distilling the liquid more than once, maintaining the sugar cane's original characteristics, such as aroma and taste, and eliminating any impurities. Sagatiba Envelhecida is produced by hand in small batches on a family farm in the countryside of Minas Gerais and its production process has been perfected to create a unique drink. The fresh sugar cane is ground less than 24 hours after harvesting, fermented with an exclusive yeast and then distilled in a copper still and aged for at least two years in American oak barrels.

CABO WABO

Cabo Wabo is a 100% tequila made with blue agave. Born in 1996 in Guadalajara, Mexico, it was acquired by Campari Group in 2007 by its creator, rock star Sammy Hagar and its main markets today are Mexico and the United States. There are three main variants: Cabo Wabo Blanco (pure tequila that does not undergo any aging process), Cabo Wabo Reposado (aged in American oak barrels from 4 to 6 months, which gives it its typical golden colour and notes of citrus and spicy pepper), Cabo Wabo Añejo (amber in colour, with hints of vanilla and honey to the taste, aged in oak barrels for at least 14 months).

OUZO 12

Ouzo originated in Greece in around the middle of the 18th century, when the art of distillation of *'tsipouro'*, an alcoholic extract derived from the solid remains from grape crushing, began to develop in the country. It was only later, during the distillation process, that various spices, mainly aniseed, were added to make the drink less bitter and more palatable. However, since the domestic production of aniseed was not sufficient, distillers began to import aniseed from Sicily in burlap sacks, imprinted with the inscription: *'Anise use for Marseilles'*, the city famous for its aniseed-based spirits (pastis). To underline the high quality of the aniseed used, Greek producers began to refer for their product using the Italian inscription and in particular to the word *'uso'* (use) from which the name ouzo derives.

Ouzo 12 was first created in Constantinople, present-day Istanbul, in 1880, and took its name from the *'Botte no. 12'* (Barrel no. 12) of the Kaloyannis distillery. The brand was acquired by Campari Group in 1999 and since 2005 OUZO 12 has been distilled and produced at the Koutsikos plant in Volos, central Greece, an area particularly renowned for the production of Ouzo and Tsipouro. Remaining true to its original recipe, Ouzo 12 has established itself today as the world's best-selling ouzo brand for its rich taste and delicate aroma, as a result of harmoniously blended selected seeds and herbs that have undergone a double distillation process.

OUR MASTER BLENDERS



WILD TURKEY
JIMMY & EDDIE RUSSEL

Nicknamed the 'Bourbon Buddha' and the 'Master Distiller of Master Distillers' by his colleagues in the industry, James C. 'Jimmy' Russell has been distilling Wild Turkey in Lawrenceburg (Kentucky) for more than 60 years, making him the longest-running Master Distiller in the world today. He grew up five miles from the distillery and learned the traditions and techniques of hand-crafted bourbon from his father and grandfather, becoming a Master Distiller in 1960.

His successes were celebrated by Kentucky senator Mitch McConnell and are recorded in the United States Congressional Record. He is also a lifetime honorary member of the Executive Council of the Kentucky Distillers' Association, an honour bestowed on only five other people in the Association's 134-year history. In 2018 Jimmy Russell celebrated his 64th year at the Wild Turkey Distillery, where he continues every day to dedicate body and soul to the development of the business, having become a reference point for the entire bourbon industry.

Jimmy has passed on his knowledge to his youngest son, Eddie Russell, the third-generation Russell to work in the Wild Turkey Distillery. With 35 years' experience, Eddie, together with Jimmy, is involved in the entire process from the distillation to the maturing of Wild Turkey Bourbon, ensuring that every bottle conforms to the highest quality standards.

Following in his father's footsteps, Eddie was inducted into the illustrious Kentucky Bourbon Hall of Fame in 2010. In 2014, to celebrate his father's 60th anniversary, Eddie created Wild Turkey Diamond Anniversary, an exceptional blend of 13-16-year-old whiskeys in a limited edition. We also owe the introduction of Wild Turkey 81 to Eddie. This premium bourbon is perfect for mixing in any cocktail without losing the typical characteristics of the original Wild Turkey Kentucky Bourbon.



APPLETON ESTATE
JOY SPENCE

For over 25 years, Joy Spence has combined the art and science of mixing to create a top-quality Jamaican rum: Appleton Estate. After graduating from the University of the West Indies, Joy taught chemistry for a few years before moving to the UK to study for a master's in analytical chemistry at the University of Loughborough, where she graduated with honours.

Joy joined the J. Wray&Nephew distillery as head of the chemical area in 1981 and in 1997 was awarded the title of Master Blender, becoming the first woman in the spirits industry to receive this recognition.

In 2005, Joy was awarded the Order of Distinction by the Jamaican government, an honour conferred on citizens who have provided important services to the country. The role of Commander (CD) was bestowed on her in recognition for her contribution to the promotion of Jamaican rums around the world. In November 2018, Joy also received the National Medal for Science and Technology and Innovation from the Jamaican prime minister for her significant technological innovations and scientific contributions to the food, farming, manufacturing and tourism sectors in Jamaica.

'We have been able at J. Wray&Nephew to use cutting technology along with exciting innovations to create some of the finest brands in the world. I will continue to spread the joy of rum locally and, by extension, promote the brand Jamaica' said Joy Spence.



ESPOLÓN
CIRILO OROPEZA

Cirilo Oropeza is the Master Distiller of Espolón tequila. Along with his ten years' experience and a talent for the art of distillation, Cirilo immediately showed a genuine passion for 'his' tequila.

With rigorous attention to detail, and well-known for his unconventional methods, Cirilo has realised his life's dream. His objective was simple: to create a tequila so good that he could proudly share it with the rest of the world. In 1995, Cirilo met a local entrepreneur who shared his ambition. This new partnership led to the creation of Destiladora San Nicolas in 1998, followed by Espolón Tequila.

Immediately hailed as a superior tequila made in the proud Mexican tradition but with modern techniques, Espolón is testimony to Cirilo's pioneering spirit, his commitment to his art and his promise never to give up on his dreams.



GLENGRANT
DENNIS MALCOLM

Born near the GlenGrant Distillery in 1946, Dennis joined the distillery over fifty years ago as an apprentice, following in the footsteps of his father, and before that his grandfather.

In 2013, on his 50th anniversary at the Glen Grant distillery, a limited edition of single malt Scotch whisky matured for 50 years was created in honour of his commitment.

In 2015, Dennis received a special award at the International Wine and Spirits Competition for his exceptional contribution to the Scotch whisky industry. A year later, Dennis was also awarded the honour of Office of the Order of the British Empire (OBE) for services to the local community in Speyside (Rothes, Scotland).



ITALIAN ICONS
BRUNO MALAVASI

Herbalist and Master Blender of the Italian iconic brands, Bruno Malavasi not only plays a key role in preserving the traditions and authenticity of our products, but is also the designer and creator of original new aperitifs and liquors. Bruno Malavasi, together with a team of skilled analysts, botanists and blenders, creates new flavours and discovers new ways in which herbs can interact with each other, in response to new trends and the needs of consumers and bartenders.

A graduate in chemistry and pharmaceutical technology and a specialist in clinical chemistry and biochemistry, Bruno Malavasi started



GRAND MARNIER
PATRICK RAGUENAUD

Patrick Raguenaud, Master Blender of Grand Marnier, was born in 1954 in Jarnac, a commune of La Charente, a department in south-west France, part of the Cognac region.

Before him, several generations his family had already forged a special and enduring relationship with his native land and the world of cognac.

Thanks to his outstanding experience, Patrick took on a very important role, becoming Master Blender of Grand Marnier in 2004, responsible for overseeing the sourcing of ingredients, the ageing and blending process of French cognac and the control of production of the bitter-orange essence, the element that helps make Grand Marnier one of the world's unique brands. Since November 2017, Patrick Raguenaud has also been President of the Bureau National Interprofessionnel du Cognac (BNIC), the French association of winegrowing enterprises and merchants of cognac, whose main mission is to protect the Cognac Geographical Indication by promoting its economic development.



AVERNA
PIERO FICI

Averna's Master Blender Piero Fici oversees every phase of the infusion process to ensure the highest quality of the final product. The great care and attention given to the execution of each phase ensures that the full-bodied taste of the amaro, with that special note of lemon, is obtained.

The infusion of Averna has been carried out in the historic facility in Caltanissetta for 150 years and continues today. The recipe remains a secret closely guarded by its holder. For many years, the facility, which was built in the mid-nineteenth century, has opened its doors to visitors to show them the passion and craftsmanship that have set the Averna amaro apart from the very beginning.

working for Campari Group in 1995 as a technical inspector at the Group's plants. In 2007, after being awarded an Executive Master's of Business Administration (EMBA) from Bologna University, he was appointed product innovation manager in 2009, his first step in developing new products. Appointed in 2011 as Global Formula&Process Director, thanks to his extensive knowledge of botanicals, Bruno became Herbalist&Master Blender. Since then, he has been responsible for managing the aromatic herbs area, where he oversees the selection of suppliers, and the planning, purchase and formulation of herb-based blends.

THE GOVERNANCE MODEL⁽²⁾

Davide Campari-Milano S.p.A. (the 'Company') has adopted a traditional style administration and control model, characterized by the presence of a management body, the Board of Directors, and a control body, represented by the Board of Statutory Auditors.

The corporate governance system is based on the principles and application criteria of the Corporate Governance Code of listed companies adopted by the Company in November 2006 and compliance with the provisions of the Articles of Association and the Code of Ethics, as well as the applicable legislation.

The Company is listed on the electronic stock market of Borsa Italiana S.p.A. since 5 July 2001 and is one of the components of the FTSE MIB stock index.

BOARD OF DIRECTORS

Appointed by the Ordinary Shareholders' Meeting of 16 April 2019 and in office for the three-year period 2019-2021, the Board of Directors is the central body of the corporate governance system and is granted broad strategic powers by the Company. It consists of nine members, including three women.

MEMBERS OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2019

POSITION	NAME
CHAIRMAN	Luca Garavoglia
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER	Robert Kunze-Concewitz
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER	Paolo Marchesini
DIRECTOR AND GROUP GENERAL COUNSEL AND BUSINESS DEVELOPMENT OFFICER	Fabio Di Fede
DIRECTOR ⁽¹⁾⁽²⁾	Eugenio Barcellona
INDEPENDENT DIRECTOR ⁽¹⁾⁽²⁾	AnnaLisa Elia Loustau
INDEPENDENT DIRECTOR ⁽¹⁾⁽²⁾	Catherine Gérardin Vautrin
DIRECTOR	Alessandra Garavoglia
INDEPENDENT DIRECTOR	Michel Klersy

(1) Member of the Control and Risks Committee

(2) Member of the Remuneration and Appointments Committee

For further information regarding the members of the Board of Directors, please refer to the 'Report on Corporate Governance and Ownership Structure' published on the Company's website at the following link:

www.camparigroup.com/en/governance.

(2) For further information, please refer to the 'Report on corporate governance and ownership structure' available at the website www.camparigroup.com/en/governance/governance-system

BOARD COMMITTEES

The Board of Directors is divided into two committees: the Control and Risk Committee and the Remuneration and Appointments Committee, which play an advisory and proactive role, the first in the internal control system and identification of the main corporate risks, and the second in the appointment and remuneration of directors.

BOARD OF STATUTORY AUDITORS

The current Board of Statutory Auditors, which comprises three Statutory Auditors and two Alternate Auditors, is in office for the three-year period 2019-2021.

MEMBERS OF THE BOARD OF STATUTORY AUDITORS AT 31 DECEMBER 2019

POSITION	NAME
CHAIRMAN	Ines Gandini
STATUTORY AUDITOR	Fabio Facchini
STATUTORY AUDITOR	Piera Tula
ALTERNATE AUDITOR	Giovanni Bandera
ALTERNATE AUDITOR	Pierluigi Pace

The Board of Statutory Auditors is responsible for the obligations established by the applicable law, including ensuring that the law and the articles of association are complied with and that the principles of proper administration are applied, and in particular, that the organisational structure, internal control and risk management system and organisational, administrative and accounting procedures are adequate. It also ensures that the corporate governance rules set forth in the Code of Conduct are applied correctly. In performing its activities, the Board of Statutory Auditors coordinates and collaborates with the internal audit function and the legal function, and periodically meets with the Control and Risk Committee.

INTERNAL AUDIT SYSTEM

The Board of Directors identified a director responsible for overseeing the functionality of the internal control and risk management system and appointed Paolo Marchesini as Chief Financial Officer. The Board of Directors also established a Risk and Control Committee, which was also entrusted with overseeing sustainability issues related to the company's operations and its interaction with its stakeholders.

Pursuant to Law 179 of 29 December 2017, concerning *'Provisions for the protection of those who report crimes or irregularities of which they have become aware in the context of a public or private employment relationship'*, Camparistas are able to report any violations, even if only suspected, of the Group's Code of Ethics or Legislative Decree 231 of 8 June 2001, using the following means:

- ordinary mail addressed to the Company, to the attention of the Supervisory Body or the head of the internal audit function; or
- e-mail to: organismo231@camparigroup.com;
- through the 'Campari Safe Line' service, described below.

'Campari Safe Line' is the whistleblowing service set up by the Company which can be contacted not only by Camparistas, but also suppliers, customers and anyone who has dealings with Campari Group and becomes aware of illegal or illicit activities carried out within the Company.

Reports to the 'Campari Safe Line' may be made, in various languages, by telephone, e-mail, post, fax or online platform. Each report must be fully documented and reported in the company to the Chairman of the Board of Directors and to the head of the internal audit function in the utmost confidence. In fact, the whistleblower is guaranteed maximum protection of their data, ensuring in advance that they will be protected against any act of retaliation or discrimination, direct or indirect, for reasons related, directly or indirectly, to the whistleblowing.

In Italy, moreover, in compliance with the provisions of Legislative Decree 231 of 8 June 2001, the Company and its Italian subsidiaries have adopted an organisational model ('the Model') aimed at preventing the crimes provided for in the aforementioned decree and in particular to prevent crimes against the public administration, corporate and financial crimes and crimes committed in violation of workplace health and safety regulations.

The Company has appointed a single supervisory body to verify the effectiveness of the Model and to update it.

STATUTORY AUDIT OF THE ACCOUNTS

As already indicated, the statutory auditing of accounts is entrusted to the auditing company EY S.p.A., for the years 2019-2027.

EY is also in charge of auditing this consolidated non-financial declaration drawn up pursuant to Legislative Decree 254 of 30 December 2016 for the financial years 2019-2027.

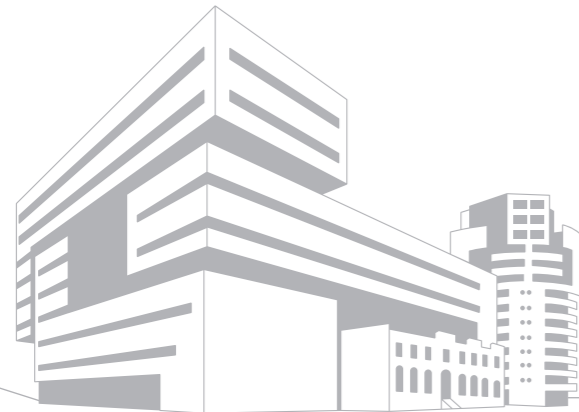
CAMPARI GROUP

Sociogram

December, 31st 2019

CAMPARI GROUP

Sociogram at 31 December 2019



**DAVIDE CAMPARI
MILANO S.p.A.**
Sesto San Giovanni
Italy

CAMPARI SERVICES S.r.l. in liquidation Sesto San Giovanni - Italy	***	100%
CAMPARINO S.r.l. Milan - Italy		100%
CAMPARI INTERNATIONAL S.r.l. Sesto San Giovanni - Italy		100%
SOCIÉTÉ DES PRODUITS MARNIER-LAPOSTOLLE S.A. Paris - France	(1)	100%
CAMPARI DISTRIBUTION IRELAND Ltd. Dublin - Ireland	**	100%
CAMPARI BENELUX S.A. Brussels - Belgium	(2)	100%
CAMPARI ESPAÑA S.L. Barcelona - Spain		100%
CAMPARI do BRASIL Ltda. Barueri (SP) - Brazil	(3)	100%
CAMPARI AMERICA LLC New York - USA		100%
GLEN GRANT Ltd. Rothes - Scotland		100%
DI.C.I.E HOLDING B.V. Amsterdam - Netherlands		100%

J. WRAY & NEPHEW Ltd. Kingston - Jamaica	100%
CAMPARI PERU S.A.C. Lima - Peru	(7)
TRANS BEVERAGES COMPANY LIMITED Seoul - South Korea	(8)

MARNIER-LAPOSTOLLE BISQUIT SASU Paris - France	100%
SOCIÉTÉ CIVILE IMMOBILIÈRE DU VAL Paris - France	100%
RHUMANTILLES SAS Paris - France	100%
BELLONNIE ET BOURDILLON S.A.S. Ducos - Martinique (FR)	(4)
DISTILLERIES DE SAINTE LUCE S.A.S. Ducos - Martinique (FR)	(5)
SCEA TROIS RIVIÈRES Ducos - Martinique (FR)	(6)

CAMPARI DEUTSCHLAND GmbH Oberhaching - Germany	100%
CAMPARI AUSTRIA GmbH Vienna - Austria	100%
CAMPARI UKRAINE LLC Kiev - Ukraine	(9)
CAMPARI RUS OOO Moscow - Russia	100%
FORTY CREEK DISTILLERY Ltd. Grimsby - Canada	100%

CAMPARI SCHWEIZ A.G. Baar - Switzerland	100%
CAMPARI JAPAN LIMITED Tokyo - Japan	100%
CAMPARI MEXICO S.A. de C.V. Jalisco - Mexico	100%
KALOYIANNIS KOUTSIKOS DISTILLERIES S.A. Volos - Greece	100%
CAMPARI INDIA PVT LTD New Delhi - India	(10)

CAMPARI MEXICO CORPORATIVO S.A. de C.V. Jalisco - Mexico	(11)
CAMPARI MEXICO DESTILADORA S.A. de C.V. Jalisco - Mexico	(12)

CAMPARI (BEIJING) TRADING CO. Ltd. Beijing - China	100%
CAMPARI SINGAPORE PTE LTD Singapore	100%
CAMPARI SOUTH AFRICA Pty Ltd. Cape Town - South Africa	100%
CAMPARI ARGENTINA S.A. Buenos Aires - Argentina	(13)
CAMPARI AUSTRALIA PTY LTD Sydney - Australia	100%
CAMPARI NEW ZEALAND LTD Auckland - New Zealand	100%

LICORERA ANCHO REYES Y CIA S.A.P.I. de C.V. Mexico City - Mexico	(14)
CASA MONTELOBOS S.A.P.I. de C.V. Mexico City - Mexico	(15)

NOTES

- | | | |
|--|---|--|
| (1) Société Des Produits Marnier-Lapostolle S.A.
80,38% ^(*) Société Des Produits Marnier-Lapostolle S.A.
19,62% Minority Shareholders | (6) SCEA Trois Rivières
25% BBS
75% DASL | (11) Campari Mexico Corporativo S.A. de C.V.
99% Campari Mexico S.A. de C.V.
1% Campari America LCC |
| (2) Campari Benelux S.A.
61% DCM
39% Glen Grant Ltd. | (7) Campari Peru S.A.C.
99,92% Campari España S.L.
0,08% Campari do Brasil Ltda | (12) Campari Mexico Destiladora S.A. de C.V.
99% Campari Mexico S.A. de C.V.
1% Campari America LCC |
| (3) Campari do Brasil Ltda.
99,999% DCM
0,001% Campari Schweiz | (8) Trans Beverages Company Limited
40% Glen Grant Ltd
60% BNC F&B Co. Limited | (13) Campari Argentina S.A.
98,81% DI.C.I.E Holding B.V.
1,19% Campari do Brasil |
| (4) Bellonnie et Bourdillon S.A.S.
96,53% Rhumantilles SAS
3,47% Minority Shareholders | (9) Campari Ukraine LLC
99,00% DI.C.I.E Holding B.V.
1,00% Campari RUS LLC | (14) Licorera Ancho Reyes y Cia S.A.P.I. de C.V.
51% DI.C.I.E Holding B.V.
49% Minority Shareholders |
| (5) Distilleries de Sainte Luce S.A.S.
99,99% BBS
0,01% Minority Shareholders | (10) Campari India PVT LTD
99% DI.C.I.E Holding B.V.
1% Campari Australia P/L | (15) Casa Montelobos S.A.P.I. de C.V.
51% DI.C.I.E Holding B.V.
49% Minority Shareholders |

* This figure does not include the portion of capital with right of usufruct, equal to 2.24%, whose bare ownership is held by shareholders of Société des Produits Marnier Lapostolle S.A. who hold 19,62% of the capital, which is covered by agreements to make repurchases by 2021.

** In members' voluntary liquidation
*** In members' voluntary liquidation

RISK MANAGEMENT

Campari Group has implemented a tool to identify, assess and monitor corporate risk. This tool is based on the logic of Self Risk Assessment ('SRA'), which provides for self-assessment and direct participation by operational management and/or other operators responsible for risk assessment. This process is launched and led by Internal Audit every two years and involves all the Group's legal entities. The tool has multiple objectives: to help the business identify risks and consequently make strategic and operational decisions; and to strengthen understanding of the Group's risk profile to ensure that information is transparent and that assessments made can be traced.

During the last risk assessment process, about 100 Camparistas belonging to 25 Group legal entities were involved and the risk catalogue was updated, which currently includes 112 inherent risks, assessed in terms of probability, economic and reputational impact, and for which any mitigation actions to be taken were analysed. All the most significant risks were identified and then prioritised.

The results of the two-year SRA process conducted are subsequently presented and shared with the Control and Risk Committee and with the Officers. This presentation describes the approach followed by the work team, the actors involved, the methodologies adopted and the main results that emerged. Particular attention is paid to the risks considered most relevant in terms of probability and impact for the Group. The identification and assessment of risks is also the subject of Monthly Business Reviews (MBRs) attended by both the Officers and the Group's senior managers.

The risk categories identified and monitored by Campari Group include the key themes of compliance and personnel management, in terms of both health and safety, guaranteeing workers' rights and environmental risk. The environmental risk relates to events or conditions that are not generally foreseeable and/or that are seasonal, which could negatively impact business continuity. To mitigate this risk, the Group has, over the years, adopted emergency programs and plans implementing appropriate safety, prevention, protection and control measures. These

include, in particular, compliance with international and local standards, business continuity plans, back-up scenarios and global insurance policies.

The Group's risk catalogue includes a section, defined in collaboration with the Sustainability function, dedicated to the Group's four areas of sustainability:

- our people;
- responsible practices;
- the environment;
- community involvement.

It should also be noted that the Internal Audit function carries out specific audits in the area of sustainability with the aim of verifying the process of collecting, calculating and transmitting information relevant to the preparation of the Sustainability Report. In particular, in 2019, the Sustainability Audit activities concerned the plants in Argentina, Canada, the United States and the Italian plant located in Alghero.

MAIN RISKS FOR THE GROUP

Risks related to potential instability in the countries in which the Group operates

Campari Group operates and is present, through manufacturing and/or commercial structures, in numerous markets. Any significant changes in the macroeconomic, political, tax or legal environment in any one of those countries could have a negative impact on the Group's activities and on its results, assets and liabilities, and cash flows. Consequently, the Group constantly monitors developments in the global geopolitical environment that could give rise to a need for review of the defined corporate strategies and/or the introduction of measures to safeguard its competitive positioning and performance.

Through its activities in certain developing countries (in eastern Europe, Asia, Latin America and Africa) the Group is exposed to a series of risks related to: the local regulatory and legal environment; the imposition of tariffs and taxes; limits on exports and imports; exchange rate risk; political and economic instability which may impact the ability of local trade and financial counterparts to meet their obligations; restrictions and constraints on investment and promotional activity; and limits on dividend repatriation.

Regarding the United Kingdom specifically, it is noted that in June 2016 the country voted in a referendum to leave the European Union (Brexit). Until such time as the process surrounding the UK's proposed exit from the European Union and the possible outcome of the ongoing Brexit negotiations are completed, there could be a period of economic and political uncertainty linked to the negotiation of any subsequent trade agreement with other countries. Vulnerabilities could become evident, such as exchange-rate volatility, restrictions in the movement of people and goods, and changes to consumer spending. The possible implications of Brexit cannot be fully understood until future tariffs, trade, regulations, taxes and other free trade agreements are established by the United Kingdom, which could have an impact on the Group's operations. In addition, post-Brexit changes to laws and regulations in areas such as intellectual property rights, employment, the environment, supply chain, data protection, health and safety and security may also be subject to changes.

Although it is believed that the direct financial impact on the Group may be marginal, both in the case of an

orderly exit scenario and in the event that no agreement is reached, political developments are constantly being monitored in order to anticipate and minimize potential critical issues with all of the main functions impacted, and to adopt prudent measures to mitigate risks wherever possible.

Risks relating to the Company's dependence on consumer preference spending

An important success factor in the beverage industry is the ability to interpret consumer preferences and tastes, particularly those of young people, and to continually adapt sales strategies to anticipate market trends and strengthen and consolidate the product image. If the Group's ability to understand and anticipate consumer tastes and expectations and to manage its own brands were to cease or decline significantly, this could considerably affect its activities and operating results. Moreover, the unfavourable economic situation in certain markets is dampening the confidence of consumers, making them less likely to buy drinks.

Risks relating to the Company's dependence on key customers

In some markets where the Group operates, sales are concentrated on a limited number of key customers: therefore, a possible change in the priorities or deterioration of the financial conditions of these customers could have significant adverse effects on the Group's business and outlook. Furthermore, if such key customers see the contractual terms and conditions as no longer acceptable, they may require them to be renegotiated, resulting in less favourable terms and conditions for the Company.

Risks associated with fluctuations in commodity prices

Market risk is the possibility that changes in exchange rates, interest rates or the prices of raw materials or commodities (alcohol, aromatic herbs, sugar, agave, cereals) may adversely affect the physical availability of those materials and their value, with a consequent impact on the cash flows expected from the sale of the products obtained from those raw materials. The price of raw materials depends on a wide variety of factors, which are difficult to forecast and are largely beyond the Group's control. Historically, for most raw materials, the Group has not encountered particular problems in finding them in sufficient quantities and high quality. However, the emergence of tensions on the supply side that could lead to supply difficulties, causing an increase in costs with negative consequences for the Group's economic and financial results, cannot be ruled out. In this regard, mention

should be made of the raw material for the production of tequila, agave, the market price of which has increased significantly since 2016 following a sustained increase in demand for the material, caused by the strong growth in the tequila category. The Group is implementing measures to contain the risk of fluctuations in the price of this material, including through co-investment contracts in agricultural production with local producers, to ensure both adequate quality levels and the physical availability of agave. The benefits of these forms of investment will be seen over the medium-term as they are linked to natural cultivation processes.

Risks relating to market competition

The Group is part of the alcoholic and non-alcoholic beverage sector, where there is a high level of competition and a huge number of operators. The main competitors are large international groups involved in the current wave of mergers and acquisitions, which are operating aggressive competitive strategies at global level. The Group's competitive position vis-à-vis the major global players, which often have greater financial resources and benefit from a more highly diversified portfolio of brands and geographic locations, means that its exposure to market competition risks is particularly significant. The Group constantly monitors the dynamics of concentration in the sector and the initiatives undertaken by its competitors, investing continuously in the affirmation and growth of its products in order to increase their brand value and expand its customer base.

Risks relating to the Company's dependence on licences for the use of third-party brands and licences granted to third parties for use of the Group's brands

At 31 December 2019, 4.9% of the Group's consolidated net sales came from production and/or distribution under licence of third-party products. Should any of these licensing agreements be terminated or not renewed for any reason, this could have a negative effect on the Group's activities and operating results.

Risk of failure to comply with laws and regulations

As the Group is exposed and subject to numerous different regulations, there is a risk that failure to comply with laws and regulations, as well as with the Group's policies, could harm its reputation and/or result in potentially substantial fines. To mitigate this risk, the Group has created a Code of Ethics and defined Business Conduct Guidelines. It also provides its employees with regular training on its global policies.

Internal assurance activities are continuously monitored and assessed with local management in order to improve the internal control system. Present in many regions across the world, the Group has also adopted a specific policy on human rights intended to mitigate any legislative shortcomings existing locally in that regard.

The Group undertook a global training programme on antitrust compliance, aimed at mitigating the risk of any breach of antitrust laws.

Through the Group Privacy and Data Protection ('GDPR') function, the Company is managing the project to comply with the new European Data Protection Regulation ('GDPR' or 'Regulation'). In compliance with the new Regulation, a Data Protection Officer ('DPO') has been appointed and an organisational model for the protection of personal data has been defined, identifying roles and responsibilities. As part of the project activities, numerous training and awareness activities were also carried out. At the same time, Campari Group has drawn up a series of policies to manage GDPR requirements and has also introduced a tool to enable management and tracking of the main activities required pursuant to GDPR, in order to effectively demonstrate compliance with the Regulation.

Risks relating to legislation in the beverage industry and to the application of import duties

Activities relating to the alcoholic beverages and soft drinks industry - production, distribution, export, import, sales and marketing - are governed by complex national and international legislation, often drafted with somewhat restrictive aims. In this context, the economic risks arising from the increase in global trade tensions and the United States' application of duties on alcohol products from the European Union should be monitored. In addition, the need to tighten health regulations for consumers, particularly young people, could lead to the adoption of new laws and regulations in the future to discourage the consumption of alcoholic beverages or to promote lower consumption, through restrictions on advertising or increases in the tax burden on certain product categories. Campari Group is committed to constantly publicising messages and models of behaviour associated with the responsible consumption and serving of alcoholic drinks via its communication channels. Any further tightening of regulations in the main countries in which the Group operates could lead to a fall in demand for its products.

Risks relating to product compliance and safety

The Group is exposed to the risks inherent in the release for consumption of its products with reference both to compliance with the specific regulations to be applied to products in the beverage sector and with specific reference to the quality and safety of products for end consumers. It has therefore put in place control procedures to ensure that products manufactured in Group plants are compliant and safe in terms of quality and hygiene, in accordance with applicable laws and voluntary certification standards. In addition, the Group has defined guidelines to be implemented if quality is accidentally compromised, such as withdrawing and recalling products from the market.

Environmental risk

Production activities and the implementation of the Group's strategies are subject to the effects of natural events. Climate change and its consequences can have significant impacts and could interfere with the local supply chain and harm some customers. These events are generally unpredictable and may affect the seasonality of sales, just as natural disasters (such as hurricanes) may damage products and disrupt production at some plants. Some weather conditions might also have a positive effect on certain geographical regions, but a negative effect in other segments.

The Group monitors environmental risks, has emergency plans in place and continuously develops plans to deal with such crises. The Group counts compliance with regulations and with local and international standards among its priorities, together with business continuity assessment, back-up scenarios and global insurance policies.

Risks relating to the environmental policy

Consistent with the Group's environmental policy, which aims to reduce the environmental impacts that may be caused by our activities, the Group's industrial management has set up a structure dedicated to safety, quality controls on environmental pollution, waste and water disposal. The objective of this structure is to continuously monitor and update the Group's business activities based on the legislation in force in the individual countries in which it operates.

Tax risks

The Group operates in many countries with different tax regulations. In many jurisdictions, distillates and wines are subject to import and excise duties, some of which could rise and negatively affect demand for Campari Group

products. Such changes could have a negative impact on profit margins or sales, reducing overall consumption or encouraging consumers to move to categories of alcoholic beverages that are less heavily taxed. Moreover, significant changes in the international tax environment, such as the effect of Brexit on trade between Europe and the United Kingdom, could suddenly increase overall business costs if there is a rise in the Group's effective tax rate, and could lead to uncertain and/or unexpected tax exposure. The Group regularly reviews its business strategy and tax policy in light of legal and regulatory changes, and assesses the likelihood of any negative results of potential inspections in order to determine the adequacy of its tax provisions.

Risks relating to employees

The risks that the Group faces in relation to the management of employees are related, on the one hand, to the administrative management of personnel, with particular reference to events of an extraordinary nature, and on the other, to the health and safety of employees, with particular reference to working conditions and accident management. In the various countries where the Group has subsidiaries, its dealings with employees are regulated and protected by collective labour agreements and local laws. Any reorganisation or restructuring undertaken, where this becomes essential for strategic reasons, is defined on the basis of plans agreed with employee representatives. Moreover, the Group has implemented specific procedures to monitor safety in the workplace, and it is worth noting that the accident rate at Group plants is currently very low and that any accidents that do occur tend to be minor.

Cyber-security risks

Cyber-security risks have a potential global impact for Campari Group, due to both the strong interconnectedness within the Group and the ever-increasing pervasiveness of technology (and internet) on the performance of company activities. The major risks associated with cyber-security include reputational damage caused by breaches/theft of sensitive data, the malfunctioning or disruption of IT systems, the unavailability of online services due to a cyber attack and the increased cost of resolving these problems. The Group has introduced project initiatives aimed at making every employee aware of cyber issues and risks (C-Level fraud, Phishing, Social Engineering). Each employee participates in annual e-training sessions and monthly tests to improve their knowledge of the main cyber threats.

Cyber risk mitigation projects have also been defined to mitigate the vulnerabilities and risks identified. These projects are constantly updated based on evolving risk scenarios and cyber threats.

Exchange-rate and other financial risks

Around 62.8% of the Group's consolidated net sales in 2019 came from outside the Eurozone. With the growth of the Group's international activities in areas other than the Eurozone, a significant fluctuation in exchange rates, which may derive mainly from macroeconomic and political instability, and, in the particular case of the United Kingdom (which accounts for 2.5% of the Group's net sales), from uncertainty over Brexit, may negatively affect the Group's business and operating results.

However, the existence of permanent Group establishments in countries such as the United States, United Kingdom, Australia, Jamaica, Brazil, Canada, Russia and Argentina allows this risk to be partially hedged, given that both costs and revenues are mainly denominated in the same currency. Therefore, exposure to foreign exchange transactions generated by sales and purchases in currencies other than the Group's functional currencies represented a moderate proportion of consolidated sales and consolidated margins in 2019.

For a detailed analysis of the Group's risks, please refer to note 38-'Provisions for risks' and, for those of a financial nature, to note 44-'Nature and extent of risks deriving from financial instruments' of the Annual Financial Report at 31 December 2019.

Finally, in 2018 the Group conducted a corruption risk analysis involving 26 foreign companies. The objective of the analysis was to map the regulations applicable at local level and to further examine the companies' internal control system with reference to processes potentially at risk for the purposes of corruption, including: management of relations with third parties (public and private), management of gifts and entertainment expenses, lobbying activities and human resources management. Following this analysis, some specific areas of intervention have been identified. The Group has therefore defined a multi-year process to strengthen its compliance management system, particularly in the areas of anti-corruption, anti-trust, data privacy and conflicts of interest. This process includes the review and improvement of the communication and

usability of the Code of Ethics, also through a dedicated training programme, the clarification of the Group Compliance Management function and the implementation of specific compliance programmes in some pilot countries.

In Italy, in particular, pursuant to Legislative Decree 231 of 2001, the 231 Model, which governs specific control systems, was approved by the Board of Directors. The main tools for mitigating corruption risk are the Code of Ethics, the Business Conduct Guidelines and ongoing training of Camparistas to keep them periodically updated on the Group's policies. In particular, relations with public and private entities are regulated in the Code of Ethics as follows:

- it is absolutely forbidden to promise or offer public officials, employees or other representatives of the public administration payments or other gains in order to promote or favour the Group's interests;
- it is absolutely forbidden to promise or offer employees or other representatives of institutions, political parties, trade unions and associations payments or other gains in order to promote or favour the Group's interests;
- in all cases, it is forbidden to accept gifts or favours, the value of which, taking into account the circumstances under which they were offered, could have even a slight impact on the selection of supplier or counterparty, or on the terms and conditions of the contract.

The adoption of Model 231 as well as subsequent additions or amendments are communicated to all resources present in the company, including members of the Board of Directors and the Board of Statutory Auditors, with the link clearly displayed on the Company's website www.camparigroup.com from which the text of Model 231 can be downloaded. An information set is made available to new employees, including, among other documents, the Code of Ethics, Model 231 and the CCNL. The Model is also communicated to the Group's business partners through the Code of Ethics and the Supplier Code.

This information set is intended to provide the knowledge that is deemed to be of primary importance for the Company. The content and delivery of training activities aimed at raising awareness of the regulations contained in the Decree are tailored to the different roles of em-

ployees and the level of risk in the area in which they work, and also take into account whether or not they act as representatives of the Company. It should be noted that all members of the Board of Directors have received specific training.

Violations of the Code of Ethics may result in the termination of the relationship of trust between the Group and the Recipients, with the consequences for the employment/collaboration relationship specified in current legislation and collective agreements.

THE FOUNDATIONS

FONDAZIONE CAMPARI

Fondazione Campari was founded in 1957 by Guido Campari and Angiola Maria Barbizzoli Migliavacca. Recognized as a charitable trust by the Presidential Decree of July 10, 1957, it began its activities towards the end of that year. The purpose of the Foundation is to pursue social solidarity projects and, in particular, to promote assistance, training, education and charity mainly in favour, in Italy and/or abroad, of employees and former employees of Davide Campari-Milano S.p.A. and its subsidiaries, their families and all those who have contributed to the success of the Campari name. Today, Fondazione Campari is a private law foundation subject to the rules of the Italian Civil Code.

In 2019 Fondazione Campari began its support of project 'Imparare per passione' (Learn by passion), a scholarship program that grants students the possibility to attend the 4-Year Programme of the International High School Liceo Malpighi in Bologna. The project, through the Excellent course, also provides the opportunity for two deserving students to participate in the 'Harvard Secondary School Program-7 Week College Experience' and the 'Brown Pre Baccalaureate Program-7 Week'.

In particular, as regards Camparistas, in 2019, 69 requests out of 69 were accepted, for a total value of €224,250.00, broken down as follows.

TYPE	ECONOMIC VALUE (€)
Scholarships and awards	€ 63,500.00
Nursery/kindergarten fees	€ 24,750.00
Mortgage subsidies	€ 54,000.00
One-off applications - Italy	€ 39,000.00
One-off applications - abroad ⁽³⁾	€ 4,000.00
Foreign - subsidies projects ⁽⁴⁾	€ 39,000.00
TOTAL	€ 224,250.00

J. WRAY&NEPHEW FOUNDATION

J. Wray&Nephew Jamaica Foundation works mainly to promote social inclusion, culture and education in Jamaica, developing interventions for the benefit of the local community with the support of Camparista volunteers. In 2019, J. Wray&Nephew Foundation (JWNF) carried out thirteen targeted interventions with a total value of JMD33,201,844.45 (€223,334.25).

The main programs and projects developed within each area are shown below.

Education

JWN Foundation's Scholarship Awards Programme 2019: under the JWN Foundation's Scholarship Awards Programme 2019, 275 scholarships were awarded for a total of JMD16,993,000 (€114,000), an increase of 167% from the 103 scholarships awarded in 2018.

Skills training:

• Summer Training Camps

The JWNF, in collaboration with the Jamaican Police (St. Andrew South Division) and the Open Format Academy, a DJ training and music production school, sponsored two summer camps for the professional training and personal development of 89 at-risk youth aged 10-21 (St. Andrew South Division Summer Camp) and 26 youth aged 10-17 (Disc Jockey Summer Camp Training for (Pre)Teens).

• Infrastructure development

The JWN Foundation has contributed to the restructuring of the Thornton Community Centre, a centre that will offer educational training and skills development services for young people and adults on issues related to entrepreneurship, economics and project management with the aim of generating new opportunities for growth and employment.

• Career preparation workshops

The JWNF sponsored and hosted job training seminars for 26 scholarship recipients in collaboration with Junior Achievement, the world's largest non-profit organization dedicated to business education in schools.

• The art of bartending

JWN Foundation also facilitates the training and certification of 63 young people between the ages of 18 and 35 in the art of bartending at the JWN Academy through HEART Trust NTA, the national body responsible for the assessment and certification of the Jamaican workforce.

Read Across Jamaica Day 2019: thirty-eight JWNF volunteers participated in ten schools in Kingston, Clarendon and St. Elizabeth at Read Across Jamaica Day, in an initiative to combat illiteracy in Jamaica by raising awareness of the importance of education and school attendance.

The Foundation also donated books to schools to support educational programmes.

Social inclusion

International Women's Day Activation: during International Women's Day, ten Camparistas conducted special forums for 341 female students at 8 schools in Kingston, Clarendon and St. Elizabeth, providing tangible examples of how girls can access a wide range of typically male-dominated professions such as engineering, science and technology, helping to promote gender equality and women's empowerment.

Protecting Our Children: JWN Foundation initiated a partnership with the Agency for Child Protection and Family Services, donating JMD2.5 million (€16,777) to provide assistance to some 365 of Jamaica's most at risk marginalized children.

Focus on Boys-Raise a Good Man Parenting Workshop: The JWN Foundation hosted seminars to identify the issues faced by parents in Jamaican communities in raising their children.

Council of Voluntary Social Services (CVSS): JWNF continues its collaboration with the Council of Voluntary Social Services (CVSS), an NGO whose mission is to create partnerships between different actors, facilitating mutual support and joint action to help the most disadvantaged and vulnerable groups in the local community. In this context, JWNF promotes a study aimed at identifying philanthropic and corporate social responsibility activities to be developed in Jamaica for the benefit of the community.

Campari Jamaica contributed to the redevelopment of the Maggoty Health Clinic and Maggoty High School in St. Elizabeth with a team of volunteers and a donation to Maggoty High School of JMD300,000 in order to support renovation work.

Culture

Sustainable Christmas Treat: also in 2019, the Jamaican Foundation held its annual Christmas party with the theme 'a sustainable Christmas gift' in which more than 700 children from six local schools in Kingston and Clarendon participated, to raise awareness of environmental sustainability practices and issues.

INDIGGO Art House: JWNF hosted and sponsored 'INDIGGO Art House', a platform created to create networks and give visibility to Jamaica's top creative talents.

CAMPARI FOUNDATION MEXICO

Fundación Campari was created in Mexico in 2016 with the aim of supporting education and health and combating poverty, especially in the Arandas region, where Campari Mexico's production facility is located. The two main projects promoted by the Fundación Campari México are the 'School Kits' program and the 'Espolón School', an educational program for distillery employees. The Mexican distillery was recognised as a study centre by local institutions and has consequently been granted authorisation for external teachers to teach officially recognised lessons there. In 2019, 23 Camparistas concluded the 'Espolón School' program, an activity that helped to increase the educational level of the workforce in Mexico, and they were awarded their high school diploma directly from the public school system. In addition, again with the aim of fostering school continuity and the development of future talent in the region, the Foundation distributed 79 scholar kits to employees and/or their children.

Lastly, the Fundación promotes various projects in support of the local community, including the Campari Warm Winter initiative, which has made it possible to collect and distribute 175 blankets during the winter season, as well as clothing and other essentials to families living in economic hardship.

(3) Mexico - to be understood as direct contributions to Camparistas.
(4) Mexico (Espolón School), Jamaica (Scholarship Awards).

SUSTAINABILITY IN CAMPARI GROUP



SUSTAINABILITY FOR THE GROUP




As its business grows, Campari Group constantly comes across new opportunities to generate positive economic, social and environmental impacts. A culture of ethics permeates the entire company, ensuring that every business is managed with probity and integrity.







This Report identifies the following four areas of sustainability, through which the Group's commitment to creating value in each business area is structured:

- OUR PEOPLE
- RESPONSIBLE PRACTICES
- THE ENVIRONMENT
- COMMUNITY INVOLVEMENT

Through the conduct of its business, Campari Group contributes to the achievement of 11 of the 17 Sustainable Development Goals (SDGs)⁽⁵⁾ defined in the context of the UN 2030 Sustainable Development Agenda, which promote the active participation of all stakeholders (i.e.: private sector, public sector, institutions and local communities).

IN PARTICULAR, THE OBJECTIVES SHOWN IN THE TABLE BELOW WERE LINKED TO THE SUSTAINABILITY ISSUES THAT CONSTITUTED THE STARTING POINT FOR CARRYING OUT THE MATERIALITY ANALYSIS:

OBJECTIVE	CAMPARI GROUP ISSUES ⁽⁶⁾
	<p>Indirect economic impact on communities</p> <p>Remuneration policies</p> <p>Relationships and initiatives for the community</p> <p>Activities of the Foundations</p>
	<p>Health and safety</p> <p>Emissions</p> <p>Waste</p> <p>Water</p>
	<p>Employee training and development</p> <p>Relationships and initiatives for the community</p> <p>Activities of the Foundations</p>

	<p>Diversity, equal opportunities and inclusion</p> <p>Remuneration policies</p> <p>Human rights</p>
	<p>Water</p>
	<p>Energy</p> <p>Renewable energy</p>
	<p>Direct economic value generated and distributed to stakeholders, Economic sustainability</p> <p>Job creation, Diversity, equal opportunities and inclusion, Training and employee development</p> <p>Human rights policies, Recruitment, turnover and pension policies, Talent attraction, Remuneration policies, Industrial relations, Work-life balance, Employee satisfaction, Health and safety</p>
	<p>Diversity, equal opportunities and inclusion, Remuneration policies</p> <p>Human rights policies</p> <p>Indirect economic impact on communities</p> <p>Initiatives for the community</p> <p>Activities of the Foundations</p>
	<p>Emissions, Energy, Water, Waste, Materials</p> <p>Transparency and responsible supply chain management</p> <p>Product quality</p> <p>Food safety</p>
	<p>Emissions</p> <p>Energy</p> <p>Suppliers-Qualification and evaluation with respect to environmental criteria</p>
	<p>Business relations with responsible and transparent partners</p> <p>Relations with institutions</p> <p>Projects and initiatives on sustainability</p>

(5) www.un.org/sustainabledevelopment/sustainable-development-goals
 (6) The material issues for the Group are highlighted in bold as reported in the materiality matrix.

SUSTAINABILITY POLICIES AND GOVERNANCE

As we continue to split up our business structure into divisions and we expand our geographical and market reach, Campari Group has had to formalise its key principles in some documents that constitute the pillars of our sustainable way of doing business.

The values and lines of conduct that inspire the activities of each Camparista and the entire Group are set out in the Code of Ethics, the latest version of which was approved by the Board of Directors of the Parent Company on 8 May 2018. The Code reaffirms the principles of fairness, loyalty and professional integrity that form the basis of the work and behaviour of those operating in the Group both in internal relations and in relations with third parties (the Code of Ethics is available at www.camparigroup.com).

To ensure compliance with the Code of Ethics and a correct interpretation of it pursuant to Legislative Decree 231/2001, a Supervisory Body was established, appointed by the Board of Directors, with autonomous operational and control powers. Any violations or conduct not consistent with the Code may be reported anonymously to the Supervisory Body through Campari Safe Line, the whistleblowing channel available to Camparistas and external stakeholders, which can be used through different channels (telephone, e-mail, mail, fax or online platform) and is available in several languages.

In addition to the Code of Ethics, the Business Conduct Guidelines also aim to ensure the utmost integrity in professional life. The principles set out in the document, which is available to all Camparistas and can be viewed on the Group's internal portal, concern the following five potentially sensitive areas:

- gifts and entertainment;
- use of social media;
- confidential information;
- responsible drinking;
- mutual respect.

Since 2013, Campari Group has had a QHSE (Quality, Health, Safety&Environment) policy that governs and protects the environment, health and safety of its employees and consumers as well as the quality and food safety of products. This policy, which is periodically reviewed to keep it in line with the nature and size of the Group and the corporate objectives, applies to all company locations and divisions. These are responsible for amending the policy according to the specific characteristics of the location in terms of quality, health, safety, environment and sustainability. The policy is also shared with all suppliers, funders and employees, and is published on Campari Group's website⁽⁷⁾.

In 2017, in compliance with the provisions of the decree implementing the non-financial directive, a policy on human rights and personnel management was drafted and signed by the Group Officers. As the issue of respect for human rights is deeply rooted in our organisation, and in line with the principles already expressed in the Code of Ethics, by drafting a specific policy, the Group formalised its commitment to playing an active role in the protection of human rights within its sphere of influence.

The Employees' & Human Rights Policy, which applies to all Group members, was communicated to all Camparistas, in multiple languages, using the main internal communication tools and made public in the Governance and Sustainability sections of the Group's website⁽⁸⁾.

The Supplier Code revision process was also completed in 2018; the document, which was implemented globally as of 2013, summarizes the principles and founding values that underlie every business relationship. By signing this document, each supplier of materials and components for production provides assurance that its operations comply with the ethical requirements of Campari Group, helping to establish transparent, lasting and profitable relationships. The Group will continue to extend the range of the suppliers to which the Supplier Code applies, including non-product-related suppliers.

CREATING VALUE FOR STAKEHOLDERS⁽⁹⁾

ECONOMIC VALUE GENERATED BY CAMPARI GROUP (EUR millions)

Revenues from sales	+€1,842.5 million
Financial income collected (interest income)	+€9.0 million

ECONOMIC VALUE DISTRIBUTED BY CAMPARI GROUP (EUR millions)

Operating costs		
• Cost of sales	-€721.3 million	of which -€73.3 million for personnel costs
• Advertising & promotional costs	-€319.9 million	of which -€2.8 million for personnel costs
• Overheads	-€393.3 million	of which -€230.0 million for personnel costs

The previous costs include total personnel costs of +€306.2 million, taxes other than income taxes of -€13.0 million, and donations and gifts of -€0.7 million;

• Dividends distributed	-€57.3 million
• Financial expenses paid (interest expenses paid) ⁽¹⁰⁾	-€31.1 million
• Direct taxes paid	-€45.3 million

During 2019, the economic value generated by the Group was +€1,851.4 billion, while the economic value distributed during the year was +€1,568.1 billion. Also considering the amortization of €71.8 million, and the write-downs of fixed assets, provisions net of utilizations: €21.2 million, the value retained, given by the difference between the economic value generated and the economic value distributed, was equal to +€376.3 million

KEY ECONOMIC DATA

(EUR MILLIONS)	2017	2018	2019
Net sales	1,753.4 ⁽¹¹⁾	1,711.7	1,842.5
Contribution margin	732.4	738.9	801.3
Adjusted EBITDA	437.6	432.6	479.8
EBITDA	451.4	434.5	458.1
Result from recurring activities=EBIT adjusted	380.5	378.8	408.0
Operating result=EBIT	394.3	380.7	386.3
Net profit	356.4	296.3	308.4
Free cash flow	227.0	235.6	258.5
Net financial debt/(cash)	981.5	846.3	777.4
Shareholders' equity	1,942.6	2,162.8	2,391.6

(9) The values shown above are taken from the Group's Income Statement, classified by function. With regard to financial charges and income, dividends, and direct taxes, the cash principle rather than the accruals principle was applied.

(10) Starting from 2019 the financial charges include the notional interest payables for leases, following the application of IFRS 16-'Leases'.

(11) The values shown for 31 December 2017 have been restated following application of the new accounting standard IFRS 15-Revenue from Contracts with Customers. For more information on the impact of the new accounting standard, please refer to Note 50 to the Annual financial statements for the year ending 31 December 2017.

(7) www.camparigroup.com/en/sustainability/qhse-quality-health-safety-and-environment/qhse-policy

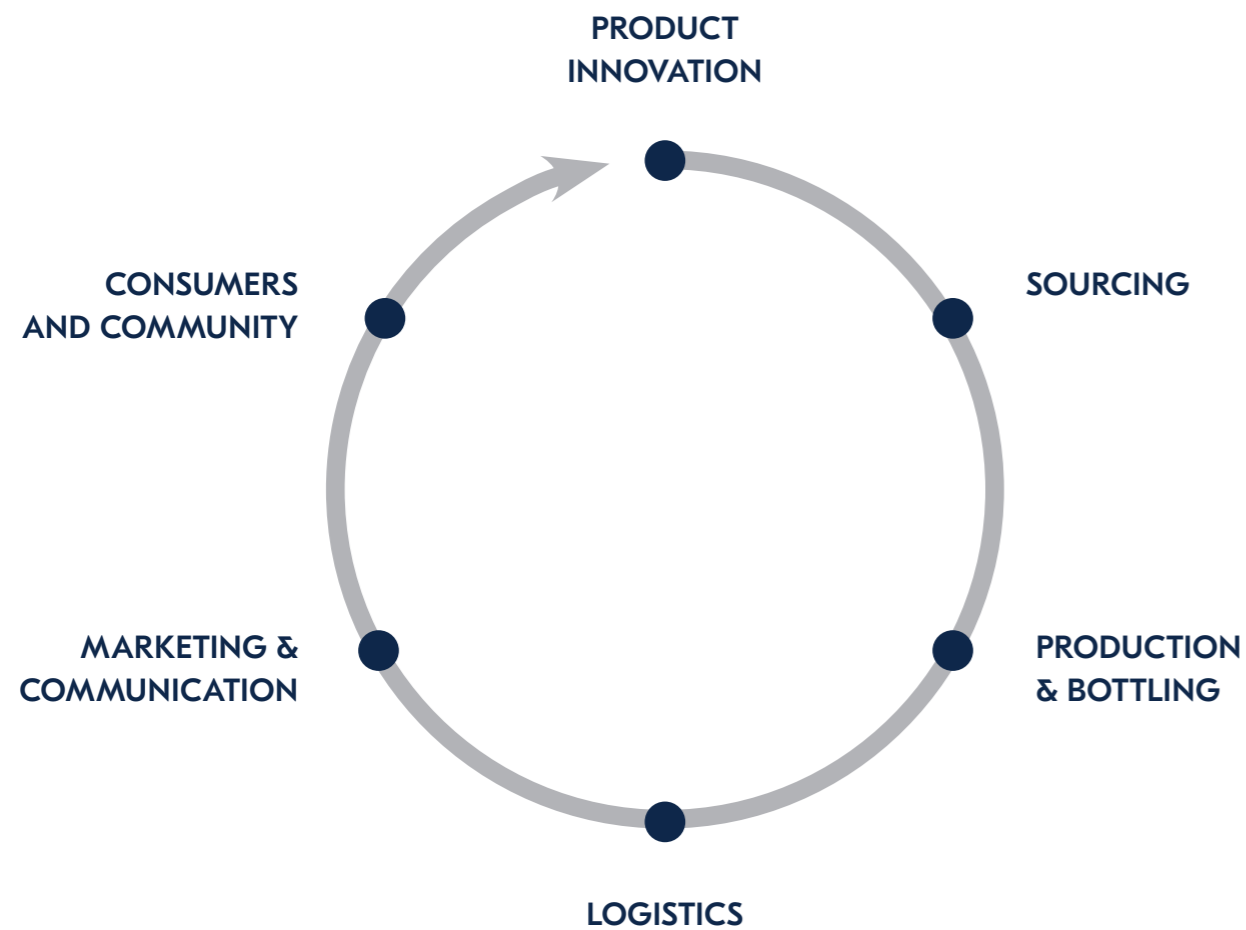
(8) www.camparigroup.com/en/governance - www.camparigroup.com/en/sustainability

The following categories of stakeholders have been identified in the course of conducting business, with which the Group maintains an ongoing dialogue.

OUR STAKEHOLDERS

STAKEHOLDER	ENGAGEMENT AND CHANNELS OF DIALOGUE	KEY ISSUES
Consumers	Market research and customer satisfaction; tests and focus groups; social media; company websites; events.	Product quality and safety; transparency of information; responsible communication.
Bartenders	Campari Academy courses; Campari Academy Truck; Campari Barman Competition; events; sustainability questionnaire.	Professional, high-quality and responsible serving.
Local communities	Corporate volunteering; Negroni Week; charity activities for NGOs; visits to Galleria Campari; contributions to external shows and exhibitions.	Investments and aid for the community; social and environmental impacts generated; job creation.
Press	Press releases and PR material; websites; preparation and coordination of interviews with senior management; events.	Timely and transparent communication, information/statements on the relevance of sustainability issues and their impact on the company's strategy, targets and activities prepared, involvement of top management in business sustainability related issues.
Camparistas	Two-yearly survey on internal morale (Great Place to Work 2018); internal and external training courses; performance appraisal; internal communication tools (press review, intranet, mailing); 'Yammer' internal social network; internal events for Camparistas (such as guided tastings, lunch in the Galleria, product tastings); business meetings; management committees.	Business climate; career development and growth; remuneration and incentives; training; work/life balance; corporate welfare; equal opportunities; health and safety at work; internal communication.
Suppliers, distributors and commercial partners	Supplier Code; Sedex; co-product development; innovation projects; business meetings; third-party verification; validation and certification of documents and reports.	A solid and transparent negotiating relationship that is subject to continuous checks; contractual terms and conditions; order planning; compliance with Campari Group policies.
Competitors	Participation in sector association conferences.	Protection of sector interests; promotion of responsible consumer behaviours and models.
Shareholders, investors and analysts	Shareholders' meeting; management reports, press releases and investor presentations; analyst calls, investor meetings, road shows and investor conferences; dedicated email address investor.relations@campari.com.	Dividends, stock performance; investor relations; capital base.
Trade associations	Periodic meetings; preparation and sharing of projects and best practices; participation in meetings and activities of associations.	Protection of sector interests; promotion of responsible consumer behaviours and models.
Trade unions	Collective and supplemental bargaining; meetings with company union representatives; conferences.	Ongoing dialogue and fulfilment of obligations arising from bargaining with the trade union associations.
Institutions	Participation in national and international conferences on issues facing the industry.	Transparent communication; compliance with laws and sound business management.
Schools and universities	Development of projects in partnership; graduate programs; company testimonials at educational institutions; guided tours for students at Galleria Campari; company testimonials.	Partnerships and projects; financing.

THE VALUE CHAIN OF OUR PRODUCTS



MATERIALITY ANALYSIS

Materiality analysis is a useful exercise for identifying and prioritising the most important topics for the Company that enable the organisation to create value for itself and for the society in which it operates.

The process of creating the materiality matrix is described below.

After sending the 'Sustainability Survey' to over 500 Cam-paristas in 2017, and having defined sustainability as the eighth strategic pillar, the Group again involved corporate management at the Group's 2018 Convention. The participants, who were split into themed tables, took part in workshops to identify the most important issues for each area of business (i.e.: diversity, transparency, safety and culture). The findings were also the starting point for defining global sustainability projects to be implemented across the Group. These projects were approved internally by the Leadership Team during the year.

Moreover, in 2018, the company again updated the materiality matrix, involving external stakeholders for the first time. We sent a sustainability questionnaire to customers and bartenders with whom we work and/or have dealings, receiving replies from over 700 users. The questionnaire sought to examine in detail the material issues closest to the hearts of survey recipients, namely relating to the themes of 'Product', 'Information to consumers/transparency' and 'Activities and responsible practices'. The results of the questionnaire showed that transparency of information to consumers, responsible serving and quality of drinking are considered to be priority issues by our community of bartenders and customers.

In 2019, the matrix was further revised and refined with a view to rationalising priority issues with a focus group created within the Sustainability Committee, composed of the managers of the main corporate functions. The exercise has led to better consolidation and a better definition of the areas and topics.

In addition to the contributions received, the preliminary external analyses, such as the analysis of the media, the sector regulations, the aspects highlighted by Legislative Decree 254/16 and a benchmarking of the companies operating in the alcoholic beverages sector, have also provided another useful tool to determine the relevance of sustainability issues.

In accordance with the GRI Standards, in applying the principle of materiality, each issue has been assessed and prioritized based on the magnitude of its economic, environmental and social impacts on the organization or based on its ability to influence stakeholders' choices and decisions.

THE CORE SUSTAINABILITY AREAS FOR CAMPARI GROUP ARE SHOWN IN THE DIAGRAM ON THE RIGHT:

We confirm the particular importance of the issues most directly related to the product, from 'Quality' and 'Food safety' to 'Responsible communication and service', in consideration of the sector in which the Group operates. It is also important to emphasize the growing importance of issues related to the development, growth and satisfaction of employees, further demonstrating the value that we attribute to the people behind Campari Group, who are fundamental to developing our brands and achieving our objectives.

Finally, as highlighted in the Correlation table linking the material themes to the themes of Legislative Decree 254, reported in the appendix to this document, it is important to highlight that all the issues resulting from the material assessment are being taken into account by the Group not only in terms of disclosure of the information reported in the Sustainability Report, but also, more operationally, through specific projects, some of which are already under way.

- BUSINESS, GOVERNANCE E COMPLIANCE
- HUMAN RESOURCES
- ENVIRONMENT
- RESPONSIBLE PRACTICES
- SUPPLY CHAIN
- COMMUNITY



OUR PEOPLE



3,788

Camparistas globally



5.9%

Voluntary turnover



€3.7 MLN

invested in training



89%

Camparistas believe that their workplace is physically safe



62

Nationalities*



42%

of new hires are women



90%

Camparistas stating that people are treated fairly regardless of their ethnicity



90%

Camparistas that believe in the future of Campari Group



*Camparistas in US and Canada are not included, since their nationalities cannot be traced for reasons of local regulation

OUR PEOPLE

As the first and foremost ambassadors for the Campari Group, our staff, our 'Camparistas', embody our corporate values and are essential to the Group's growth.

At 31 December 2019, the total workforce consisted of 3,788⁽¹²⁾ people, of whom 3,646 had a permanent contract.

COMPANY POPULATION BY REGION, GENDER AND PROFESSIONAL CATEGORY:

Region and gender	2017				2018				2019				
	PERMANENT		FIXED TERM		PERMANENT		FIXED TERM		PERMANENT		FIXED TERM		TOT
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time	TOT
Asia Pacific	192	4	7	1	204	200	5	13	218	216	8	9	233
Woman	75	4	1	1	81	81	5	3	89	84	8	3	95
Men	117	-	6	-	123	119	-	10	129	132	-	6	138
Europe, Middle East and Africa	1,425	66	30	2	1,523	1,385	51	35	1,471	1,519	48	73	1,640
Woman	554	54	19	1	628	522	43	20	585	567	43	22	632
Men	871	12	11	1	895	863	8	15	886	952	5	51	1,008
North America	1,657	5	259	-	1,921	1,511	2	102	1,615	1,497	6	59	1,562
Woman	567	4	62	-	633	534	1	37	572	539	2	32	573
Men	1,090	1	197	-	1,288	977	1	65	1,043	958	4	27	989
South America	462	-	1	-	463	376	-	1	377	352	-	1	353
Woman	129	-	-	-	129	120	-	-	120	124	-	-	124
Men	333	-	1	-	334	256	-	1	257	228	-	1	229
TOTAL	3,736	75	297	3	4,111	3,472	58	151	3,681	3,584	62	142	3,788

CAMPARI GROUP AND CAMPARISTAS: A 'SIGNATURE MIX'

'Campari Group aims to attract, engage and develop people with a strong fit to Campari Culture'

Strategic Pillar n.6

The Campari Group's recipe, as an employer, is based on three equally important ingredients:

- attract the right people at the right time;
- engage through a distinctive culture and experience;
- develop people to promote their professional growth.

Global programmes, such as Cultural Activation and Camparista Experience, together with the new digital platform to manage applications, are a step in this direction. Resources and efforts were invested in local focus groups and improvement initiatives, building on the results of the Camparista Survey 2018, together with the voluntary participation of many Camparistas in different countries.

THE CAMPARISTA EXPERIENCE AND CAMPARI GROUP'S EMPLOYER VALUE PROPOSITION

As part of the strategic initiatives developed during 2019, the Group invested in the development of a new approach to look at the entire life cycle of the employment relationship, with the aim of continuously improving the experience offered to Camparistas all over the world, hence the name of the programme, Camparista Experience.

Aware of the need to continue to renew itself in order to stay relevant in the global job market, strengthened by our corporate culture, we developed the Camparista Experience programme aimed at identifying and improving, by adopting a common approach, all the relevant moments in the life of Camparistas.

The Camparista Experience led first to the Campari Group's initial Employer Value Proposition (EVP). The Employer Value Proposition lays down a set of cardinal elements of Campari Group's offer as an employer and the promise that the company makes to its people, responding to the questions: 'What does the Group offer to current and future Camparistas?' and 'What does it mean to be a Camparista?'

To answer these questions, the Group conducted research aimed at encompassing three different perspectives:

- the identity, culture and strategy of Campari Group;
- the Camparistas' viewpoint on the factors that make the Group's work experience unique;
- the factors that, more than others, attract external talent.

This research involved analysis of the responses of more than 1,300 Camparistas from 24 different countries, conducting more than 30 interviews with members of the company's top management, and summarizing the levers for attracting external talents based on more than 97,000 respondents⁽¹³⁾.

(12) In addition to the total workforce there are two permanent employees belonging to Licorera Ancho Reyes y Cia S.A.P.I. de C.V. and Casa Montelobos S.A.P.I. de C.V., but since of which no further information is yet available, they are therefore excluded from the scope of this Report. In 2019 the Group also employed 41 interns, to be added to the total workforce, but excluded from the scope of this Report, as required by the GRI Sustainability Reporting Standards.

(13) Universum Talent Survey in Argentina, Australia, China, Germany, Italy, Japan, United Kingdom and United States.

THE EVP RESEARCH: TOP OF MIND CAMPARISTAS' ASSOCIATION



The mix of the three perspectives led to the definition of our 'Signature Mix', which celebrates the distinctive elements of Campari Group that have already emerged strongly in each of the previous employee surveys; these include passion, pride, sense of ownership, but also

challenge, independent thinking and agility. An evocative and at the same time concrete synthesis, which will allow the Group to communicate its Culture and its Values more clearly and effectively, both externally and internally.

THE EMPLOYER PROMISE:

OUR SIGNATURE MIX

We are transforming a **captivating legacy** into **lasting future success**.

We are **passionate** achievers because we enjoy our journey.

We are welcoming by nature and build **genuine relationships**.

We are small enough to bring a **personal touch**.

We are big enough to **take on** the world.

This is why the Camparista Experience offers a 'Signature Mix'!

THE INGREDIENTS OF CAMPARISTA EXPERIENCE

SEIZING OPPORTUNITIES
We are independent-minded and action-oriented. We empower fresh thinking. We don't follow the crowd.
GROWING EVERYDAY
We build on our knowledge and experience. We tackle new challenges everyday. We learn fast and we adapt quickly.
INSPIRING OWNERSHIP
We encourage our people towards their goals. We are passionate about our iconic brands. We take great pride in our legacy.
ACHIEVING TOGETHER
We enjoy a friendly and open spirit. We believe our diversity enriches our abilities. We succeed most when we blend our talents together.

CULTURAL ACTIVATION

Throughout 2019, the Group continued its efforts to make the corporate culture more explicit, properly communicated and fully understood by each individual Camparista. In 2018, starting from the Company values, we focused on the definition of observable 'Behaviours' for which we can give and receive *feedback* from people; in 2019, however, each Camparista was given the opportunity to reflect on and discuss the Campari Culture, how this translated into everyone's individual and collective experience, and why it represented a critical factor for success.

More than 120 colleagues received specific training to become facilitators for workshops designed to train approximately 3,550 Camparistas on the subject of the Campari Culture, in offices, in production plants and among the commercial population scattered throughout the territory.

204 workshops took place in 37 locations, accounting for a total of more than 10,070 man-hours, and thanks to these a common and familiar language was created, consisting of keywords through which Camparistas can recognize and express themselves.

204
Workshop

3,550
Camparistas involved

37
Locations

10,074
Hours

CAMPARISTA SURVEY - SOME EXAMPLES OF LOCAL INITIATIVES

Development Week in South America

Held in Brazil and Argentina, Development Week is an initiative focusing on three areas for development identified by the Camparistas themselves in recent employee surveys: the training and development offer, the transparency of the professional growth criteria within the Group, and the perception of impartiality. Individuals employed in our offices and production plants were invited to take part in various sessions taking place throughout the week to look at the theme of personal development.

- They had the opportunity to familiarize themselves with or recall the main HR tools and processes available to them to guide their development, and thus identify clearly the criteria applied by Campari Group in managing people and their talents. The Campari Leadership Model was also explained and outlined briefly to all those Camparistas who had not yet had the opportunity to take its contents on board.
- They were invited to rethink their view of professional growth, from the most conventional classroom training to continuous learning based on concrete experiences and projects.
- The 'Campari Talks' sessions were developed so that Camparistas could share their corporate experiences, provide suggestions to colleagues, thus feeding back to the corporate community what they learned.
- Finally, workshops on selected topics were led by external partners.

The initiative was highly appreciated by Camparistas, resulting in extremely positive feedback. More specifically, in Argentina, where the last Development Week was held in September, the Camparista Survey results led to the 10-point rise in the Trust Index® for 2 of the 3 areas for development identified.

Great Place to Work Project Teams in Italy

Following the 2018 Camparista Survey, four main areas for development were identified. In each area, four teams of volunteer Camparistas were set up with the aim of identifying and planning concrete improvement initiatives.



RECOGNITION
& CELEBRATION



FEEDBACK CULTURE
& INTERVIEWING
SKILLS



TIME MANAGEMENT/
EFFICIENCY



NETWORKING &
COLLABORATION

This initiative led to significant spontaneous feedback from local Camparistas, with about 40 people being divided into 4 mixed groups and made up of individuals belonging to different functions.

The Project Teams designed and developed around 16 initiatives, which will be evaluated by the Leadership Team in early 2020.

OUR PEOPLE

OTHER TOOLS FOR DIALOGUE

To promote the culture of sharing by improving communication between departments and geographic areas, Yammer, the corporate social network, has been in operation since 2017 and has proved to be a useful daily tool for internal communication, collecting information, developing team building, sharing best practices and celebrating the work and achievements of Camparistas around the world.

2019 also saw a consolidation of Campari TV, a global initiative aimed at promoting the spread of the Group's main innovations across all its offices. It is an internal on-line channel through which video content is broadcast where Camparistas personally address key news, such as quarterly results, strategies, events, marketing initiatives, as well as Campari Culture activation messages. Campari TV content is also taken up in an internal editorial plan conveyed through Yammer and the internal digital signage circuit in use in the various offices.

Finally, in order to increase the Camparistas' involvement in corporate life, a number of engagement initiatives have been introduced. One particularly successful example of this was the 'Aperol Happy Together Challenge', which saw Camparistas based in Italy actively participate in a programme of events linked to celebration of the 100th anniversary of Aperol, and led to those taking part coming up with ideas for the Venice celebratory event and then exploring those ideas, with the help of internal and external brand and events experts, at an Innovation Day.

DIVERSITY AND INCLUSION IN THE WORKPLACE

The Group promotes multi-ethnicity in all its sites. Conscious of the value of diversity as a growth driver, Campari Group continues to attract and value people of different ages, cultures, genders and origins in all its business units.

This commitment to promoting a work environment that celebrates and enhances diversity and inclusion is also clearly reflected and demonstrated by the results of the latest 2018 Employee Survey relating to the corresponding areas:

DIVERSITY INDICATOR	POSITIVE RESPONSES
People are treated fairly, regardless of their age.	78%
People are treated fairly, regardless of their ethnic origin.	90%
People are treated fairly, regardless of their gender.	84%
People are treated fairly, regardless of their sexual orientation.	90%

CAMPARI GROUP NATIONALITIES⁽¹⁴⁾:

	2017	2018	2019
NATIONALITIES	64	63	62

PERMANENT CAMPARISTAS BY REGION AND GENDER:

REGION	2019			
	MEN	WOMEN	TOTAL	%WOMEN
Asia-Pacific	132	92	224	41%
Europe, Middle East and Africa	957	610	1,567	39%
North America	962	541	1,503	36%
South America	228	124	352	35%
Total	2,279	1,367	3,646	37.5%

With the exception of the corporate population working in the Product Supply Chain area (which includes production facilities), female Camparistas represented 44% of the total workforce.

(14) The number for the Group's nationalities of the years 2018 and 2019 does not include the US and Canada, which for reasons of local regulations, cannot be traced.

PERCENTAGE OF FEMALE CAMPARISTAS OUT OF THE TOTAL WORKFORCE - Trend:

	2017	2018	2019
FEMALE CAMPARISTAS (%)	36%	37%	37.5%

There was a gradual increase in the number of women in the overall workforce compared with previous years.

PERMANENT CAMPARISTAS BY PROFESSIONAL POSITION AND GENDER⁽¹⁵⁾:

2019				
PROFESSIONAL GRADE	MEN	WOMEN	TOTAL	% WOMEN
Management and above	376	165	541	31%
Senior Professional	311	257	568	45%
Professional	457	333	790	42%
Specialist/ Generic Staff	334	391	725	54%
Blue Collar	732	188	920	20%
Total	2,210	1,334	3,544	38%

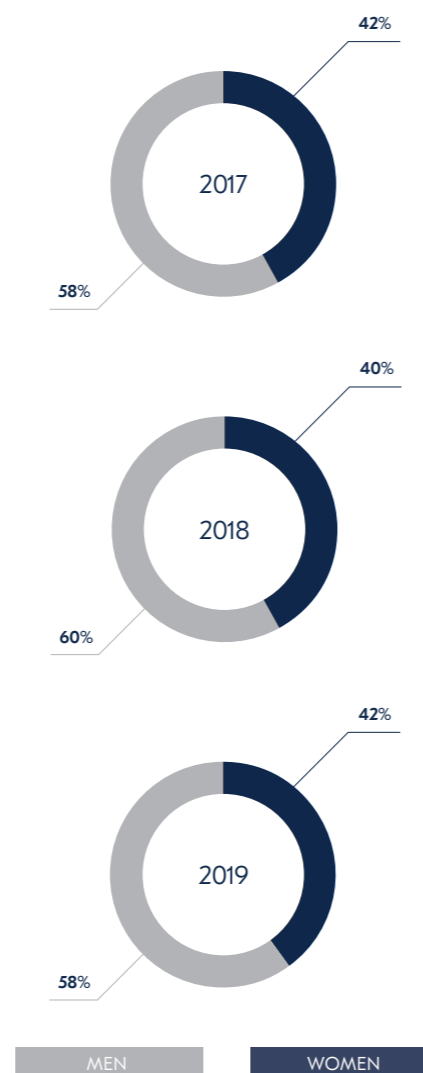
NEW CAMPARISTAS HIRED, BY REGION AND GENDER⁽¹⁶⁾:

2019				
REGION	MEN	WOMEN	TOTALE	% WOMEN
Asia-Pacific	24	16	40	40%
Europe, Middle East and Africa	83	63	146	43%
North America	83	50	133	38%
South America	25	27	52	52%
Total	215	156	371	42%

PERCENTAGE OF NEW CAMPARISTAS HIRED OUT OF THE TOTAL WORKFORCE BY REGION AND GENDER:

2019			
REGION	MEN	WOMEN	TOTAL
Asia-Pacific	18%	17%	18%
Europe, Middle East and Africa	9%	10%	9%
North America	9%	9%	9%
South America	11%	22%	15%
Total	9%	11%	10%

PERCENTAGE OF NEW CAMPARISTAS HIRED BY GENDER - Trend:



DIGITAL RECRUITMENT PLATFORM

A new system for managing applications at a global level was launched at the end of 2019, to allow the Group to refine its talent acquisition skills and manage selections more efficiently.

The digital platform and related practices were designed based on four guiding principles:

- bring to life the Campari Group Employer Value Proposition;
- provide an engagement consistent with the Campari Culture;
- offer a guided experience and timely feedback to candidates;
- monitor and improve the Group's recruitment initiatives.

Leveraging the latest technologies, the Group is now in a position to respond to the expectations of the labour market, offering the opportunity to apply through mobile devices, and integrating on-demand video interviews.

TURNOVER BY REGION AND GENDER:

2019				
REGION	MEN	WOMEN	TOTAL	% WOMEN
Asia-Pacific	19	11	30	37%
Europe, Middle East and Africa	94	68	162	42%
North America	103	58	161	36%
South America	55	22	77	29%
Total	271	159	430	37%

TURNOVER RATE COMPARED TO THE TOTAL WORKFORCE BY REGION AND GENDER:

2019			
REGION	MEN	WOMEN	TOTAL
Asia-Pacific	14%	12%	13%
Europe, Middle East and Africa	10%	11%	10%
North America	11%	11%	11%
South America	24%	18%	22%
Total	12%	12%	12%

VOLUNTARY TURNOVER⁽¹⁷⁾ - Trend:



The low level of voluntary turnover in 2019, below 6%, is confirmation of the Group's genuine commitment to building an excellent work environment that Camparistas are not inclined to leave.

(15) Employees of Rhumantilles SAS (based in Martinique) are excluded from the scope because it was not possible to trace them back to the Group's professional positions as they were not subject to the job evaluation process.

(16) In this and the following tables, with regard to new Camparistas hired and turnover, including voluntary turnover, reference is made only to employees with permanent contract.

(17) Voluntary turnover means leaving the company through voluntary resignation.

NEW CAMPARISTAS HIRED BY REGION AND AGE BRACKET:

REGION	2017				2018				2019			
	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT
Asia-Pacific	14	25	1	40	5	24	3	32	3	31	6	40
Europe, Middle East and Africa	60	100	15	175	40	107	19	166	48	95	3	146
North America	84	121	3	208	56	104	17	177	48	78	7	133
South America	23	39	-	62	17	51	-	68	21	31	-	52
Total	181	285	19	485	118	286	39	443	120	235	16	371

TURNOVER RATE COMPARED TO THE TOTAL PERMANENT WORKFORCE BY REGION AND AGE BRACKET:

REGION	2019			
	< 30	30-50	> 50	TOTALE
Asia-Pacific	56%	10%	7%	13%
Europe, Middle East and Africa	14%	9%	11%	10%
North America	14%	10%	11%	11%
South America	18%	22%	24%	22%
Total	16%	11%	11%	12%

PERCENTAGE OF NEW CAMPARISTAS HIRED OUT OF THE TOTAL PERMANENT WORKFORCE BY REGION AND AGE BRACKET:

REGION	2019			
	< 30	30-50	> 50	TOTALE
Asia-Pacific	19%	17%	22%	18%
Europe, Middle East and Africa	28%	10%	1%	9%
North America	24%	8%	2%	9%
South America	38%	13%	0%	15%
Total	27%	10%	2%	10%

PERMANENT CAMPARISTAS BY REGION AND AGE BRACKET:

REGION	2017				2018				2019			
	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT
Asia-Pacific	27	156	13	196	26	162	17	205	16	181	27	224
Europe, Middle East and Africa	159	923	409	1,491	145	929	362	1,436	174	981	412	1,567
North America	261	1,069	332	1,662	231	973	309	1,513	197	995	311	1,503
South America	70	311	81	462	57	263	56	376	55	242	55	352
Total	517	2,459	835	3,811	459	2,327	744	3,530	442	2,399	805	3,646
Permanent Camparistas (%)	14%	65%	22%		13%	66%	21%		12%	66%	22%	

TURNOVER OF PERSONNEL BY REGION AND AGE BRACKET:

REGION	2017				2018				2019			
	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT	< 30	30-50	> 50	TOT
Asia-Pacific	7	29	12	48	3	19	3	25	9	19	2	30
Europe, Middle East and Africa	20	126	74	220	18	130	87	235	25	93	44	162
North America	33	112	31	176	43	228	77	348	27	101	33	161
South America	8	32	5	45	18	100	49	167	10	54	13	77
Total	68	299	122	489	82	477	216	775	71	267	92	430

PERMANENT CAMPARISTAS BY PROFESSIONAL POSITION AND AGE BRACKET:

PROFESSIONAL GRADE	2019			
	< 30	30-50	> 50	TOTALE
Management and above	1	402	138	541
Senior Professional	30	460	78	568
Professional	131	536	123	790
Specialist/Generic Staff	132	465	128	725
Blue Collar	139	500	281	920
Total	433	2,363	748	3,544

Although not Group policy, the Company tends to favour the hiring of managers who live in the countries in which it operates, also for better meet specific needs of the individual local realities.

**SENIOR MANAGERS WHO ARE PART OF THE LOCAL COMMUNITIES
IN THE MAIN COUNTRIES:**

	2017			2018			2019		
ARGENTINA	7	7	100%	8	8	100%	7	7	100%
AUSTRALIA	7	6	86%	8	7	88%	10	9	90%
AUSTRIA	1	1	100%	1	1	100%	3	3	100%
BELGIUM	1	1	100%	1	1	100%	1	1	100%
BRAZIL	5	4	80%	5	4	80%	6	5	83%
CANADA ⁽¹⁷⁾	4	2	50%	6	2	33%	6	2	33%
CHINA	1	0	0%	0	0	0%	1	0	0%
FRANCE ⁽¹⁸⁾	7	5	71%	7	6	86%	7	6	86%
GERMANY	5	3	60%	8	7	88%	7	6	86%
JAMAICA	19	15	79%	16	13	81%	14	11	79%
UNITED KINGDOM	7	0	0%	8	0	0%	10	4	40%
GREECE	0	0	0%	1	1	100%	1	1	100%
ITALY	93	78	84%	100	80	80%	100	75	75%
MEXICO	3	2	67%	4	4	100%	4	4	100%
PERU	1	0	0%	1	0	0%	1	0	0%
RUSSIA	6	5	83%	5	4	80%	5	3	60%
SINGAPORE	1	0	0%	1	0	0%	2	0	0%
SPAIN	3	0	0%	2	0	0%	2	0	0%
UNITED STATES ⁽¹⁷⁾	33	23	70%	35	21	60%	37	18	49%
SOUTH AFRICA	2	2	100%	1	1	100%	1	1	100%
SWITZERLAND	2	0	0%	2	0	0%	2	1	50%
UKRAINE	1	1	100%	1	1	100%	1	1	100%
TOTAL									
2017	209	155	74%						
2018	221	161	73%						
2019	228	158	69%						



(17) To comply with local regulations, data for Canada and the United States refer to managers' citizenship and not to their nationality.
 (18) Employees of Rhumantilles SAS (based in Martinique) are excluded from the scope because it was not possible to trace them back to the Group's professional positions as they were not subject to the job evaluation process.



INITIATIVES TO PROMOTE DIVERSITY

Implementation of smart working at a global level certainly offers great advantages, in particular for Camparistas who have a greater need for flexibility in working hours and places of work, including for example, parents with young children, or employees with dependent elderly relatives, who can thus reconcile their professional and personal life. Other 'agile work' initiatives developed in some of our locations include 'Summer Hours', a period of paid leave typically granted every Friday for a half day.

In Australia, an *ad hoc* strategy was developed to help create a work environment where diversity and inclusion are celebrated and valued. The strategy implemented led to the formalization of three committees, made up of volunteer Camparistas, each with different objectives and aspirations, aimed at defining specific initiatives:

- Flexible and Inclusive Employee Experiences, to try to always guarantee the best work experience for Camparistas, offering them support in case of need, contributing to the development of their talents, guaranteeing fair treatment, and encouraging them in the things they love to do, both at work and outside;
- Diverse Supply of the Best People, to attract and retain individuals with different skills and innovative ways of thinking, able to take on the challenges and opportunities offered by increasingly diversified markets;
- Business and Brand Building, to further enhance business activities, improve connections with customers and the community, and participate in occasions and days celebrating diversity (i.e.: International Day against Homophobia, International Women's Day, International Day of People with Disabilities, etc.).

Among the activities developed within The Drinks Association, Campari Australia actively supports the Inclusive Leadership Programme, a structured inter-sectoral mentoring programme aimed at inspiring, supporting and training participants, in particular women, in the development of their careers through a forum where they can exchange ideas, knowledge and experiences. The working group's commitment took the form of actions and events aimed at inspiring high-principled behaviour patterns, encouraging women to network, and to develop concrete initiatives to remove obstacles to inclusion in the workplace.

In Brazil, among the initiatives that most contributed to promoting diversity in the workplace, the 'Empregue Afro' and 'TransEmpregos' projects come to mind, aimed at facilitating the hiring of workers with African or trans-gender origins.

Specific training and awareness-raising initiatives for Camparistas on diversity and inclusion issues were launched in Mexico as part of the Respect Others and the Planet campaign, in line with one of the Group's Behaviours. In addition to training Camparistas on the importance of working in a work environment rich in diversity and on the value that derives therefrom, the campaign was also an opportunity to communicate the Group's activities in these areas, and to refresh knowledge of policies and internal standards that protect diversity.

HUMAN RESOURCES: TRAINING AND PROFESSIONAL DEVELOPMENT

Campari Group believes in developing the skills of its People as a means of responding to business needs, building profitable brands and guaranteeing excellent financial results.

All Camparistas are offered a specific work experience, the Camparista Experience, which, by responding to the questions 'Who is Campari Group as an employer and what does it offer people?', makes Campari Group unique as compared with other companies on the market, whether competitors or not.

One of the essential elements of the Camparista Experience and an ingredient of the Employer Value Proposition of Campari Group is: 'Growing Everyday'.

In Campari Group, individual development is strongly promoted, aimed at capturing two specific needs: supporting performance and developing people's potential; supporting the change management processes involving internal functions, aimed at guiding the evolution of our company.

In order to achieve these objectives, Campari Group completed the Global Capabilities Development ('GCD') architecture in 2019. Designed to align the training and

learning strategy with business needs, the architecture ties in directly with our Talent Management process, as it concretely supports all Camparistas in achieving their individual development goals. From the point of view of a Camparista, one of the main outcomes of the annual Talent Management process is the drafting of the Individual Development Plan ('IDP'), which brings together the Global Capabilities Development architecture and the Talent Management model. Managers, together with Human Resources, are called upon to support continuous development, building concrete and sustainable pathways with each Camparista. By providing a diverse series of learning activities, Campari Group thus accelerates the professional growth of its people, making them responsible for their own development.

The Global Capabilities Development architecture is based on a development model, 70% of which consists of on-the-job learning experiences and 30% of traditional training opportunities. This approach is geared towards

a continuous search for new skills fuelled by internal and external contributions.

The entire ecosystem is designed to cover 2 main areas:

- functional excellence: to develop people's technical skills and support functional development; and
- leadership development: to spread the culture, behaviour, values and leadership skills of Campari Group.

Digital environments transversely support the development of content and contribute to guaranteeing an increasingly fascinating experience based on real training needs.

These are the ingredients of the cocktail that Campari Group offers to Camparistas, so that they do not miss any opportunities to grow, and to support and guide the company's evolution.



TRAINING HOURS BY REGION, GENDER AND PROFESSIONAL CATEGORY:

2019					
	ASIA-PACIFIC	EUROPE, MIDDLE EAST AND AFRICA	NORTH AMERICA	SOUTH AMERICA	TOTAL [h]
Total Hours	6,777.50	42,101.50	28,952.67	14,016.50	91,848.17
Men [hours]	3,910.50	27,556	19,122.17	8,620.70	59,209.37
Women [hours]	2,867	14,545.50	9,830.50	5,395.80	32,638.80
Management [hours]	645.50	13,293	4,563	4,486.45	22,987.95
Men [hours]	566.50	8,847.50	3,144.25	2,723.30	15,281.55
Women [hours]	79	4,445.50	1,418.75	1,763.15	7,706.40
Non-management [hours]	6,132	28,808.50	24,389.67	9,530.05	68,860.22
Men [hours]	3,344	18,708.50	15,977.92	5,897.40	43,927.82
Women [hours]	2,788	10,100	8,411.75	3,632.65	24,932.40

AVERAGE HOURS OF ANNUAL TRAINING PER EMPLOYEE:

2019					
	ASIA-PACIFIC	EUROPE, MIDDLE EAST AND AFRICA	NORTH AMERICA	SOUTH AMERICA	TOTAL [h]
Average hours of annual training per employee [man hours]	29.09	28.12	18.54	39.71	25.20
Men [hours]	28.34	30.55	19.33	37.64	26.22
Women [hours]	30.18	24.45	17.16	43.51	23.53
Management [hours]	16.14	40.04	36.80	99.70	42.49
Non-Management [hours]	31.77	24.73	19.69	30.94	22.18

AVERAGE HOURS OF ANNUAL TRAINING PER EMPLOYEE - Trend:

	2017	2018	2019
Average hours of annual training per employee [man hours]	24.44	20.49	25.20
Men [hours]	25.41	20.2	26.22
Women [hours]	22.69	20.97	23.53
Management [hours]	50.82	33.82	42.49
Non-Management [hours]	20.68	18.21	22.18

The Group's global training programmes aim to develop functional skills to support organizational change. Classified as Functional, Inter-functional and Leadership Development, these programmes are characterized by being geographically scalable, thus making it possible to formalize and share processes and work methods among different functions.

Functional and Interfunctional Programmes (Academy):

• **Marketing Academy**

The Marketing Academy seeks to establish a common language and approach for the marketing community around the world, as well as to recruit and retain the best talent from that community. It was created with the aim of developing the technical skills of Camparistas entrusted with building iconic and profitable brands in an international context by leveraging the new opportunities that the market offers.

• **Finance Academy & Finance for Non Finance Academy**

The Finance Academy supports the development of the skills required by organizational evolution. It was created to generate functional awareness and promote the business partnership model designed by Campari Group. In the spirit of 'Achieving Together' and to achieve excellence in pursuing corporate objectives, the academy encourages interaction with other company departments, offering structured moments for discussion of strategic networking and language. At the same time, a 'Finance for Non-Finance' programme is also provided to teach basic finance and accounting concepts to all Camparistas, bridging the gap between the finance and non-finance communities.

• **Commercial Academy**

The Commercial Academy was created to establish and define business practices in the Campari world, standardizing them into shared models. It is a training programme aimed at the Group's entire sales force with the objective of offering specific techniques and skills that will be useful for understanding business dynamics and establishing effective relationships with our customers.

• **Supply Chain Academy**

The Supply Chain Academy seeks to promote widespread awareness of the models and approaches that make up the functional identity, as well as offering Camparistas technical skills aimed at developing an increasingly customer-focused approach. Through an understanding of the entire supply chain process, the initiative also aims

to train professionals to act as business partners in the organization.

• **HR Academy**

The HR Academy is designed to support the process of change that the function is undergoing and to build collective functional skills within all HR teams. The objective is to communicate the identity of the function and disseminate the updated organizational model starting from the assumption that it is precisely on the basis of a common and shared identity that it is possible to strengthen the level of partnership offered globally to all Camparistas.

The Leadership Development programmes support Camparistas in the development of core competencies (i.e.: teamworking, leadership, communication, problem solving, self/people development, execution excellence, strategic thinking) to prepare them for the transition to key roles within the Group.

They are divided into:

• **General Management Academy (GM Academy)**

The GM Academy was created for those who are tasked with defining the change to be implemented within the organization. A mix of business skills and leadership development supports the Group's general managers in their transition to top management roles.

• **Lead to Succeed (LTS)**

The LTS Development Center is one of the most advanced leadership development programmes offered within the Campari Group's talent management ecosystem. This is the key step for development of the potential of talented individuals, who can then aspire to a career in leadership positions in the Group's various functions or General Management.

• **Lead4Change**

Lead4Change is a cornerstone of the Competency Development architecture and is designed to support Camparistas who are called on to take leadership positions. Designed for those entrusted with leading the process of change in the organization, Lead4Change aims to empower the entrepreneurial spirit to seize opportunities and go beyond the *status quo*.

• **Campari Way of People Management (CWoPM)**

The Campari Way of People Management programme supports Campari managers in the development of their

role and their management skills. Based on 360-degree feedback and coaching, it gives managers an opportunity to work on their leadership style and to learn about the models and processes of people management within Campari Group.

• Campari Way of Individual Contributing (CWoIC)

The Campari Way of Individual Contributing supports Camparistas entrusted with leading the change process in identifying and achieving their goals through the development of skills to influence their interlocutors within the organization. In the spirit of 'Better Together', the aim is to develop the ability to collectively get colleagues involved so that individual intentions can be directed towards a broader organisational goal.

Over the years, the possibility of using digital channels as a training medium has been consolidated. The aim is to make Camparistas personally accountable for their own development and to give them the possibility of growing professionally every day, making learning an individual daily habit.

Currently, there are three different digital learning platforms:

• **Campus 2.0**, an online social learning platform that offers an integrated catalogue of e-learning courses, articles, books, podcasts and webinars from over 1,500 sources and is made available in real time to all Camparistas through an app. Campus 2.0 is a long-term investment that will help to stimulate curiosity and responsibility of individuals as a driver for professional development, on the one hand, and, on the other, to promote greater knowledge sharing among colleagues.

• **Campus**, a Learning Management System designed to offer e-learning programmes aimed at improving technical-functional skills and knowledge of our brands. In addition, it supports the management of information related to the development actions undertaken by Camparistas, both digital and non-digital.

• **Cloud Platform-SCORM**, a content delivery system that is accessible to external collaborators, so that they can receive training, benefiting from the same experience available to Camparistas and on the same content.

In 2019, Campari Group developed a revamped training strategy through the digital channel that will be implemented from 2020. This seeks to offer Camparistas a con-

stantly improving and more effective experience in the learning area and, at the same time, to provide managers and HR colleagues with the opportunity to manage employees' development.

REMUNERATION SYSTEM

The remuneration policy for directors, general managers and other managers with strategic responsibilities is determined by the Company's Board of Directors on proposal by the Remuneration and Appointments Committee, following consultation with the Board of Statutory Auditors. The objectives pursued in defining remuneration policy consist in determining adequate remuneration for top management and encouraging their loyalty, through the use of four different instruments:

- a fixed salary;
- an annual variable performance-based bonus;
- a medium-term incentive;
- the assignment of stock options as an incentive for management to achieve long-term results.

Breaking down remuneration in this way ensures a balance between the employees' interests and the short and long-term outlook for the Company. The two medium and long-term schemes apply to all managerial remuneration throughout the Group.

To ensure that the remuneration system for all Camparistas is based on the criteria of fairness and transparency, Campari Group uses the internationally recognized IPE (International Position Evaluation) methodology. This is an objective and structured process based on predefined 'clusters' that allows for job evaluation analysis and verification of the Group's competitiveness in relation to its main competitors and to the remuneration criteria adopted in each region. This analysis has once again shown that Campari Group tends to pay a higher salary than the local minimum wage in the countries where it operates, as shown in the table below for the key countries for the Group in terms of number of employees.

RATIO BETWEEN THE STANDARD SALARY (ANNUAL GROSS BASE SALARY) OF NEWLY HIRED EMPLOYEES AND THE LOCAL MINIMUM WAGE BROKEN DOWN BY COUNTRY AND GENDER:

	2017		2018		2019	
	MEN (%)	WOMEN (%)	MEN (%)	WOMEN (%)	MEN (%)	WOMEN (%)
Argentina	235.77%	235.77%	229.85%	289.77%	217.87%	302.23%
Australia	141.85%	141.85%	129.45%	129.45%	125.67%	125.67%
Brazil	167.88%	179.72%	170.32%	262.85%	162.02%	130.5%
Canada	100%	100%	100%	100%	100%	100%
Mexico	204.96%	204.96%	213.14%	213.14%	192.57%	192.57%
Germany	240%	240%	240%	240%	232.26%	232.26%
Jamaica	200.18%	200.18%	196.02%	196.02%	196.02%	196.02%
Italy	110.08%	117.74%	108.81%	109.8%	102.73%	108.13%
United Kingdom	-	-	200.47%	195.31%	163.04%	163.04%
Russia	294.09%	294.09%	256.1%	256.1%	259.92%	239.6%
United States	192.67%	192.67%	129.07%	129.07%	121.6%	121.6%

The percentage ratios between average remuneration and base salaries of female Camparistas as compared to men (gender pay gap) with a permanent contract⁽¹⁹⁾, with a breakdown by country and professional classification, are given below. To provide a more meaningful analy-

sis, we cover the principal countries in which the Group operates and the professional categories ranging from management to blue collar workers, excluding executives and senior management; this therefore covers 89% of the entire population of Camparistas.

PERCENTAGE RATIO BETWEEN THE AVERAGE TOTAL REMUNERATION OF FEMALE EMPLOYEES AND THE AVERAGE TOTAL REMUNERATION OF MALE EMPLOYEES, BY COUNTRY AND PROFESSIONAL CLASSIFICATION:

2019					
	MANAGEMENT	SENIOR PROFESSIONAL	PROFESSIONAL	SPECIALIST/ GENERAL STAFF	BLUE COLLAR
Argentina	85.5%	93.6%	85.9%	106.8%	-
Australia	97.4%	100.4%	88.7%	93.6%	94.5%
Brazil	89.8%	100.4%	137.3%	92.8%	80%
Canada	81.4%	83.8%	97.1%	103.2%	91.7%
Mexico	158%	92.1%	111%	102.6%	85.6%
Germany	88.4%	88.1%	98.8%	90.3%	-
Jamaica	107.6%	105%	102.3%	107.6%	86.4%
Italy	93%	95.1%	90.6%	102.7%	91.5%
United Kingdom	93.5%	86.1%	90.7%	52.4%	-
Russia	66.8%	88.4%	106.3%	93.4%	-
United States	101.7%	96.5%	102.1%	113.4%	94.6%

PERCENTAGE RATIO BETWEEN THE BASE SALARY (GROSS ANNUAL BASE SALARY) OF FEMALE EMPLOYEES AND THE BASE SALARY OF MALE EMPLOYEES, BY COUNTRY AND PROFESSIONAL POSITION:

2019					
	MANAGEMENT	SENIOR PROFESSIONAL	PROFESSIONAL	SPECIALIST/ GENERAL STAFF	BLUE COLLAR
Argentina	86%	91.3%	81.5%	105.4%	-
Australia	95.1%	105.1%	88.4%	94.9%	99.6%
Brazil	91.3%	100.4%	137.3%	90.4%	78.8%
Canada	78%	83.8%	95.1%	104.8%	91.7%
Mexico	164.8%	90.8%	110.6%	100.1%	85.6%
Germany	88.4%	87.4%	97.5%	90.3%	-
Jamaica	108.5%	103.9%	102.1%	106.4%	85.3%
Italy	92.9%	95.6%	86.2%	102.7%	91.5%
United Kingdom	89.7%	86%	86.2%	52.4%	-
Russia	66.1%	86.6%	101.2%	94.9%	-
United States	100.9%	95.1%	103.4%	113.4%	94.6%

Note that there is a substantial balance between average salaries and the Gross Annual Base Salary (GABS) of male and female Camparistas. Any differences in the average

figure may result from a greater number of men or women at a particular site or from the recruitment of new Camparistas during the reference year for the analysis.

⁽¹⁹⁾ Remuneration: GABS (Gross Annual Base Salary) + bonus (i.e: short-term incentives, sales incentives, local bonuses) + recurring allowances + overtime. Gross annual base salary (GABS): fixed minimum amount paid to an employee for the performance of his/her duties, excluding any additional compensation.

CAMPARISTAS' INVOLVEMENT WITH THE ENVIRONMENT, WELL-BEING AND SOCIAL ACTIVITIES

Campari Group's activities to improve Camparistas' well-being and improve the work-life balance continue. Programmes are continually introduced at the Group's offices and facilities to encourage a healthier lifestyle, including the provision of fitness areas, the distribution of educational material on good eating habits and the provision of fresh fruit and healthy snacks and drinks.

Main projects developed:

SMART WORKING

The company has implemented a smart working policy that, based on the policies adopted at local level, allows the majority of Camparistas to work remotely, wherever permitted by labour, environmental and security conditions. Thus, more flexible working methods are being promoted that can bring benefits for both Camparistas and the company, encouraging a better work-life balance and increasing employees' responsibilities in pursuing company objectives and results. Smart working is thus a more effective working solution, based on trust and responsibility, collaboration and flexibility.

WELFARE FAMILY

Since October 2018, Campari Group has expanded its welfare programme with a new initiative dedicated to Camparistas in Italy: Welfare FAMILY. Every Camparista now has an online portal and an app where they can find all information on existing services and new proposals on offer, with the objective of increasingly reconciling private life with work. For example, the company offers flu vaccination services, enrolment in supplementary pension funds, management of health funds and insurance policies, and a network of specific agreements, all managed from one dedicated portal. Among the most successful services offered is the company service desk, to facilitate the handling of personal and daily needs ('company butler', post office, laundry). Of particular note for 2019 is the 'Discover Your Talent(S)' initiative, a day dedicated to Camparistas' children with the objective of supporting them in their transition from the world of study to the world of work, and a programme to promote health and wellness in partnership with the Italian anti-cancer league (Lega Italiana per la Lotta contro i Tumori-LILT) that will give each Camparista direct access in 2020 to a preventive check-up in the medical room of the branch where they

work. In addition, through Welfare Family, it is possible to convert part of each employee's Performance Bonus into Welfare Credit to be spent on an additional range of services designed for Camparistas and their families.

CAMPARI AUSTRALIA

In Australia, Campari Group has implemented MyCoach, an Employee Assistance Program (EAP) offering consultancy services relating to personal, financial or work-related issues. Participation in this programme remains strictly confidential: employees can participate by calling a direct number to get in touch with the external coach, without having to share the request with either their manager or the respective HR department.

In October, the Health and Well-being Month was established with the aim of internally raising awareness of the services and welfare programmes offered by the company in Australia and New Zealand, and educating Camparistas about the benefits of a healthy and balanced lifestyle. Among the various activities that have been introduced, it is worth mentioning 'R U OK Day', a day established to raise employee awareness, promoted in partnership with R U OK (a non-profit organisation focused on suicide prevention) that seeks to remind everyone of the importance of taking an interest in their colleagues' lives, talking and connecting with them, as well as providing Camparistas with the necessary tools to actively support those colleagues in whom they recognise states of unease and distress. Also, for the benefit of Camparistas on parental leave, 'Keeping In Touch Days' were established, which were subsequently renamed 'Camparino Club' and 'Camparino Bambino Club' to avoid maternity and paternity as being seen and perceived as a period of detachment from the world of work. In these forums, Camparistas who have just had babies have the opportunity to get closer to the working environment, be kept up to date on business activities and at the same time receive useful information, participating in courses for the growth and management of their children thanks to the involvement of external professionals such as nutritionists, dieticians, psychologists and first aid workers.

CAMPARI BRAZIL

'A Toast To Your Life' is a welfare and well-being programme based on four important health-related areas, namely: physical, social, emotional and financial. As part of this programme, a number of initiatives were implemented and promoted during 2019, including: work flexibility policies in order to better reconcile the work/life balance (i.e.: flexible work and the adoption of global smart working

policies); offering breakfast and fruit in the office; massages and postural gymnastics in the workplace; the creation of the platform 'Count on me', available to all employees who wish to receive confidential financial, psychological and legal counselling; establishment of a 'Gympass benefit' to encourage employees to exercise by facilitating access to different gyms at discounted prices; annual check-ups for all employees; psychological and financial counselling sessions. Analysis of the responses to the latest annual Camparista Survey, taken to measure Camparistas' degree of satisfaction with the internal working environment and conditions, also led to the establishment of a multidisciplinary committee to propose concrete solutions, in line with the Group's global strategy, as a response to employees' expectations. With the objective of making Camparistas the protagonists of change, the 'Campari Transforma' working group was launched, which aims to raise the awareness of both internal and external stakeholders of the need for a more supportive, conscious and sustainable community, acting in the following areas:

- *corporate volunteering*, for the benefit of the local communities of Suape and Alphaville;
- *responsible consumption*, raising awareness among the population inside and outside the company on the importance of adopting and promoting responsible consumption of alcoholic beverages;
- *sustainability*, to enable Camparistas and external trade partners to contribute to sustainable development, social progress and environmental protection.

CAMPARI JAMAICA

In Jamaica too, Campari Group has always been particularly attentive to Camparistas' health, raising their awareness of the importance of prevention. Among the various initiatives that have been promoted are blood pressure and cholesterol checks offered to all staff; initiatives to raise awareness of the importance of cancer prevention and early detection, free screening and support from the Jamaica Cancer Society; awareness raising activities and free screening for HIV, a Spa Day organized for employees' psychological and physical well-being; meetings with financial advisors and health specialists with the aim of informing and involving Camparistas in issues such as personal care, health and wellbeing, work-life balance, responsible financial choices.

INDUSTRIAL RELATIONS

Campari Group recognizes the importance of continuing to develop sound, trust-based relations with social partners given their important role in improving competitiveness and employment within the framework of a clear commitment to social responsibility on the part of the company.

Trade union relations, therefore, are functional and strategic in a highly competitive context characterised by mergers and acquisitions.

The Group companies maintain continuous and constant relations with trade unions, equating to more than mere compliance with agreements reached locally or nationally, but to serious, real and objective dialogue that guarantees respect for roles and people, without ever losing sight of the objective of company efficiency.

In addition to the contents of the National Collective Bargaining Agreement and the inter-confederation agreements, the content of the so-called second-level supplementary bargaining agreement at company level, which was last renewed on 18 May 2018, are also applicable to Camparistas in Italian workplaces. There are currently 4 National Collective Bargaining Agreements in force: the agreement for the Food Industry (for almost all employees), the Service Industry agreement applicable to Camparistas of Campari International S.r.l., the agreement for the public sector (tourism sector) connected to the recent acquisition of the Camparino bar and, as far as Managers are concerned, the agreement for Managers of Companies producing goods and services.

In 2019, about 20% of the total number of Camparistas in Italy were members of trade unions.

For the first half of 2020, the procedure to deal with 'generational turnover' will remain in effect, and will not entail any reduction in the workforce, but rather an important review of professional and specific skills.

This procedure was overlapped (in July 2019) with the transfer of a company branch providing shared accounting services. A branch of Campari Services S.r.l., responsible for managing administration, accounting and tax activities on behalf of the companies in Campari Group, was transferred to a company set up for this purpose by Accenture Finance and Accounting BPO Services S.p.A., the aim of

the transfer being to make use of the provider's strong skills and specialization in terms of management of administrative and accounting processes, supporting technologies and important synergies in the various markets, rendering optimal management of these activities more fluid and less complicated.

The 16 employees of Campari Services S.r.l. who were transferred in accordance with article 2112 of the Italian Civil Code were guaranteed remuneration and regulatory treatment similar to that received in the transferor company; 25 employees of Campari Services S.r.l. were transferred to the Parent Company Davide Campari-Milano S.p.A. by means of an individual contract transfer; finally, an additional 4 employees left their current employment relationship in order to access pension benefits or income support, or to enter into a new employment relationship.

The way in which this reorganization process was managed shows that it is possible to achieve the objectives of safeguarding rights and employment levels, even in the event of significant corporate transactions, where there

are the proper relations and social responsibility between the Parties (company and trade unions).

Just 11 days elapsed between the notification of intent required under Article 47 of Law 490 of 29 December 1990 (prior notice of at least 25 days before the deed of transfer, sale or lease of a company, or branch, takes effect) and the signing of the agreement. During this period, the Parties (company and workers' representatives) undertook a careful examination of every possible consequence in terms of maintenance of employment and preservation of acquired rights and salaries.

There was no unrest or hours or days lost in strikes throughout the entire transfer process.



HEALTH AND SAFETY IN THE WORKPLACE

Campari Group considers the health, integrity and well-being of its employees and consumers to be primary and fundamental elements in conducting and developing its activities. Continuous attention is paid to training and raising awareness among Camparistas on health and safety issues and to ensuring safe working conditions, both in the offices and in plants.

ACCIDENTS

Compared to the previous year, there was a significant reduction in the total number of accidents involving Camparistas (-24%) and contractors (-25%) in 2019. This result is thanks to an intense multiyear global risk mitigation programme that had been launched in 2018, based on technical and behavioural elements and an extensive awareness campaign. With regard technical elements, 2019 saw

a continuation of activities aimed at reassessing structural risks and providing specific training for work at height and in confined spaces. Concerning behavioural elements, mention should be made of the Safety Leadership Plan training programme. Finally, additional tools to promote involvement and communication were developed for inclusion in the global awareness campaign #WeToastTo #Safety.

Safety Leadership Plan

The global programme, aimed at improving the safety culture and behaviour, is one of the main tools the Group has used to move forward along its *Health, Safety & Environment Journey* towards proactive excellence: reducing accidents and creating a working environment that is generative, positive and oriented towards personal well-being.

The programme, launched in 2018 and developed with a partner dedicated exclusively to the development of a culture of excellence in health and safety, saw some 20 workshops on safety leadership being held in 2019, involving over 300 Camparistas, managers and informal leaders, at all of the Group's production units. In the second phase, specific training courses for trainers were carried out to ensure the continuous replicability of the programme.

Camparistas had this to say about the programme:

'It made us reflect on our actions, on who we are as leaders, on how we can make a qualitative leap.'

'We can assure you that we will put what we have learned into practice, because now our attitude towards safety has changed forever.'

'I like the idea of promoting one sole Safety Leadership Plan that is the same for all Camparistas. It contributes to our teamwork and allows us to see ourselves as mutually useful resources, because we are all oriented towards a system of common development.'

'I am sure that from today all leaders will have a new vision of the topic of Safety.'

'It will make a difference not only within the plant, but also in our own lives.'

'Everyone has become aware that the culture of Safety is an issue that concerns us all, and that it must be promoted and applied - first and foremost - by us ourselves.'

'A stimulating and inspiring day, with lots of interaction and positive vibrations. We have had the opportunity to confront our stereotypes and see Safety as a common commitment, regardless of our responsibilities and our different job positions.'

'I received so much from the session and the team now has much more energy to move forward together in this direction.'

#WeToastTo #Safety

The global communication campaign was launched in 2018 to mark the World Day for Health and Safety at Work.

Last year, the new Health, Safety & Environment (HSE) logo, aligned with the Group identity, was launched and three videos and posters were published on the importance of being a positive example for others, caring for others and intervening in unsafe situations. The materials were disseminated on Yammer, the corporate social network, and translated into the different languages of the Group for local use. A Safety Day was also held at the Novi Ligure plant for Camparistas belonging to the Italian operating structures, during which participants were able to attend the Rossolevante company's theatrical performance *'Il Virus che ti salva la vita'* (The Virus that saves your life), and then experience an interactive training course based on Health and Safety issues.

In 2019, communication activities continued with the publication of three new video clips on the use of seat belts, home safety and respect for our Planet. Magnets and postcards on the use of Personal Protective Equipment and handrails were also produced. Finally, a guide for the preparation of local Safety Days was distributed.

CAMPARISTAS ACCIDENTS	2017	2018	2019
Total accidents involving Camparistas [number]	167	136	103
Frequency index for Camparistas ⁽²⁰⁾	24.65	20.41	16.03
Accidents involving male Camparistas [number]	102	84	58
Accidents involving female Camparistas [number]	35	33	27
Injuries without absence from work for Camparistas [number]	122	103	85
Injuries with absence from work for Camparistas [number]	45	33	18
Lost days due to accidents for Camparistas [number]	770	1,009	907
Severity index for Camparistas ⁽²¹⁾	0.25	0.15	0.14
Occupational diseases involving Camparistas [number]	5	2	2
Mortality at work for Camparistas [number]	0	0	0

(20) The frequency index for any category is calculated according to the following formula: (Total injuries x 1,000,000)/worked hours

(21) The severity index for any category is calculated according to the following formula: (Lost days due to accidents x 1,000)/worked hours

FREQUENCY AND SEVERITY INDEXES FOR CAMPARISTAS BY REGION:

	EUROPE			NORTH AMERICA			SOUTH AMERICA			ASIA-PACIFIC		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
FREQUENCY INDEX FOR CAMPARISTAS	23.14	25.84	10.42	27.76	21.20	21.25	14.66	6.89	4.56	60.45	35.18	29.83
SEVERITY INDEX FOR CAMPARISTAS	0.41	0.10	0.15	0.09	0.26	0.10	0.28	0.03	0.005	0.08	0.01	0.51

ACCIDENTS INVOLVING CONTRACTORS:

	2017	2018	2019
Total accidents involving contractors [number]	68	52	39
Contractor accident frequency rate	45.58	41.98	27.20
Lost days due to accidents for contractors [number]	327	57	311
Contractor accident severity rate	0.48	0.046	0.22
Mortality at work for contractors [number]	0	0	0

FREQUENCY AND SEVERITY INDEXES FOR CONTRACTORS BY REGION:

	EUROPE			NORTH AMERICA			SOUTH AMERICA			ASIA-PACIFIC		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
FREQUENCY INDEX FOR CONTRACTORS	35.63	26.47	16.56	60.06	52.77	23.20	0	0	44.93	0	110.90	205.05
SEVERITY INDEX FOR CONTRACTORS	0.88	0.11	0.65	0.28	0.03	0.08	0	0	0	0	0	0

ACCIDENTS INVOLVING SUPPLIERS AND VISITORS:

	2017	2018	2019
Total supplier-related accidents [number]	1	2	5
Total visitor-related accidents [number]	6	3	3

There were 12 accidents involving journeys to or from work, one of which was related to a contractor. Awareness raising initiatives focusing on safe driving practices

continued, with the dissemination of a specific manual developed as part of the global Safe Driving programme.

ACCIDENTS, LOST DAYS AND OCCUPATIONAL ILLNESSES FOR CAMPARISTAS BY GENDER:

	EUROPE MIDDLE EAST AND AFRICA			NORTH AMERICA			SOUTH AMERICA			ASIA-PACIFIC		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Total accidents for male Camparistas [number]	41	37	15	33	31	32	9	5	1	19	11	10
Total accidents for female Camparistas [number]	14	20	10	19	12	13	1	0	2	1	1	2
Lost days due to accidents for male Camparistas [number]	268	149	276	107	462	231	87	25	3	2	1	196
Lost days due to accidents for female Camparistas [number]	247	66	119	34	23	44	22	0	0	0	2	11
Occupational diseases for male Camparistas [number]	3	0	0	1	0	0	0	0	0	0	0	0
Occupational diseases for female Camparistas [number]	1	2	2	0	0	0	0	0	0	0	0	0

Unfortunately, during the month of February 2019, there was one fatality, the dramatic consequence of a fall from height that took place at the end of 2018 and involving an external maintenance technician engaged in extraordinary maintenance activities at the Appleton sugar factory. In addition to the multiannual training programme for work at height and confined spaces already in place, the incident led to a further re-evaluation of all the structures and related procedures for work to be carried out at height.

Near misses

While the number of accidents recorded has decreased, there has been a significant increase in reports of unsafe situations: the attention of each Camparista is increasingly focused on proactivity, prevention and mitigation of potential risks.

NEAR MISSES	2017	2018	2019
Health near-misses for Camparistas [number]	3	12	3
Safety near-misses for Camparistas [number]	110	121	82
Health near-misses for contractors [number]	1	1	2
Safety near-misses for contractors [number]	23	10	33
Health near-misses for suppliers [number]	0	0	0
Safety near-misses for suppliers [number]	1	1	3
Health near-misses for visitors [number]	0	0	0
Safety near-misses for visitors [number]	7	1	0

Health, Safety & Environment committees

All the Group's production units have company-worker committees which represent all workers for health and safety issues and 62% of workers for environmental issues. The dialogue between the parties is always open and constructive.



RESPONSIBLE PRACTICES



85%

Bottles produced in production sites certified in accordance with the International Standards for Food Safety



Supplier Code

Since 2012 Campari Group requires its suppliers to adhere to the principles that inspire its own activity



100%

ATL communication containing a responsible drinking message



Since 2010

Campari Group adopted a Code on Commercial Communication on a voluntary basis



Pregnancy Logo

or equivalent messages included on all our brands' labels and packaging



Promotion of a responsible serving of alcoholic drinks in all our events



Campari Group is member of 38 trade organizations and social aspect organizations in 20 countries



RESPONSIBLE PRACTICES

RESPONSIBLE SOURCING

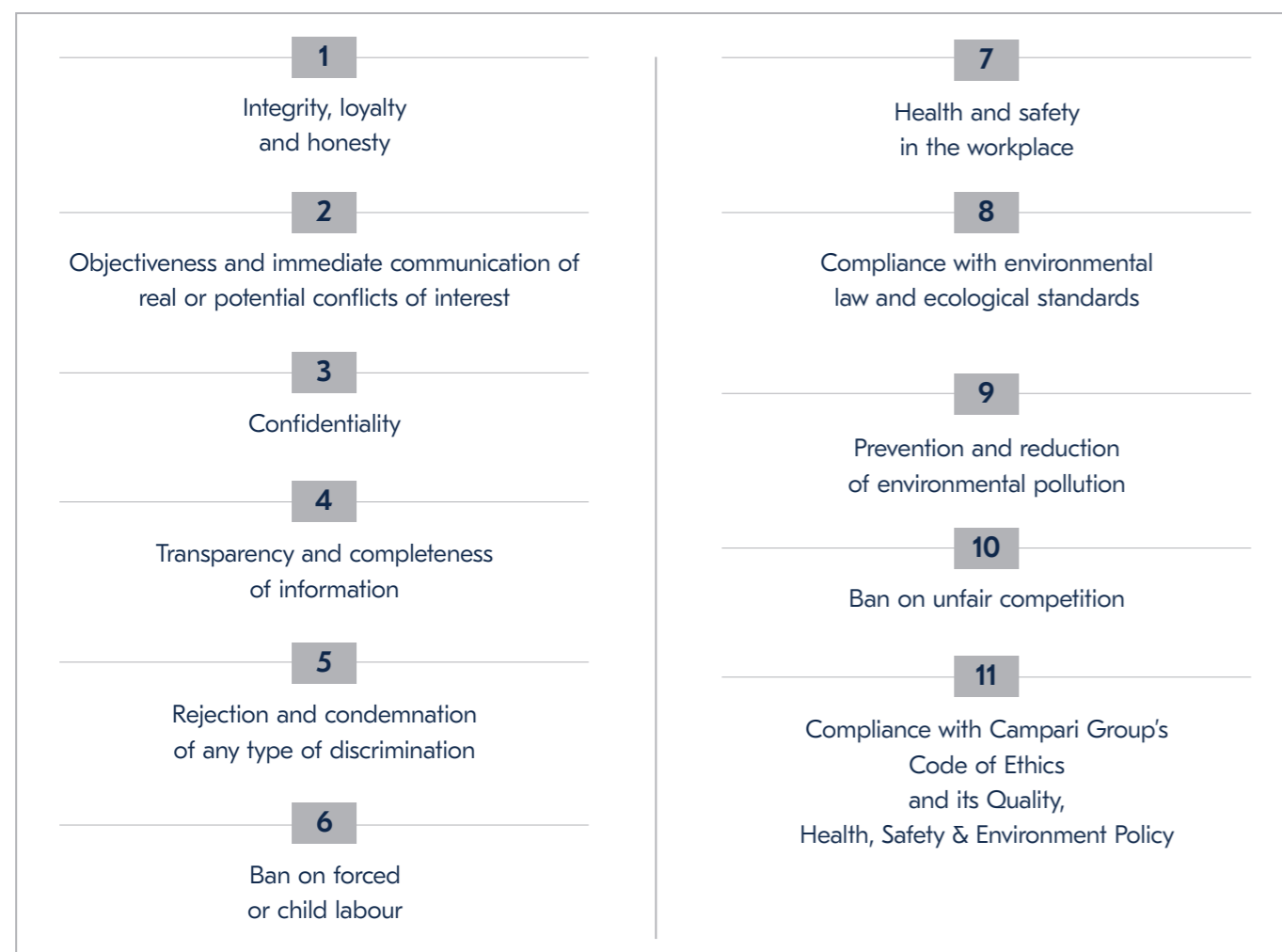
The Group's focus on ensuring and developing good business practices applies to its suppliers and distributors as well as its own activities and business units. Campari Group is increasingly committed to making responsible sourcing an integral part of its processes.

Responsible and transparent sourcing from commercial partners with similar values is a necessary condition for

ensuring high-quality and safe products that create value in local economies.

Since 2012, Campari Group has adopted the Supplier Code, a document setting out the ethical values and principles that underlie the Group's activities and which its suppliers and their employees undertake to sign, adhere to and ensure compliance with throughout their respective supply chains.

THE ETHICAL VALUES CONTAINED IN THE CODE ARE AS FOLLOWS:



In 2018, an updated version of the Supplier Code was published and implemented. It has been shared with the Group's suppliers.

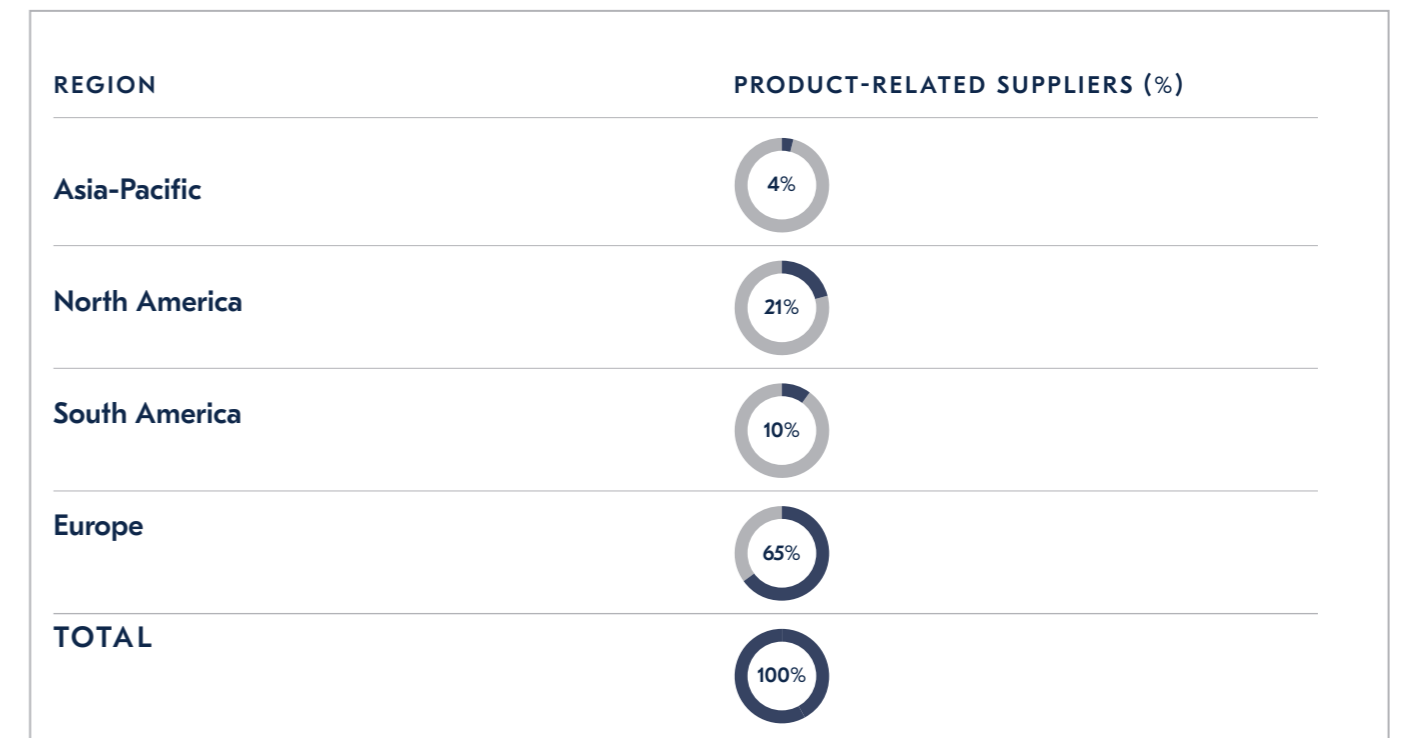
Campari Group's membership of Sedex (Supplier Ethical Data Exchange) is further confirmation of the Group's commitment to managing its supply chain more responsibly and transparently. Sedex is the largest shared platform in the world through which member users report and share their commercial practices in the following four key areas:

- labour law;
- health and safety;
- environment;
- business ethics.

Over the last two years, the Group's aim has been to primarily involve direct material suppliers in the Sedex programme. To this end, these suppliers were asked to register their production sites on the platform and share key information about the above fundamental areas. Approximately 400 production sites of product-related and non-product-related suppliers used by the Group are currently recorded on Sedex.

With the aim of reducing its environmental impact along the supply chain, Campari Group – all other commercial parameters being equal (e.g.: competitiveness, quality and availability of materials) – continues to look for local sourcing options.

THE GEOGRAPHICAL DISTRIBUTION OF PRODUCT-RELATED SUPPLIERS IS SHOWN BELOW:



Main product-related materials:

Raw materials:

- Agave
- Alcohol
- Sugar
- Grape
- Grains

Packaging:

- Glass bottles
- Cans
- Caps
- Labels
- External cardboard packaging

QUALITY OF OUR PRODUCTS

Campari Group applies a rigorous, end-to-end Food Quality and Safety programme from sourcing raw materials to distributing the final products, which are therefore safe and of a high quality.

CERTIFICATIONS

In 2019, Campari Group continued to comply with international food safety standards and created a programme of certifications to improve performance over the next two years.



COMPLAINTS

Campari Group performance is measured in complaints per million (CPM), i.e. the number of complaints received per million bottles produced. This performance improved markedly, with complaints down by 24% on 2018. In 2019, the CPM index stood at 0.587 (compared with 0.646 in 2017 and 0.776 in 2018), the outcome of growing awareness and carefully structured action plans designed to eliminate possible causes of inefficiency.

No withdrawals or recalls from the market were recorded in 2019.

COMPLAINTS ⁽²²⁾	2017	2018	2019
CPM (complaints received per million bottles produced)	0.646	0.776	0.587

As for last year, there were no fines or disputes relating to food safety in 2019.

(22) The perimeter for the purpose of calculating the CPM index includes the bottles produced either at the Group's own factories or by its co-packers.

RESPONSIBLE COMMUNICATIONS

Marketing and communications are an important tool through which Campari Group conveys messages and models of behaviour that are always attentive to responsible consumption of its products. Since 2010, the Group has had a voluntary Commercial Communications Code to ensure its communications comply with standards of legality, decency, honesty and fair business practices. Every year, the Group monitors the adoption and resulting signing of the Code by all members of the marketing, sales and PR teams, as well as by the external agencies with which it collaborates.

The percentage of Campari collaborators who have signed the Commercial Communications Code, broken down into the Group's own teams and external agencies, is shown below.



Furthermore, the marketing teams of all the Group companies take part in regular activities and meetings during the year to review the principles laid down in the Code.

The Code pays particular attention to the promotion of proper consumption practices, ensuring that they are always focused on moderation and sociability. In broad terms, the Code stipulates that:

Campari Group's commercial communications

MUST ALWAYS

promote responsible drinking, including the use of visible and legible messages

MUST NEVER

Promote the abuse or uncontrolled consumption of alcoholic drinks

Be aimed at or refer to minors, including indirectly

Make the alcoholic content the main information

Associate the driving of vehicles or other potentially dangerous activities with the consumption of alcoholic drinks

Lead the public to believe that the consumption of alcoholic drinks enhances mental clarity or physical and sexual prowess

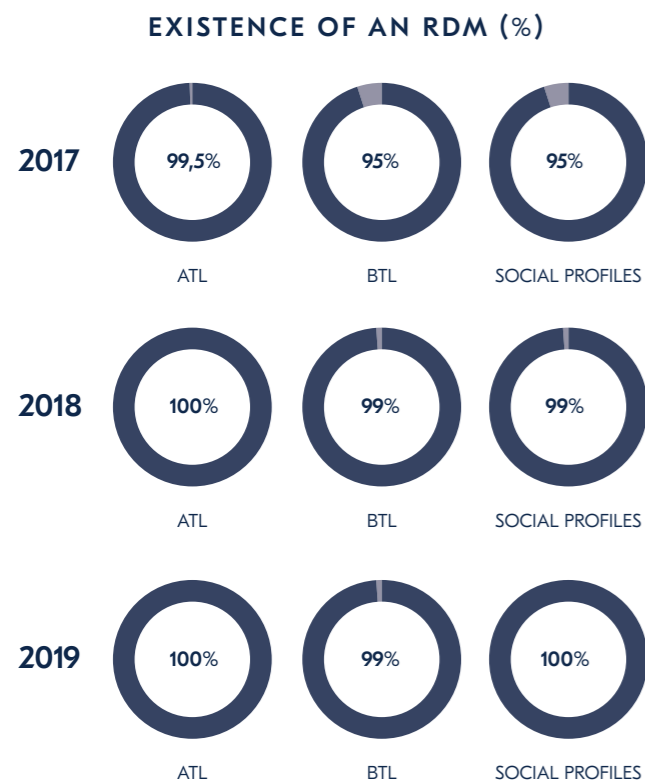
Lead the public to believe that alcoholic drinks may have therapeutic properties

Be aimed at, or refer to, pregnant women

In order to include all forms of communication, specific guidelines for digital marketing were formalised within the Code as early as 2012; these require, among other things,

the inclusion of the Age Affirmation Process on all websites for Campari Group's alcoholic products; this is with the aim of restricting access by those under the legal age for the consumption of alcoholic beverages. The guidelines also establish regular monitoring of comments by social media users, making provision for the removal of any content that does not comply with the provisions of the Code.

In line with the provisions of the Code, ATL (above the line) and BTL (below the line)⁽²³⁾ communications and the social profiles of our brands have carried messages about responsible consumption (RDMs – Responsible Drinking Messages). This excludes communication channels relating to the Group's nonalcoholic products (i.e.: Crodino, Crodino Twist, Crodino Spritz):



To further increase its effectiveness, the Code has established an internal Evaluation Committee made up of representatives of Group Strategic Marketing, Corporate Communications, Corporate Legal and Public Affairs&Sustainability. The Committee's activities are aimed at monitoring the compliance of above-the-line communications with the guidelines in the Code.

With regard to marketing and commercial communication activities, including advertising, promotion and sponsorship, no cases of non-compliance occurred that involved legal actions. We did receive one fine in China, where a blogger published a post that included an image of our product which contravened local advertising laws, and a legal notice in Russia, where a sales outlet contravened local advertising laws by improperly displaying barrels of Wild Turkey.

In 2019, Campari Group also continued to voluntarily include pregnancy logos or equivalent messages on the packaging or labels for alcoholic drinks brands, with the aim of discouraging their consumption by pregnant women.

RESPONSIBLE SERVING

Campari Academy is Campari Group's training school of excellence, founded in 2012 in Sesto San Giovanni (Milan) to offer sector professionals and connoisseurs a high-quality and varied programme about the world of bartending and bar management. There are different types of course for different training and professional purposes, but they are united by a common thread: excellence in drink. Lessons are held by qualified teachers, international bartenders, cultural and lifestyle experts, and trendsetters. At the end of each course, a certificate is issued certifying the attendee's participation in the Campari Academy.

Campari Academy has premises not only in Italy but also in Spain, Germany, Brazil, the United States and Australia. In the Group's other countries, Campari Academy offers bartender taster and training programmes that follow the same educational philosophy and mission worldwide.

Excellence in drink translates into a broader experience that requires not only a quality product, but also an equally excellent service. Campari Group has therefore drawn up the Responsible Serving Guidelines, a document offering bartenders six essential recommendations for responsible serving of alcoholic drinks. The guidelines are shared with the participants on all training courses at our Academies and with bartenders who take part in our events, so that they can communicate the message of responsible drinking directly to the end consumer.

The Responsible Serving Guidelines were shared with bartenders who worked for the Group in over 95% of the 3,000+ events held during 2019.

RESPONSIBLE SERVING GUIDELINES

1	Know the legal age for the consumption of alcoholic beverages in the country in which you work and request an ID document when the customer appears to be below the required age	2	Avoid creating noise, disturbances or other possible inconveniences to those who work or live near the venue in which you work, taking the necessary precautions
3	Be able to recognise the first signs of alcohol abuse and refrain from serving further drink	4	Always adopt responsible behaviour (e.g. do not consume alcohol at the workplace)
5	Do not promote, publicise or carry out your work in such a way as to encourage excessive or irresponsible consumption or discourage responsible behaviour	6	Maintain friendly behaviour towards customers and always promote the consumption of alcoholic drinks with food

RESPONSIBLE CONSUMPTION: COMMUNICATIONS AND PROMOTIONAL INITIATIVES

Campari Group continues to promote a culture of quality and responsibility, including through communications projects and actions carried out independently or in collaboration with the main trade associations. These initiatives are aimed at educating consumers in the informed use of our products.

The Group is currently a member of 38 trade associations and social aspect organisations in 20 countries, and its managers play a key role in some of these. One of the bodies of which Campari Group is a member is SpiritsEurope, the European association of alcoholic beverage producers,

which represents 31 national associations of 24 countries and 8 main players in the spirits sector. Another is APISWA (Asia Pacific International Spirits and Wine Alliance), the regional association that represents the ten largest companies in the wines and spirits sector in Asia and Oceania.

Working together with the key trade associations and major industry leaders, and thus addressing a wider audience, Campari Group helps to promote and disseminate responsible behaviour and lifestyles. In 2019 too, initiatives and projects relating to the responsible consumption of alcoholic products and sustainability were carried out in the various markets in which the Group operates.

(23) Above-the-Line ('ATL'): large-scale advertising via various media (television, radio, cinema, posters, press, web and social media). Below-the-Line ('BTL'): communications aimed at certain individuals in specific points of sale or consumption (direct marketing, promotions, events).

ITALY - BARTENDER HERO

Bartender Hero is a project aimed at making bartenders more aware of how to serve alcoholic drinks responsibly. Launched as a pilot in Italy at the Campari Academy in November 2019, the initiative will be developed throughout 2020 in a bid to encourage bartenders to serve in a spirit of moderation and sociability. Bartenders take a quiz to ascertain their professional strengths and weaknesses, be it how they interact with customers or how they actually mix the drinks. Once they have established their own profile, each bartender takes a test containing questions on alcoholic drinks and how to serve them, on the management of venues licensed to sell alcoholic drinks, and on industry laws and regulations. Participants can therefore acquire new skills and work on their weaknesses. Once the training course is over, each bartender has the chance to enter a prize draw to win a masterclass at the Campari Academy, where they can create their own drinks list and put into practice the new skills they have acquired by spending an evening working alongside bar manager Tommaso Cecca at the Camparino in the Galleria in Milan. The top prize in the draw is a trip to London where they can discover some of the most famous cocktail bars, all in the spirit of responsibility, moderation and sociability.

MEXICO - SKYY REWARDS YOUR RESPONSIBILITY

Following on from the 'Appleton Rewards your Responsibility' campaign in 2018, Campari Mexico continues to raise awareness of responsible drinking and safe driving topics, inviting people to behave responsibly at all times, but particularly when it comes to drink-driving. During a SKYY Vodka event, participants received an ID bracelet

enabling them to order water and soft drinks free of charge. As they left the venue, a team from SKYY Vodka was on hand to breathalyse them to assess whether they were OK to drive; any driver over the legal limit was asked to use alternative means of transport to ensure they got home safely.

JAMAICA - PARTY PROPPA

In Jamaica, J. Wray&Nephew Ltd. launched the 'Party Proppa' advertising campaign, aimed at educating people about responsible drinking. The campaign was aimed at millennials (people between 18 and 30) and involved responsible messages being put on social media. The marketing campaign starred some of the most popular artists and influencers in the country, each of whom was associated with a brand according to their personality. These influencers therefore played an active role in conveying key messages about how to have a responsible evening out and get home safely: don't drink on an empty stomach, always have food to accompany your drink and alternate between alcoholic drinks and water.

J. Wray&Nephew Ltd. has also developed promotional items for use in bars and at major events, during which attendees were given bottles of water at predetermined intervals.

UNITED KINGDOM - WRAY RESPONSIBLE DRINKING CAMPAIGN

'Free Pour Challenge' is the on-trade educational programme developed in association with the Wray&Nephew Overproof Rum brand. Bartenders and consumers were involved in an activity aimed at highlighting the importance of preparing and consuming cocktails properly. The

initiative was also present on social media through 'Respect the Wray', the marketing campaign launched in 2019 which reflects brand values and conveys messages about responsible drinking. The campaign also established guidelines on serving Rum Overproof in recycled-paper cups.

UNITED STATES - MOCKTOBER INITIATIVE

Mocktober is an annual campaign sponsored by the Kentucky Distillers' Association (KDA) to support 'The Mocktail Project', which aims to encourage a safer and more inclusive drinking culture where mocktails (i.e.: non-alcoholic cocktails) and cocktails can co-exist. As part of the initiative, bars, restaurants and distilleries added mocktails to their drinks list and hosted events to raise awareness about drinking in moderation. Campari America teamed up with bartender Kelsey Hofmann to run mocktail workshops.

BRAZIL - SEM EXCESSO

Campari do Brasil continues to support the Sem Excesso (No Excess) project, promoted through ABRABE (the Brazilian Beverage Association) during the country's national traffic week in the State of Paraná. Project participants enjoyed a virtual reality experience called 'Cabine Sem Excesso', which aimed to raise awareness of safe drinking by simulating what it is like to drive having consumed more than the legal limit.

MARKETING AND PRODUCT INNOVATION

The brand portfolio represents a strategic asset for Campari Group. One of the main pillars of its mission is to build and develop brands. The Group has an ongoing commitment to investing in marketing designed to strengthen the recognition and reputation of iconic and distinctive brands in the key markets, as well as launching and developing them in new high-potential geographical regions. Some of the main marketing activities and new product launches in 2019 are shown below.

APEROL

Aperol - Together We Joy

In March 2019, the new global campaign Together We Joy was launched, introducing the brand as a universal language that can connect people through the common thread of sociability. Directed by the French duo Greg&Lio, the campaign takes its inspiration from their musical experience, introducing a new way of communicating with colour and pop, to portray the idea of connections between people.

Aperol Happy Together LIVE - Venice

From May 2019, a number of events were arranged to celebrate the anniversary of Aperol, which was created in Padua in 1919. At the end of June 2019, a unique event, Aperol Happy Together Live, was held in St. Mark's Square in Venice, Italy, involving numerous artists with different styles but united by the same passion for music. More than 6,000 people attended the event, which was later broadcast on the TV channel Sky Uno. In Germany, Cologne was the scene of the Aperol City Takeover in July 2019, a wideranging bonanza of events and entertainment for the whole city. Further celebrations were held during the summer in Madrid, Barcelona, London and Manchester.

Other Aperol initiatives included the sponsorship of music festivals in the USA, such as Camp Flog Gnaw in Los Angeles and Riptide in Miami.

WILD TURKEY

Wild Turkey - Talk Turkey

In October 2019, Wild Turkey's Creative Director, Matthew McConaughy, and Complex Media launched the first series of advertainments dedicated to the brand of the same name, entitled 'Talk Turkey'. These are informal conversations between Matthew McConaughy and social influencers, aimed at emphasising the authenticity of their stories and experiences.

Wild Turkey - Master's Keep Cornerstone Rye

The limited edition Master's Keep Cornerstone Rye, the fourth release in the multiple award-winning Master's Keep series, skilfully created by master blender Eddie Russell with Rye whiskey chosen from the oldest barrels at the Wild Turkey distillery, was launched in August 2019.

SKYY

The new SKYY Vodka label was launched in the core US market and in other markets, including Germany, Brazil and South Africa, in 2019. Bearing the slogan 'Born in San Francisco', it strengthens the brand's link with its historical and geographical origins, and in particular with San Francisco, an inclusive and progressive city. The new series of limited edition SKYY bottles was also released to market: three new bottles celebrating the culture and values that turned the brand's birthplace into a global icon of progress and empowerment, bearing slogans such as 'We Build Bridges, Not Walls' and 'There is no straight path'.

SKYY USA World Pride Sponsorship

In June 2019, SKYY Vodka was an official partner of the World Pride festivals in New York City and Los Angeles, showing its ongoing commitment to supporting diversity. In addition, to commemorate the 50th anniversary of the Stonewall movements, SKYY partnered with a group of Vogue artists to pay homage to the people and history that shaped the LGBT+ culture.

SKYY - Guia Livre

For the second year in a row, SKYY Vodka promoted the 'Guia Livre' (Free Guide) project in Brazil, aimed at raising bar and restaurant owners' awareness of issues surrounding gender equality, ethnicity and sexual orientation. A dedicated training programme was run by the Brazilian SSEX BBOX project in order to make such venues more inclusive places where everyone is treated the same. The bars and restaurants that sign up to the initiative feature in a guide (the Guia Livre) compiled by Campari do Brasil and distributed to consumers, who can then rate the venues and share their experience on the project website.

GRAND MARNIER

Grand Marnier Cuvée Louis Alexandre

In January 2019, the new premium Grand Marnier Cuvée Louis Alexandre was launched in the United States. Created by Patrick Raguenaud, Grand Marnier Master Blender, the hallmark of the cuvée is the new VSOP liquid, the

result of a careful selection of cognacs, enriched with the highly aromatic essence of bitter oranges, and launched in a new premium packaging.

APPLETON ESTATE RUM

In December 2019, the first limited edition 23 Year Old Journey Rum in the Appleton Estate's Journey series was launched. Appleton Estate 21 also won several awards at the Ultimate Spirits Challenge 2019.

Appleton Estate's new visual brand identity was revisited in October 2019 in order to strengthen the brand's premium feel by using iconic Jamaican symbols.

Lastly, the Everyday People series of events was launched in Miami and New York, featuring funky music, food tasting and cocktails, with the aim of introducing Appleton Estate in locations of cultural relevance to the target audience. In June 2019, CNN also celebrated the Appleton Estate brand in the '100 Club' programme, which was dedicated exclusively to brands that have remained innovative for over 100 years.

REGIONAL PRIORITY BRANDS

Some of the biggest regional priority initiatives included the launch in Spain, Belgium and Germany of Bulldog's new integrated global campaign 'Shine in Your Own Light' and the relaunch in South Africa and Belgium of Bisquit Dubouché, a traditional but rebellious super premium brand with new and innovative packaging.

The Averna brand's links with Sicily, its territory of origin, were reinforced. Temporary stores were opened in Italy's main railway stations over the Christmas period, further developing the brand's partnership with Sicilian master chocolatier Andrea Bonajuto, representing Sicilian excellence in the chocolate industry, with tastings of Averna paired with Bonajuto, Sicily's oldest chocolate maker.

GlenGrant Single Malt 15-Year-Old Batch Strength was honoured with the Spirit of Speyside Whisky Award in the 13 to 20 year-old category. GlenGrant 18-Year-Old, the rarest of the GlenGrant single malts range, was again named 'Scotch Whisky of the Year', 'Single Malt of the Year' and 'Best Single Malt Scotch Aged 16-21 Years' by esteemed writer and whisky critic Jim Murray, bringing home first prize in the category for the fourth year in a row.

Forty Creek 22-Year-Old Rye was named the best Canadian whisky in 2019 at the ninth Canadian Whisky Awards.

O'ndina was named 'Best Italian Contemporary Style Gin' at the World Gin Awards.

In April 2019, the new Cinzano Vermouth super premium 1757, available in 'Rosso' and 'Extra Dry', was launched as a tribute to the birth of the brand in 1757. Lastly, in February 2019, Cinzano 'classico' vermouth was relaunched with a brand restyling that reinterprets the iconic Cinzano blue and red. A temporary exhibition was held at the Museo del Risorgimento (the Renaissance Museum) in Turin, with key pieces from the Cinzano historic archives to celebrate the elements and colours of the new Cinzano logo.

BRAND HOUSES

Camparino bar in Galleria

In November 2019, an exclusive event was held to mark the re-opening of the iconic Camparino bar, the birthplace of the Milanese aperitif, which had been renovated while preserving and emphasising its historical heritage and *art nouveau* style. The bar serves drinks and food specialities encompassing traditional creations and more contemporary, original ones, with a particular emphasis on gastronomic quality.

THE ENVIRONMENT



1,636,878 GJ

Energy consumed



13,007,137 m³

Water withdrawal



99.54%

Of waste is classified as non-hazardous



62%

Of transport in Europe is carried out intermodally



153,620

Pallets managed using the *PAKi method*



MANAGEMENT OF RESOURCES AND ENVIRONMENTAL IMPACT

The responsible use of resources and reduction of the environmental impact of our production activities are, of course, practices that guide the Group's activities with the aim of pursuing sustainable development.

The key environmental information for our production units and our headquarters is shown below.

ENERGY

Lower production at the sugar plant in Jamaica (-32% on the previous year), a shift away from wood and oil-based fuels in favour of natural gas in Jamaican and US distilleries and a generally more efficient distillation process enabled the Group to significantly cut its total energy consumption (-28%). A decline in the production of bio-

mass deriving from the processing of sugar cane in Jamaica brought about a worse ratio of renewable to non-renewable energy consumption than in 2018.

Overall, energy consumption per bottle produced fell considerably to 3.1 MJ as compared with the previous year.

Energy efficiency - natural gas

In 2019, the distilleries at Lawrenceburg (Kentucky, USA) and New Yarmouth (Jamaica) started to use natural gas, with the aim of optimising costs and energy efficiency and reducing the environmental impact of production activities.

The New Yarmouth facility in Clarendon was supplied with LNG (liquefied natural gas) from the second half of 2019 to generate all the electricity and steam required at the site. This enabled one of the boilers (Bunker C) to be converted from diesel to LNG. Conversion of the second boiler will be completed in the first half of 2020.

From a strictly environmental perspective, LNG has the lowest emission rate of all the main energy sources. Switching from diesel to LNG will considerably reduce emissions of carbon dioxide (CO₂), sulphur dioxide (SO₂), nitrogen oxide (NO_x) and particulates. Moreover, LNG is transported in double-hulled ISO container ships and tankers which are more robust and secure than those generally used for fuels and chemicals.

From a broader sustainability perspective, in addition to the significant cost savings compared with diesel, the price of LNG is much more stable, meaning that business

activities and budgets can be planned more confidently, cleaning and maintenance costs are lower, and the equipment lasts longer.

The Wild Turkey plant in Kentucky has always used wood boilers to produce steam, which is required in the mashing (mixing grains in hot water), fermentation and distillation phases, together with the creation of by-products, all of which are fundamental parts of the whiskey-making process.

The use of wood boilers may, however, entail a reduced ability to manage varying loads, production stoppages (particularly during the winter months), high extraordinary maintenance costs and the generation of waste products that are often hard to dispose of. Indeed, to dispose of them correctly, they need further treatment that uses more water and energy and itself produces waste. Installing a natural gas boiler in 2019 therefore reduced the distillery's use of wood boilers, which immediately brought about changes to the loads and a more efficient management of the entire production process, while also having less of an impact on the environment.

TOTAL ENERGY CONSUMPTION	2017	2018	2019
Total energy consumption [GJ]	2,366,287	2,276,813	1,636,878
CONSUMPTION OF ENERGY BY RENEWABLE/ NON-RENEWABLE SOURCES			
Consumption of energy from renewable sources [GJ]	1,029,909	705,250	229,740
Consumption of energy from non-renewable sources [GJ]	1,336,378	1,571,563	1,407,139
CONSUMPTION OF ENERGY BY SOURCE			
Consumption of electricity drawn from the grid [GJ]	192,353	178,251	154,051
Total heating consumption [GJ]	3,333	3,253	2,031
Total cooling consumption [GJ]	0	0	0
Total steam consumption (GJ)	0	0	0
Petroleum distillate fuels [GJ]	473,663	678,712	565,495
Purchased natural gas [GJ]	445,195	496,736	593,660
Fuels from natural gas processing and oil refining [GJ]	3,415	4,641	4,796
Purchased wood [GJ]	218,557	210,963	87,216
Energy produced from renewable sources [GJ]	1,029,771	704,258	229,629

WATER

Total water consumption was broadly in line with the previous year. The slight reduction was due mainly to usage efficiencies across some of the Group's production units, meaning that the volume of water used per bottle produced was 24.6 litres. In the face of a reduction of almost

20% in the water supply by the Jamaican sugar refinery, there is an increased water withdrawal from other production sites of the Group, due to production needs.

TOTAL WATER WITHDRAWAL	2017	2018	2019
Total volume of water withdrawn [m ³]	13,109,243	13,168,625	13,007,137
WATER WITHDRAWAL BY SOURCE	2017	2018	2019
Surface water-rivers [m ³]	8,228,126	7,418,367	6,689,587
Groundwater [m ³]	3,971,418	4,695,098	5,551,922
Rainwater [m ³]	0	0	3,640
Municipal water supply [m ³]	837,971	953,487	760,619
WATER DISCHARGES AND INTENSITY	2017	2018	2019
Total volume of water discharged [m ³]	6,975,653	5,841,677	5,564,158
Volume of water discharged per bottle produced [litres/bottle]	8.6	11.9	10.5
WATER DISCHARGES BY DESTINATION	2017	2018	2019
Wastewater discharged in bodies of surface water [m ³]	5,293,141	1,292,026	350,727
Wastewater discharged into groundwater [m ³]	1,271,902	3,861,768	4,420,019
Wastewater discharged into consortium plants [m ³]	213,733	244,740	249,872
Wastewater discharged into municipal or other facilities [m ³]	149,147	310,065	424,469
Total volume of wastewater reused by/sent to another organisation [m ³]	47,730	133,079	119,071

The consistent number of analysis carried out on wastewater and the volumes subjected to chemical/physical and biological testing provide proof of the Group's

commitment to ensuring that the water it returns to the environment is of a high quality.

ANALYSIS OF WATER AND TREATMENT	2017	2018	2019
Wastewater analyses [number]	3,778	4,414	4,445
Volume of physically treated water [m ³]	115,506	48,157	43,040
Volume of chemically treated water [m ³]	5,918	67,233	82,144
Volume of biologically treated water [m ³]	495,546	275,252	315,242
Volume of chemically/biologically treated water [m ³]	0	6,696	5,589
Volume of chemically/physically treated water [m ³]	225,784	53,666	29,876

Water Assessment

Water is the most important natural resource and the one in which many stakeholders take a great interest. Although our production facilities are not located in areas where water is scarce, we feel the need to better understand how we manage this precious resource and identify things we can do to optimise usage and reduce costs.

In 2019, we carried out a water assessment at the Rothes plant in Scotland, the aim being to define and describe the water cycle at the GlenGrant distilleries during all the main production processes and identify the key information relating to water withdrawals and consumption areas, recycled and reused water, water discharge types and destinations, and water treatment methods and analysis. The water cycle was assessed based on the main production

activities performed at the plant, including malting, distillation, maturing and bottling.

Analysis of the data collected and the production processes in place revealed that the values and performance of the GlenGrant distilleries were similar to the average of the other Scotch whisky distilleries, this being the result of responsible and informed usage of the available water resources. In addition, the GlenGrant distillery works with other local distilleries and various stakeholders, including government agencies and SEPA (Scottish Environment Protection Agency), to manage water resources properly and sustainably in order to minimise the effects of periods when there is less water available.

WASTE

The significant reduction in waste volumes produced was due mainly to less cane harvesting and sugar processing in Jamaica, which still accounts for a considerable share of the Group's organic waste production. Owing to a fall in the amount of non-hazardous waste, the percentage of hazardous waste produced rose com-

pared with 2018 (0.46%), but it remains extremely low. For each bottle produced, there was 0.11 kg of waste.

WASTE PRODUCED AND INTENSITY	2017	2018	2019
Total waste produced [t]	65,637	105,426	61,639
Waste per bottle produced [kg/bottle]	0.1	0.2	0.11
DESTINATION OF WASTE PRODUCED	2017	2018	2019
Internal reuse [t]	0	0	0
External reuse [t]	25,147	13,220	8,934 ⁽²⁴⁾
Recovery, including energy recovery [t]	5,628	4,844	5,110
Composting [t]	2,782	5,561	4,773
Incineration [t]	11	31	20
Landfill [t]	6,027	7,928	8,159
On-site storage [t]	63	51	82
Fertilisation in agriculture [t]	23,430	25,320	10,546
Recycling [t]	1,658	2,223	2,001
Other destinations [t]	820	474	5,860
HAZARDOUS AND NON-HAZARDOUS WASTE	2017	2018	2019
Hazardous waste produced [t]	134	261	281
Non-hazardous waste produced [t]	65,503	105,165	61,358
Hazardous waste produced [%]	0.2	0.25	0.46

(24) The figure includes the amount of 8,827.4 tons related to the by-product of the fermentation process coming from the WTD plant reused locally by third parties in agriculture.

PENALTIES AND FINES

We incurred a health and safety fine in Novi Ligure and six non-financial environmental penalties in Lawrenceburg for minor issues that were quickly resolved.

PENALTIES, LITIGATION AND COMPLAINTS	2017	2018	2019
Monetary fines - Health and safety [number]	0	2	1
Monetary fines - Environment [number]	0	1	0
Non-monetary penalties - Health and safety [number]	0	0	0
Non-monetary penalties - Environment [number]	1	0	6
Litigation settled - Health and safety [number]	1	0	0
Litigation settled - Environment [number]	0	0	0
Complaints - Health and safety [number]	0	1	0
Complaints - Environment [number]	0	1	0

EMISSIONS

The overall reduction in the Group's energy consumption, resulting from the switch from wood and hydrocarbons to natural gas in Kentucky and Jamaica, brought about a considerable reduction in carbon dioxide-equivalent atmospheric emissions both for scope 1 emissions⁽²⁵⁾ and for

scope 2 emissions⁽²⁶⁾.

With regard to methodology, as in 2018, we applied the conversion factors provided for under the GHG Protocol⁽²⁷⁾.

GHG EMISSIONS, SCOPE 1 AND 2	2017	2018	2019
GHG emissions, scope 1 [t of CO ₂ e.]	64,044	78,659	76,765
GHG emissions, scope 2 [t of CO ₂ e.]	18,785	22,514	19,900

The increase in GHG emissions from cooling systems was the result of extraordinary maintenance in Jamaica.

GHG EMISSIONS BY TYPE	2017	2018	2019
Combustion in thermal plants [t of CO ₂ e.]	63,531	78,310	75,385
Refrigerants [t of CO ₂ e.]	513	349	1,380
Purchased electricity [t of CO ₂ e.]	18,785	22,514	19,900

(25) Scope 1: greenhouse gas emissions from owned or controlled sources.

(26) Scope 2: greenhouse gas emissions from purchased or acquired electricity, steam, heat and cooling.

(27) The Greenhouse Gas (GHG) Protocol, developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD), establishes the global standard for measuring greenhouse gas emissions.

SPILLS

There was a marked and considerable reduction in the number of environmental spills, which proves the Group's constant attention to, and growing awareness of, this issue.

TOTAL SPILLS	2017	2018	2019
Total spills [number]	22	25	13
SPILLS BY DESTINATION	2017	2018	2019
Ground spills [number]	2	10	2
Surface water spills [number]	5	5	3
Groundwater spills [number]	0	2	0
Industrial consortium wastewater spills [number]	0	0	1
Spills in municipal water supplies or other utilities [number]	3	2	1
Air spills [number]	12	6	6
TOTAL NEAR-MISS SPILLS	2017	2018	2019
Total near-miss spills [number]	39	30	33
NEAR-MISS SPILLS BY TYPE	2017	2018	2019
Near-miss spills - Oil [number]	4	4	4
Near-miss spills - Fuels [number]	1	1	1
Near-miss spills - Waste [number]	1	1	5
Near-miss spills - Hazardous chemical substances [number]	5	3	2
Near-miss spills - Product [number]	6	12	5
Near-miss spills - Alcohol [number]	10	5	3
Near-miss spills - Other [number]	12	4	13

CERTIFICATIONS

Activities in support of the Management Systems ensured that the number of units produced in certified facilities was in line with the previous year.

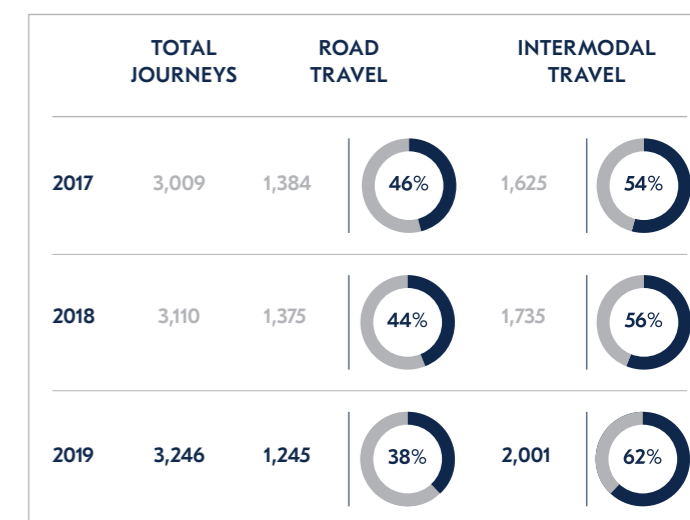
HSE CERTIFICATIONS	2017	2018	2019
Bottles produced in production units certified in accordance with international occupational health and safety standards (BS OHSAS18001) [%]	68%	62%	62%
Bottles produced in production units certified in accordance with international environmental standards (ISO14001/EMAS/ISO50001) [%]	76%	73%	72%

LOGISTICS AND SUSTAINABLE DISTRIBUTION

Defining a sustainable freight transport system in which all the operators involved operate in a responsible manner clearly has a significant environmental impact. Campari Group has thus continued in 2019 to develop the sustainable distribution innovations already started in 2016, especially in Europe. Over the years, the two main actions undertaken as part of the redefinition of the logistics network have related to intermodal transport and sustainable pallet management. Thanks to these, the Group has been able to reduce its CO₂ emissions per pallet handled by more than 37% compared to the traditional modes of transport adopted until 2015, thus obtaining the 'Logistics of the Year 2018' award from Assologistica, the Italian association of logistics companies, warehouses, port, interport and airport terminal operators, that award being granted to companies that stand out due to their innovation activities in the logistics sector.

EUROPE - Intermodal transport

The concept of intermodal transport represents a significant opportunity in freight transport thanks to the use of multiple integrated modes of transport. In 2019, intermodal journeys accounted for 62% of journeys from Italy to the rest of Europe (compared to 56% in 2018, equivalent to +10.7%).



A breakdown of outgoing transfers from production units in Italy to European distribution centres is given below.

OUTWARD JOURNEYS FROM ITALY

	Austria	Belgium	Germany	United Kingdom	Latvia	The Netherlands	Spain	Switzerland	Ukraine
2017									
Road transport	100%	40%	4%	2%	78%	0%	86%	100%	100%
Intermodal transport	0%	60%	96%	98%	22%	100%	14%	0%	0%
Total transfers	295	262	1.154	168	453	71	204	301	101
2018									
Road transport	100%	19%	16%	15%	64%	0%	72%	100%	100%
Intermodal transport	0%	81%	84%	85%	36%	100%	28%	0%	0%
Total transfers	263	242	1.284	156	479	90	234	259	103
2019									
Road transport	99%	6%	23%	5%	31%	0%	39%	100%	100%
Intermodal transport	1%	94%	77%	95%	69%	100%	61%	0%	0%
Total transfers	284	251	1.321	178	483	102	229	283	115

The service levels and the percentage of intermodal transport departing from the plants located in Greece and Great Britain are shown below.

OUTWARD JOURNEYS FROM GREECE

	2018		2019	
	Road transport	Intermodal transport	Road transport	Intermodal transport
Austria	25%	75%	0%	100%
Belgium	29%	71%	37,5%	62,5%
Germany	2%	98%	29,5%	70,5%
United Kingdom	0%	100%	0%	100%
Italy	0%	100%	43%	57%
Switzerland	0%	100%	0%	100%
Total	3%	97%	28%	72%

OUTGOING JOURNEYS FROM THE UNITED KINGDOM

	2018		2019	
	Road transport	Intermodal transport	Road transport	Intermodal transport
Belgium	-	-	29%	71%
Germany	0%	100%	0%	100%
Italy	2%	98%	3%	97%
Spain	0%	100%	21%	79%
Switzerland	0%	100%	-	-
Total	2%	98%	5%	95%

In Italy too, the Group continues to choose road/rail and road/ship intermodal transport wherever possible, as an alternative solution to road freight transport, keeping per-

formance in line with that of last year. In fact, of the 4,249 freight transfers, almost 12% were carried out on an intermodal basis.

ITALY - TRANSFERS

	2017	2018	2019
By road/ship	487	377	375
Intermodal road/rail	148	121	117
Total transfers	6,206	4,085	4,249
Trend	10.8%	12%	11.6%

While the impact on the number of transfers in 2018 was due to a reshaping of the business, the recovery in the number of transfers in 2019 (+4% compared to 2018) is attributable to an increase in sales.

EUROPE - Sustainable pallet management

In 2019, the Group continued to extend its collaboration with the supplier PAKi, a company operating in the pallet handling sector, to include France, in addition to Greece which has already been incorporated since 2018. Thanks to its extensive network, PAKi deals with picking up pallets at the unloading points and transferring them to the nearest depot, whether its own or that of another client,

and simultaneously delivering the same type of pallet to our loading points from its nearest collection points. This mechanism enables us to significantly reduce the number of kilometres travelled across Europe. In 2019, the number of pallets managed using the 'PAKi method' remained essentially in line with the previous year, with only a slight reduction as a result of testing an alternative management procedure during the year.

PAKi METHOD	2017	2018	2019
Exports - Germany, Austria, Belgium, the Netherlands and Switzerland	49,846	61,123	51,804
Italy	35,179	91,393	93,761
Greece	0	5,610	5,610
France	0	0	2,445
TOTAL	85,025	160,126	153,620

ITALY - ECO-MOBILITY

Berger

With regard to road transport in Italy, Campari Group has continued its partnership with the operator Berger Logistik, a particularly innovative company in the world of sustainable mobility and road transport. The Austrian company has, in fact, a particular fleet consisting of Euro 6 vehicles built with lightened steel, making it possible to optimize the product load by transporting two more pallets than could normally be moved using a standard vehicle (additional payload of 7.4%). During the year, we were able to load 1,902 extra pallets using ecotrail vehicles, for a total of 28,530 pallets, thus avoiding the need for the movement of 68 vehicles which would have occurred if we had used a standard transporter.

LNG (Liquified Natural Gas)

2019 saw the consolidation in Italy of LNG transport, which was extended to medium distances (>500 km) thanks to the development of new partnerships and optimization of the distribution network. Thanks indeed to collaboration with a range of new transporters, the Group has strengthened LNG transport along the Novi Ligure-Massalengo route and has extended the distances travelled along the Novi Ligure-Massalengo-Frascati route.

LNG, which is mainly made of methane obtained through the use of a number of cooling and condensation processes,

is liquefied, reducing its volume 400 times from its original state and enabling a greater quantity of energy to be stored.

The great potential, in environmental terms, deriving from the use of the LNG is reflected in the achievement of the following objectives:

- a reduction in CO₂ emissions (-26%, as compared to a Euro 5 vehicle);
- a reduction of particulate matter (PMx) emissions (-99%, as compared to a Euro 5 vehicle);
- a noise reduction of between 3 and 6 dB as compared to a vehicle with the same diesel power.

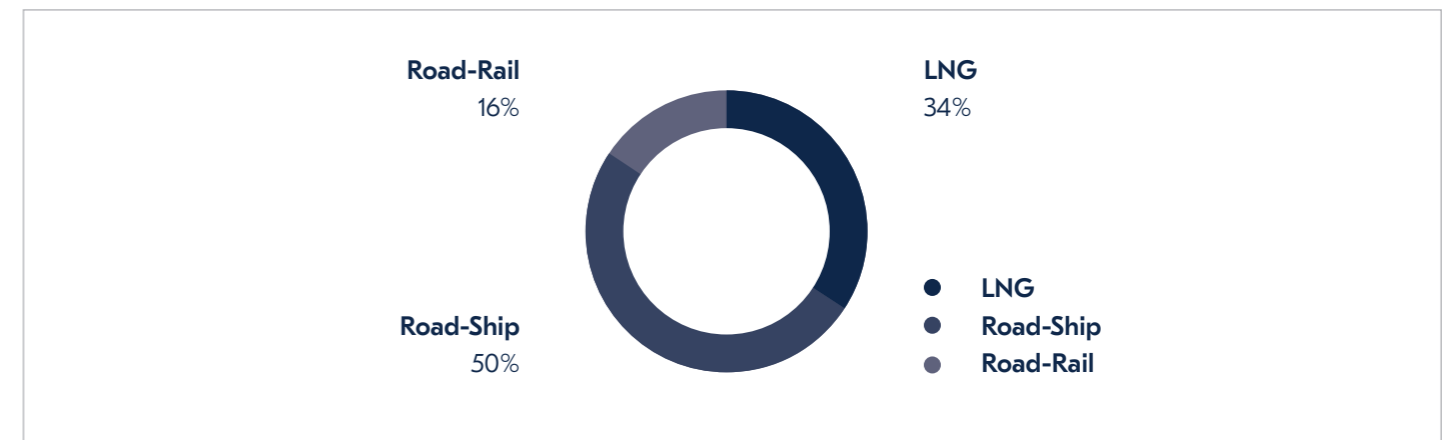
In 2019, LNG accounted for 6% of 4,249 total travel. Consequently, the transfers carried out by DCM using the various transport means that have a low environmental impact (LNG and intermodal transport) accounted for 17.6% of total transfers in Italy (+3% compared with 2018).

TRANSPORT TYPE	2018	2019
LNG	2.3%	6%
Road	85.4%	82.4%
Road - Ship	9.2%	8.8%
Road - Rail	2.9%	2.8%
TOTAL	100%	100%

In environmental terms, the use of LNG instead of a Euro 5 diesel vehicle has allowed us to cut emissions of CO₂ and PMx by the following.

- 9,750.32 kg of CO₂ not emitted;
- 1,043.89 gr of PMx not emitted.

DISTRIBUTION OF ECO-SUSTAINABLE TRANSPORT 2019



Furthermore, the LNG best practice was exported for the Italy-Spain line, starting from June 2019, reaching an absorption percentage of 14% of a total of 229 journeys from Italy to Spain.

City Login

Among the other sustainable logistics activities adopted by Campari Group, it is important to highlight the collaboration, for the transport of products in urban centres, with CityLogin, a joint venture between two leading groups in the logistics sector (FM Logistic Group and Mag Di Group) since 2014. City Login offers specialized and integrated logistics services using an innovative ecological fleet, including, for example, low environmental impact distribution activities in the historical centres of the largest Italian cities, using goods sorting and storage facilities close to the distribution area (proximity hub) and electric or bimodal means of transport. In particular, 1,566 zero-emission deliveries were made in the urban centre of Rome (restricted traffic zone-ZTLs).

Using as a basis of comparison for pollutant emissions, a vehicle with a capacity equivalent to the zeroemissions vehicle, i.e. a 3.5 ton Euro 4 diesel, we estimate that we have achieved the following performance⁽²⁸⁾:

- 38,049 kg of CO₂ not emitted;
- 43.69 kg of PMx not emitted;
- 230.89 kg of NOx + other pollutants not emitted.

(28) Source: Inemar 2013 (ARPA Lombardia).

COMMUNITY INVOLVEMENT



Over
14,700

Visitors to
Galleria Campari
in 2019



Campari
Art Prize

Created in 2017



In 2019
+23%

of Negorni Week
participants compared
with 2018



Campari is the
main sponsor
of the Venice
International
Film Festival

and promoted the second
edition of the *Campari
Award Passion for Film*



COMMUNITY INVOLVEMENT

In 2019 too, culture was a key element of the Campari Group's DNA. The 'Campari' name has always been associated with the world of art, design and cinema.

The promotion of culture and its dissemination also means focusing on people's education and well-being. The Group is sensitive to the needs of the communities in the countries in which it has a significant presence. The principal community involvement projects that it has undertaken are described below.

GALLERIA CAMPARI

The Galleria Campari museum was opened in 2010 on the 150th anniversary of the brand. It is an interactive and multimedia space, dedicated to the relationship between the Campari brand and its communication through art and design.

The Galleria Campari museum exhibits a selection from the Historical Archives, bringing together over 3,000 sketches on paper, photographs, original Belle Époque posters, posters and advertising graphics from the 1920s to the 1990s signed by artists such as Marcello Dudovich, Leonetto Cappiello, Fortunato Depero, Bruno Munari, Guido Crepax and Ugo Nespolo; *caroselli* (advertising sketches) and commercials by directors such as Federico Fellini, Singh Tarsem, Paolo Sorrentino, Stefano Sollima, Matteo Garrone; objects signed by designers such as Matteo Thun, Dodo Arslan, Markus Benesch and Matteo Ragni.

Galleria Campari and its company archive tell - in a tangible way, starting from the advertising material - stories of entrepreneurship, of a territory and society, with a particular focus on the world of creativity and art.

The museum can be visited through a system of free guided tours, to be booked in advance and led by the company's employees. In 2019, there were 14,700 visitors.

In addition to presenting its permanent collection, Galleria Campari also organizes temporary exhibits and exhibitions and cultural activities; it promotes publications on the history of communication, loans its works to other museums, provides historical and critical advice in support of external projects that include material from the Campari collection. Galleria Campari is not only a space linked to the brand and its history, but also a centre for cultural

research and production, with the goal of developing the relationship between Campari and the world of culture.

Dissemination of culture and on-site activities

In 2019, Galleria Campari participated in numerous events and organized several extraordinary exhibitions as part of national, international and local initiatives promoted by the City of Milan. These included: Museo City, European Heritage Days and the Corporate Culture Week (as part of the national Museimpresa circuit), Open House Milan.

Between May and July 2019, Galleria Campari collaborated with the Corriere della Sera Foundation (one of Milan's most important cultural institutions) and with MIC (Milan Interactive Cinema) Museum on a varied programme of free fringe activities related to the 'Stories of Fashion. Campari and style'. Galleria Campari organised four film screenings at the museum, a series of conversations with leading figures from the world of fashion, cinema and journalism and a special creative open day. Galleria Campari has reconfirmed its commitment to offering the public new and engaging experiences, always offering new points of view on the permanent collection and temporary exhibitions. Again in collaboration with the Corriere della Sera Foundation and the Law Firm Negri-Clementi, a legal office specializing in art consultancy, Galleria Campari organized the Street Art2 Conversation to explore issues related to street art. The panel produced highlighted the relevance and importance of RedVolution 2.0, a 2014 Galleria Campari project, the results of which can still be admired today: 110 years of history in the Sesto San Giovanni (MI) district inspired 11 street artists to create a 'continuous mural, 110 metres long, between Viale Casiraghi and Via Sacchetti. The work has now become part of the city environment, consolidating and reaffirming the strong bond between the company and the area.



Exhibitions at Campari headquarters

Fashion Stories. Campari and style |

4 October 2018-13 July 2019

The exhibition project, curated by the journalist Renata Molho, brought together 100 works from the Campari Archive with models and sketches from fashion houses, museums, foundations and contemporary artists (e.g.: A.N.G.E.L.O. Vintage Archive, Laura Biagiotti, Giorgio Armani and Armani Silos, Capucci Foundation, Raffaella Curiel, Fendi, Gianfranco Ferrè Foundation and Salvatore Ferragamo Museum, Giovanni Gastel, Ana Strumpf).

Pedigree, Rodrigo Hernández |

10 October 2019-14 February 2020

Personal exhibition of the Mexican artist Rodrigo Hernández (1983), winner of the second edition of the 2nd edition of the Campari Art Prize at Artissima. The exhibition, curated by Ilaria Bonacossa, Director of Artissima, blends reality and imagination, history, literary suggestions, symbols and personal interpretations.

N100. The Art of Negroni |

21 November 2019-20 December 2019

An exhibition of 30 works created by some of the most interesting personae in the Italian and international art scene. Emerging and mid-career artists from around the world were invited by Campari to create artistic interpretations of the iconic Negroni cocktail in the year of its centenary. Campari's artistic heritage has inspired artists from all over the world in the creation of installations, illustrations, pictorial and photographic works. Partnerships with institutions such as the Central Saint Martins College of Art and Design of London, IED-European Institute of Design in Milan and the Visionar artistic collective in Milan, have underlined the continuity of Campari's activity in support of emerging art.

Galleria
CAMPARI



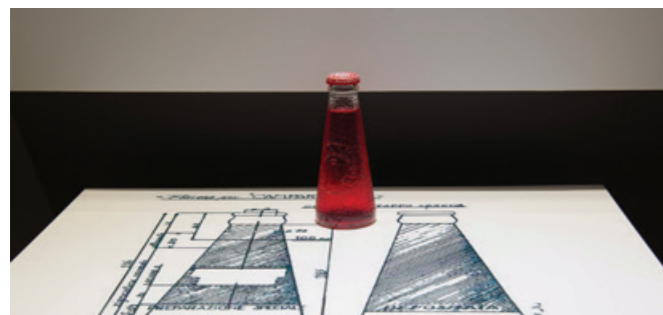
Travelling exhibitions and off-site loans

**Red in Italy. The Colours of Red in the Italian Design
Brussels, 12 September 2019-9 October 2019, Italian Cultural Institute (IIC)**

A sensory exhibition organized by FG Confalonieri with the scientific curator Francesca Valan. The exhibition, dedicated to exploring everything that revolves around the colour red through the display of a series of iconic objects of 'Made in Italy' design, provided stimulus for an aesthetic and cultural comparison between different countries. The starting point of the entire project was the iconic Campari red, from which a reflection on the world of 'reds' that have characterized the civilizations of the world was derived. Alongside Bitter Campari and Campari Soda, the creations designed by some of the most famous designers of the twentieth and twenty-first centuries and which have contributed the most to the symbolic construction of Italy's image in the world thus depicted the evolution of the colour red, intertwining design, art, culture and sociology. The installation confirmed the important role of Campari Group and Italian companies in the world of design, having brought the strong tradition, heritage and excellence of Made in Italy to the heart of Europe, thanks to the invaluable support of the Italian Cultural Institute in Brussels. To complete the programme, two in-depth talks were organised during the exhibition, with experts from various disciplines and the participation of officials and political representatives of European Institutions, among others.

Galleria Campari also offered a series of its own works on free loan for the following initiatives and exhibitions:

- 'Art to Business' at the Italian Embassy in London, on the occasion of a talk on Campari art, held on 13 February 2019 as part of the Art2Business (A2B) programme, a format designed to promote Italian creativity and explore how the creative sector models the image of Italy abroad.
- 'Fortunato Depero. From the futurist dream to the advertising sign' at Lu.C.C.A. Lucca Center of Contemporary Art.



- 'Carosello (advertising sketch)-Advertising and Television 1957-1977' at the Magnani-Rocca Foundation of Parma.
- 'Marcello Dudovich. Photography between art and passion' at the M.A.X. museum in Chiasso.

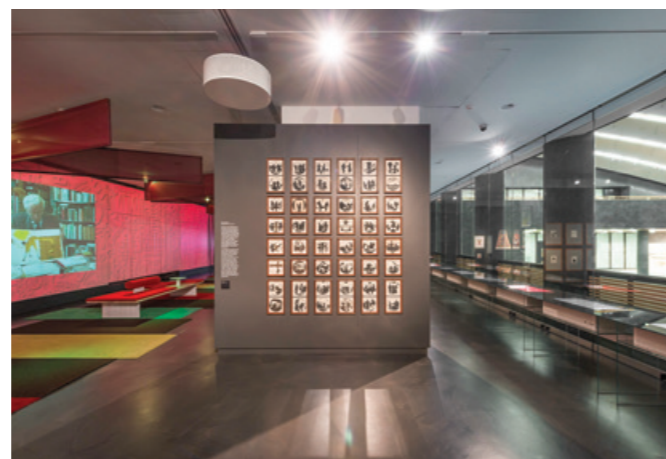
Artissima

In 2019, Galleria Campari continued its collaboration with Artissima, the Turin International Contemporary Art Fair, through the third edition of the Campari Art Prize. The art fair is one of the most important in Europe and was visited by over 55,000 people. The winner of the 2019 Campari prize for emerging art was Germany's Julian Irlinger, an under 35 artist presented by the Berlin-based Thomas Schulte gallery. The artist was awarded the prize for the specific communication dimension and narrative capacity of the work. During 2020, Julian Irlinger will be the protagonist of a personal exhibition at Galleria Campari.



For Camparistas

In 2019, to encourage the involvement of headquarters' employees and their participation in the cultural activities promoted by the company, Galleria Campari organized a series of moments dedicated to telling the story of the ongoing exhibition projects, and opened up every initiative and event to Camparistas. In 2019, Galleria Campari also obtained discounts and free tickets for all the exhibitions to which it lent works and



for Artissima 2019, and likewise collaborated with the Human Resources Team on the creation of 'induction moments' for new hires.

CINZANO ARCHIVE

Through a range of posters designed by major artists of the last century, documents, plates, diplomas, photographs, bottles and historic point of sale (PoS) material, the Cinzano Archive relates nearly 300 years of history of a brand that has successfully interwoven its business path with the evolution of Italian and international customs and traditions.

In 2017, as part of the celebrations for its 260th anniversary, a major work of restoration and rediscovery of Cinzano material was carried out; it was then shown to the public for the first time after many years in an exhibition entitled 'Cinzano: from Torino to the World. Journey of discovery of an Italian icon'. Activities continued in 2018 with exhibitions in Italy and abroad, including specific initiatives for Camparistas.

In 2019, two major initiatives involving material from the Archive were staged in Italy and abroad:

- 'Cinzano: journey to discover an Italian icon', 17-20 September 2019, Italian Cultural Institute of Prague: an exhibition to tell the story of one of the most iconic Italian brands in the Czech Republic;
- 'The elegance of the essential: logo, shape, colour', 28 November, National Museum of the Italian Risorgimento in Turin: a talk to celebrate the 90-year history of the red and blue logo, with discussion on topics such as brand identity, heritage and new languages of communication, based on the Cinzano case history.





At the same time, an exhibition was prepared focused on the logo, featuring some of the historical posters, objects and bottles.

CAMPARI AND THE CINEMA

Venice Film Festival and Campari Lab

A strong bond between Campari and cinema has been established and is renewed each year. Italy's best known aperitif brand long chose cinematographic art as its cultural and communicative universe of reference, and Campari celebrated it again through multiple initiatives as the Main Sponsor of the 76th edition of the Venice International Film Festival, the most important international festival for the promotion of cinema in all its forms.

For the 10 days of the festival, Campari was a point of reference for celebrities, influencers, directors and new talents, through a wide range of activities. Alongside the Red Carpet, the *Campari Lounge* was, indeed, the centerpiece of these initiatives, the venue for meetings with actors, directors and operators in the sector, including Campari's guests Greta Scarano, Catrinel Marlon, Alessandro Borghi and Ferzan Ozpetek, each of whom made their own personal artistic contribution.

New to this edition was Campari LAB, an educational film laboratory created in collaboration with Rome's Experimental Film Centre (Centro Sperimentale di Cinematografia), with the aim of showcasing new talents on the

Italian film scene across all of the professions that give life to the world of film and promoting experimentation with new visual languages and innovative storytelling methods. Campari LAB was a cultural incubator within which 30 new talents from all the professions underlying the world of cinema - i.e.: production, direction, screenplay, photography, set design, and editing - were discovered and trained. It was the first branded content laboratory of the Experimental Centre aimed at the creation of short films inspired by the core values of the Campari brand. The result of this first collaboration was 'The Red Hour', an anthological series developed in 5 self-contained short films, all united by the common thread of Red Passion. The shorts were previewed during the Exhibition at the Campari Lounge.

Furthermore, together with the Artistic Department of the International Film Festival, Campari continued to recognise, through the second edition of the official 'Campari Passion for Film' award, the extraordinary contribution of the professional figures who, together with the director, transform each film into a small work of art. The prize was awarded to Director of Photography Luca Bigazzi, who holds the record for the number of David di Donatello awards for Best Cinematography won.

In September 2019, Campari was also an exclusive spirit partner at the 57th New York Film Festival, presented by the Lincoln Center Film Society, where Campari participated with the Campari Red Diaries platform.

ADASTRA PROJECT

AdAstra Project-*Spazio al tuo futuro* (Space for your future) is a pilot training and work experience project aimed at young people in disadvantaged and vulnerable personal and economic conditions that Campari Group has promoted in partnership with Fondazione di Comunità Milano, A&I Onlus, Eataly and Lavazza, and which provides a positive example of collaboration between profit and non-profit organizations. In order to implement the project, Campari Group, Eataly and Lavazza are making available, from January 2020, their centres of excellence, their academies, the skills of qualified professionals in the field, and on-the-job training opportunities to provide young participants with the specialist and professional knowledge and skills required to pursue a career in the sector. The name AdAstra Project is a clear reference to the Latin motto *per aspera ad astra* (through hardships to the stars), signifying the will to overcome difficulties and embark on one's own path in the world. The training course will, in fact, continue with a four-month apprenticeship before the students are actually given a job placement. AdAstra Project represents the ideal context in which Campari Group, through Campari Academy, a leading school teaching the art of bartending and bar management, has the opportunity to make a tangible contribution to the promotion of professional education by extending important opportunities to disadvantaged young people in an area, Milan, that represents the history and origins of the Group.

CAMPARISTA DREAM COACH

In Italy, in 2019, Campari Group promoted the Camparista Dream Coach corporate volunteering project, thanks to its collaboration with Junior Achievement. Junior Achievement is the largest non-profit organization in the world that encourages and prepares young people, while they are still students, for their future in the world of work, promoting innovative experiential learning in financial literacy and preparation for work and entrepreneurship, with the involvement of companies and institutions. Camparista volunteers visited the classrooms of high schools and technical colleges as dream coaches to help students set up mini-enterprises, supervising their management from concept to launch on the market. This enables students to develop the set of the technical and transversal skills required for self-entrepreneurship and that

are fundamental for their future working careers; at the same time, the volunteers have the opportunity to share their professional experience and transfer their skills, thus becoming a source of inspiration for the students and boosting their own motivation. For Camparistas volunteers, this experience constituted an enriching moment of intergenerational exchange that allowed the *dream coaches* to break out of their daily working routines, interfacing with new interlocutors and pushing them to think differently.

CAMPARI BARMAN COMPETITION: seventh edition

The clear focus and recurring theme of the Campari Barman Competition 2020 was the cinema, an artform with which the brand maintains a very strong bond. The final was held in Rome, a city that has always been a symbol of Italian cinema, as well as a source of inspiration for international cinema. The theme of cinema was featured in all the productions at the grand finale, where the three finalist bartenders were asked to prepare an exclusive cocktail inspired by Red Diaries, Campari's famous series of short films directed, over the years, by directors of the calibre of Matteo Garrone, Paolo Sorrentino and Stefano Sollima. The winner of the seventh edition was 26-year-old Corey Squarzoni from Novara, who with his *Eternal Shot* won the title 'Campari Barman of the year 2020', allowing him to pursue a year-long collaboration with Campari Academy, which includes a master's specialization course on the Campari brand and a guest bartending tour of the best Italian and foreign venues.





Organized by the Campari Academy, the Campari Barman Competition sees very high numbers every year of both bartenders and bartenders. As confirmation of how it is increasingly becoming a point of reference for the world of mixology, the seventh edition of the Competition attracted more than 1,400 participants, about 1,300 cocktail recipes were received and, during the 14 stages, about 420 bartenders were selected to participate in the competition.

NEGRONI WEEK

For the seventh consecutive year, Campari Group has, along with Imbibe Magazine, promoted Negroni Week, a week dedicated to the cocktail of the same name. The aim of this initiative, which has been taking place internationally since 2015, is to raise funds for charities and NGOs. Bars, restaurants and retailers in 87 countries around the world have donated a portion of the proceeds from sales of this historic cocktail to charity. This year's Negroni Week was also an occasion to celebrate the centenary of the iconic Negroni cocktail, created in 1919 at the Caffè Casoni in Florence and served for the first time to Count Camillo Negroni, with its perfect balance of Campari, Vermouth Rosso and Gin.

Participants: over 12,243 traders, representing a rise of 23% over 2018.

High levels of participation ensured the success of the campaign and the raising of nearly USD800,000. For the third consecutive year, Kettner Exchange from San Diego (United States) received the title of *top fundraiser*, raising USD10,000.

The United States, Greece, Germany, Argentina, and the United Kingdom were the five countries with the highest number of participants.

Social media were once again crucial in promoting the campaign: 'Negroni Week' received more than 42,700 online mentions and 38.5 million impressions (photos, videos and stories) on Instagram, thereby reaching 50.5 million users.

REFUGIO 343- CAMPARI TRANSFORMA

Since 2015, more than 4 million Venezuelans have fled their country due to the dire living conditions and repressive rule of the Maduro regime. Brazil has already received 168,000 Venezuelan refugees, migrants in search of a better future, the majority of whom face precarious living conditions. Campari do Brasil supports Refugio 343, a humanitarian organization created with the objective of offering Venezuelan families seeking refuge in Brazil the opportunity to start their new lives with dignity, promoting their socioeconomic integration in Brazil. The families cared for by Refugio 343 receive free board and lodging and take part in a six-month 'cultural adaptation' process that includes, among other activities, lessons in Portuguese and the Brazilian culture, as well as interviews with possible employers. Campari do Brasil donated R\$20,000 in 2019 to support a Venezuelan family who also received additional donations from Group employees.

CAMPARI CARE

Campari Germany launched a study, in collaboration with the Department of Ergonomics of the University of Siegen, to define a programme to minimize the physical and psychological strain that can result from bartending. This was the beginning of Campari Care, designed specifically for bartenders and their health to reduce the physical

strain caused by repeated actions and movements and by working while standing for extended periods behind the bar. The project, which involved more than 140 bartenders in five German cities, consists of a first phase which measures the mixing process of the 'shaker' to identify the muscular loads borne by the bartender, and the body's vibration is then recorded with a high-speed camera in order to highlight possible distortions and strains. A full-body study is then performed to identify individual areas of pain and further checks are made for any additional physical and mental stress. On the basis of this study, an ad-hoc package has been developed, containing personalised ergonomic work tools, an individual analysis booklet and specific recommendations on the most suitable prevention measures; this is shared with bartenders at individual meetings. Campari Care is the world's first study of the health and safety of bartenders in the workplace and, in October 2019, it had the honour of receiving the Top Corporate Project award at the Corporate Health Awards, an initiative promoted by the EUPD Research Institute, specializing in sustainability issues, and the German economic-financial newspaper Handelsblatt, and was also sponsored by the German Health Ministry, which rewards the 30 best social-sustainability programmes in Germany each year. The programme was also the winner of the 'Innovation Prize for Ergonomics' of the IGR Institute for Health and Ergonomics and presented at the GFA (German Society for Work Science).

Finally, to ensure increasingly optimal support for bartenders and to increase the impact of the project, collaborations are being developed with health insurers and with the BGN (German Social Accident Insurance Institution) to define a certified prevention course for bartenders, as well as collaborations with designers to create new work tools for bartenders to prevent health and safety risks in the workplace.

WILD TURKEY-ONE DRINK, ONE TREE

The Wild Turkey brand has supported the Million Tree Project campaign in China promoted by the international environmental organization Roots & Shoots, with the objective of fighting desertification and helping to reforest and revitalize the country's ecosystems. As part of this activity, the bars and clubs participating in the initiative

promoted the serving of Wild Turkey-based cocktails, and, for every drink sold, the company pledged to plant a tree in the Ningxia region (the north-west of the Chinese hinterland). In addition, since over 3,000 drinks were sold during the campaign, Campari China will plant 5,000 trees to create a forest to be named Wild Turkey.

APPENDIX

CORRELATION TABLE TO THE L.D. 254/2016 – MATERIAL THEMES

The table below shows the link between the issues of Legislative Decree 254/2016 and the material issues of this NFD. With respect to the material issues that emerged from the materiality analysis, the column 'Material Topic' does not include the topic 'Economic Sustainability', as it is closely related to business and economic performance and is therefore extensively covered in the Consolidated Financial Statements.

ASPECT - LEGISLATIVE DECREE 254/2016	MATERIAL TOPIC	GRI SPECIFIC DISCLOSURE	IMPACT BOUNDARY
ENVIRONMENTAL	Water	GRI 303 - Water 2016	Internal (Campari Group)
	Energy	GRI 302 - Energy 2016	Internal (Campari Group)
	Waste	GRI 306 - Effluents and Waste 2016	Internal (Campari Group)
	Emissions	GRI 305 - Emissions 2016	Internal (Campari Group)
	Materials	GRI 301 - Materials 2016	Internal (Campari Group)
SOCIAL	Marketing and responsible communication	GRI 417 - Marketing and Labelling 2016	Internal (Campari Group); external (clients/consumers)
	Food safety	GRI 416 - Customer Health and Safety 2016	Internal (Campari Group); external (co-packers)
	Product quality	GRI 416 - Customer Health and Safety 2016	Internal (Campari Group); external (co-packers)
	Customer satisfaction	-	Internal (Campari Group); external (co-packers)
	Consumer information about safe consumption	GRI 417 - Marketing and Labelling 2016	Internal (Campari Group)
	Consumer information about the technical characteristics of the product	GRI 417 - Marketing and Labelling 2016	Internal (Campari Group)
	Privacy and customer data security	GRI 418 - Customer Privacy 2016-1	Interno (Campari Group)
	Transparency and responsible supply chain management	GRI 308 - Supplier Environmental Assessment 2016-1; GRI 414 - Supplier Social Assessment 2016	Interno (Campari Group)
	Relationships, initiatives for the community and indirect economic impact	GRI 413 - Local Communities 2016	Interno (Campari Group)
	Direct economic value generated and distributed to stakeholders	GRI 201 - Economic Performance 2016	Interno (Campari Group)
Protection of the artistic and cultural heritage	-	Interno (Campari Group)	

ASPECT - LEGISLATIVE DECREE 254/2016	MATERIAL TOPIC	GRI SPECIFIC DISCLOSURE	IMPACT BOUNDARY
EMPLOYMENT	Health and safety	GRI 403 - Occupational Health and Safety 2016	Internal (Campari Group); external (contractors, partial disclosure for suppliers and visitors)
	Training and employees development	GRI 404 - Training and Education 2016	Internal (Campari Group)
	Awareness on sustainability topics	GRI 404 - Training and Education 2016	Internal (Campari Group)
	Talents' attraction	GRI 401 - Employment 2016	Internal (Campari Group)
	Employee satisfaction	GRI 401 - Employment 2016	Internal (Campari Group)
	Diversity, equal opportunities and inclusion	GRI 405 - Diversity and Equal Opportunities 2016	Internal (Campari Group)
	Work-life balance	GRI 401 - Employment 2016	Internal (Campari Group)
	Recruitment, turn over and pension policies	GRI 401 - Employment 2016	Internal (Campari Group)
RESPECT OF HUMAN RIGHTS	Remuneration policies	GRI 202 - Market Presence 2016	Internal (Campari Group)
	Human rights	GRI 407 - Freedom of association and collective bargaining; GRI 408 - Child Labor; GRI 409 - Forced or Compulsory Labor; GRI 412 - Human Rights Assessment	Internal (Campari Group); external (suppliers)
ANTI-CORRUPTION AND BRIBERY	Anticorruption	GRI 205 - Anticorruption 2016	Internal (Campari Group); external (Institutions, suppliers, distributors, commercial partners)

CORRELATION TABLE TO THE L.D. 254/2016 – RISKS IDENTIFIED AND POLICIES ADOPTED

ASPECT - LEGISLATIVE DECREE 254/2016	IDENTIFIED RISKS	POLICIES ADOPTED
ENVIRONMENTAL	Risks relating to environmental policy; Environmental and geopolitical risks (Sustainability report, paragraph 'Risk management').	Since 2013, Campari Group has adopted a QHSE (Quality, Health, Safety & Environment) policy that governs and protects the environment, health and safety of its employees and consumers as well as the quality and food safety of products. The Group's industrial management has implemented dedicated procedures relating to safety and qualitative controls in the area of environmental pollution and the disposal of solid waste and waste water. The objective of this structure is to continuously monitor and update the Group's business activities based on the legislation in force in the individual countries in which it operates. With this goal, also in 2019 the Group continues its path of triple certifications ISO 22000 (Food Safety), OHSAS 18001 (Health and Safety) and ISO 14001 (Environmental Management). A structural element of the design, implementation and management of QHSE systems is the global risk assessment procedure 'Risk Based Thinking Management', which allows the organisation's activities to be guided in an organic way. (Sustainability report, paragraphs 'Sustainability policies'; 'QHSE - Quality, Health, Safety and Environment-Tools and systems').
		Campari Group continues to promote a culture of quality and responsibility, including via communications projects and actions carried out in collaboration with the main trade associations. Since 2010, the Group has had a voluntary Code on Commercial Communications to ensure its communications comply with standards of legality, decency, honesty and fair business practices. Furthermore, the Responsible Serving Guidelines aims at defining the essential guidelines for the responsible serving of alcoholic beverages (Sustainability report, paragraph 'Responsible marketing and practices-Responsible communication'). With reference to the consequences of alcohol abuse, the Code of Ethics expressly regulates the Group's position on responsible alcohol consumption and related commercial communication.
SOCIAL	Risks relating to legislation in the beverage industry (Sustainability report, paragraph 'Risk management'). Reputational risk.	Since 2013, Campari Group has adopted a QHSE (Quality, Health, Safety & Environment) policy that governs and protects the environment, health and safety of its employees and consumers as well as the quality and food safety of products. With this goal, also in 2019 the Group continues its path of triple certifications ISO 22000 (Food Safety), OHSAS 18001 (Health and Safety) and ISO 14001 (Environmental Management).
		In 2018, through its Group Privacy and Data Protection (GPDP) function, Campari Group managed a project to align with the new European personal data protection regulations (the 'GDPR' or 'Regulations'). With regard to the new Regulations, a Data Protection Officer (DPO) was appointed and an organisational model for personal data protection was defined, identifying roles and responsibilities in both the corporate governance functions and in the business functions, where personal data is actually used. At the same time, Campari Group has defined a series of policies to manage GDPR requirements and has also introduced a tool to manage and track the main activities, as required under GDPR, to effectively demonstrate compliance with these Regulations.
		Since 2012, Campari Group has adopted a Supplier Code which establishes the principles and ethical values that the Group's suppliers undertake to respect through the relative subscription. Furthermore, to guarantee greater transparency of the supply chain, the recent procedure for prequalification of new suppliers, formalized in 2017, envisages the adhesion of the same suppliers to Sedex, a platform through which suppliers will share company information and practices relating to four key areas: business ethics, labor standards, health and safety and the environment. Finally, the principles and provisions of the Code of Ethics and the Employees and human rights policy also apply with reference to the Group's suppliers. (Sustainability report, chapter 'Responsible sourcing & distribution').
	Risks of barriers to entry into new markets or development in already-guarded markets due to the difficulty of integration into the local social fabric or lack of collaboration and dialogue with local communities. Reputational risk.	The Group manages relations with local communities and territories where it operates in full respect of customs and traditions, strictly observing local regulations. The Group contributes to the economic development of the territories directly through its own activity, thus contributing to local economic development, and through the development of specific projects of social inclusion. In consideration of the fact that this way of operating is part of the normal running of the Group's business in all its geographies, Campari Group does not consider it appropriate to adopt an <i>ad hoc</i> policy.

ASPECT - LEGISLATIVE DECREE 254/2016	IDENTIFIED RISKS	POLICIES ADOPTED
EMPLOYMENT	Risks relating to employees (Sustainability report, paragraph 'Risk management').	Since 2013, Campari Group has adopted a QHSE (Quality, Health, Safety & Environment) policy that governs and protects the environment, health and safety of its employees and consumers as well as the quality and food safety of products. With this goal, also in 2017 the Group continues its path of triple certifications ISO 22000 (Food Safety), OHSAS 18001 (Health and Safety) and ISO 14001 (Environmental Management). In addition, an intensive multi-annual comprehensive risk mitigation programme, already launched in 2018 and based on technical, behavioural and awareness raising elements, continued in 2019.
		Risks related to the inability of being responsive in seizing new opportunities, coping with uncertainty and adapting to change (Sustainability report, paragraph 'Our people-Human capital: training and professional development').
	Supporting the Group's development by investing in its own resources, being able to respond to the needs of its employees and creating a healthy and positive work environment are indispensable conditions for ensuring the Company's success and growth.	The Code of Ethics reaffirms the Group's principles and commitment with respect to the themes relating to human resources and the work environment. Moreover, to demonstrate the importance of these issues for the company, it was decided to formalize in 2017 a specific policy on employees and human rights, thus defining the Group's position with respect to issues related to human rights, working conditions, training and to the employees well-being.
RESPECT OF HUMAN RIGHTS	Risk of failure to comply with laws and regulations (Sustainability report, paragraph 'Risk management'). Reputational risk.	Among the measures implemented to mitigate this risk, specific policies have been formalized (i.e.: Employees' & Human Rights Policy, Code of Ethics, Business Conduct Lines, Supplier Code). Campari Group also supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Group assures legal compliance to national legislations relating to human rights in those countries where we operate. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements.
ANTI-CORRUPTION AND BRIBERY	Risk of failure to comply with laws and regulations (Sustainability report, paragraph 'Risk management'). Reputational risk.	The main tools for mitigating corruption risk are the Code of Ethics, the Business Conduct Guidelines and ongoing training of employees to keep them periodically updated on the Group's policies. In Italy, in particular, pursuant to Legislative Decree 231 of 2001, the 231 Model, approved by the Board of Directors, represents a formalisation of existing management structures, procedures and controls. Moreover, the Group ensures the respect of national regulations with respect to human rights in those countries where it operates. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements. During 2019, the Group also defined a long-term path to strengthen its compliance management system, particularly in the areas of anti-corruption, antitrust, data privacy and conflict of interest.

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
GRI 102 - GENERAL STANDARD DISCLOSURES			
ORGANIZATIONAL PROFILE			
102-1	Name of the organization	Note on methodology; chapter 'Governance model' www.camparigroup.com/en/our-group	
102-2	Activities, brands, products and services	Chapter 'Our brands' www.camparigroup.com/en/brands	
102-3	Location of headquarters	Chapter 'Campari Group worldwide' www.camparigroup.com/en/our-group/worldwide-presence	
102-4	Location of operations	Chapter 'Campari Group worldwide' www.camparigroup.com/en/our-group/worldwide-presence	
102-5	Ownership and legal form	Chapters 'About us'; 'Governance model'; Report on Corporate Governance and Ownership Structure www.camparigroup.com/en/governance	
102-6	Market served	Chapter 'Campari Group worldwide' www.camparigroup.com/en/our-group/worldwide-presence	
102-7	Scale of the organization	Chapters 'Creating value for stakeholders'; 'Our people'; Sociogram; Annual report. The number of bottles produced by the Group in 2019 was about 887,207,000 bottles www.camparigroup.com/en/our-group/our-group/campari-group-glance ; www.camparigroup.com/en/investor/results-centre	
102-8	Number of employees by employment contract and type, region and gender	Chapter 'Our people'	
102-9	Description of the organization's supply chain (activities, primary products, types and total number of suppliers engaged, the geographic location of suppliers, the monetary value of payments made to suppliers)	Chapter 'Responsible procurement'	
102-10	Significant changes to the organization's size, structure, ownership, or supply chain, during the reporting period	Note on methodology; chapter 'Growth strategy'. In relation to the structure and characteristics of the supply chain there are no significant changes compared to the previous year www.camparigroup.com/en/investor/strategy/acquisitions-anddisposals	
102-11	Precautionary Principle or approach	Chapter 'Risk management'	
102-12	Adoption of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses	Chapter 'Sustainability for the Group'; 'Sustainable Development Goals'; Employees and human rights policy (notes p. 2-3)	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
102-13	List of the main memberships of industry or other associations, and national or international advocacy organizations	Chapter 'Responsible practices', paragraph 'Responsible consumption: communications and promotions initiatives'	
STRATEGY			
102-14	Statement from senior decision-maker	Letter from the Chairman 'Building more value together'	
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior	Paragraphs 'Internal audit system'; 'Main risks for the Group'; 'Sustainability policies'; chapter 'Responsible practices', paragraphs 'Responsible sourcing', 'Responsible communications' and 'Responsible serving'; chapter 'Environment', paragraph 'Certifications' www.camparigroup.com/sites/default/files/downloadpage/code-oncommercialcommunication.pdf www.camparigroup.com/en/sustainability/qhse-quality-health-safety-and-environment/qhse-policy	
GOVERNANCE			
102-18	Governance structure of the organization, including committees of the highest governance body. Committees responsible for decision-making on economic, environmental, and social topics.	Chapter 'Governance model'; paragraph 'Sustainability policies'; Report on Corporate Governance and Ownership Structure www.camparigroup.com/en/governance/governance-system	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups engaged by the organization	Chapter 'Our stakeholders'	
102-41	Percentage of total employees covered by collective bargaining agreements	Chapter 'Our stakeholders'	
102-42	Stakeholders' identification and selection	Chapter 'Our stakeholders'	
102-43	Approach to stakeholder engagement	Chapter 'Our stakeholders'	
102-44	Key topics and concerns that have been raised through stakeholder engagement	Chapter 'Our stakeholders'	
REPORTING PRACTICES			
102-45	Entities included in the consolidated financial statements and whether any entity is not covered by the sustainability report	Note on methodology; Annual report	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
102-46	Process for defining the report content and the topic boundaries	Note on methodology; Correlation table to the Legislative Decree 254/2016. For the preparation of the Sustainability Report, the Reporting Principles for defining report content and quality have been applied, as defined by the GRI guidelines.	
102-47	List of material topics	Chapter 'Materiality analysis'	
102-48	Effect of any restatements of information given in previous reports, and the reasons for such restatements	It was not deemed necessary to revise the data provided in previous reports	
102-49	Significant changes from previous reporting periods in the list of material topics and topic boundaries	Chapter 'Materiality analysis'	
102-50	Reporting period	Note on methodology	
102-51	Date of most recent previous report	05 March 2019	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the sustainability report	csr@campari.com	
102-54	Claims of reporting in accordance with the GRI Standards	Note on methodology	
102-55	GRI Content Index	Contained in the Appendix to this report	
102-56	External assurance	Note on methodology; independent auditor's report	

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC PERFORMANCE

ASPECT: ECONOMIC PERFORMANCE

103-1 / 103-2 / 103-3	Management approach disclosures	Annual report; Chapter 'Creating value for stakeholders'; Chapter 'Materiality analysis' www.camparigroup.com/en/investor/results-centre	
201-1	Direct economic value generated and distributed	Chapter 'Creating value for stakeholders'	

ASPECT: MARKET PRESENCE

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Our people', paragraph 'Remuneration system'	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	Chapter 'Our people', paragraph 'Remuneration system'; Employees & human rights policy, paragraph 6	
202-2	Proportion of senior management hired from the local community	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
ASPECT: ANTI-CORRUPTION			
103-1 / 103-2 / 103-3	Management approach disclosures	Paragraph 'Risk management'; The organisational, management and control model (ex D.Lgs 231-01) www.camparigroup.com/en/governance/rules-and-procedures/model-231	
205-1	Total number and percentage of operations assessed for risks related to corruption and significant risks related to corruption identified	Paragraph 'Risk management'	
205-3	Confirmed incidents of corruption and actions taken	In 2019, there were no reports of corruption incidents	

CATEGORY: ENVIRONMENTAL PERFORMANCE

ASPECT: MATERIALS

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Materiality analysis'	
301-1	Materials used by weight or volume	Chapter 'Responsible practices', paragraph 'Main product-related materials'	Currently the organization does not report product raw materials for confidentiality limits or packaging materials because the information is not available. The Group is, however, committed in the coming years to report the materials used in accordance with confidentiality limits.

ASPECT: ENERGY

103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally	
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GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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302-1	Energy consumption within the organization	apter 'Environment' paragraph 'Energy'	
302-3	Energy intensity	Chapter 'Environment' paragraph 'Energy'	

ASPECT: WATER

In Accordance to GRI Standards 2018

103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally	
303-3	Water withdrawals	Chapter 'Environment' paragraph 'Water'	

ASPECT: EMISSIONS

103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally	
305-1	Direct (Scope 1) GHG emissions	Chapter 'Environment' paragraph 'Atmospheric emissions'	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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ASPECT: EFFLUENTS AND WASTE

103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally	
306-1	Water discharge by quality and destination	Chapter 'Environment' paragraph 'Water'	
306-2	Waste by type and disposal method	Chapter 'Environment' paragraph 'Waste'. Waste disposal methodologies are determined on the basis of organizational information from or from external companies in charge of waste management	Hazardous waste destination is not available. The group is committed to report this information in the next years.

ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Responsible practices' paragraph 'Responsible sourcing'	
308-1	Percentage of new suppliers that were screened using environmental criteria	Chapter 'Responsible practices' paragraph 'Responsible sourcing'. In 2017, the pre-assessment procedure for new suppliers (both Product Related and Non Product Related) was formalised. From 2018, membership of Sedex is one of the pre-requisites for qualifying as a Campari Group supplier. This platform makes it possible to assess suppliers on environmental issues (e.g.: waste, raw materials, water, pollution, emissions, renewable and non-renewable energy, biodiversity, environmental impact). It should be noted that during 2017 all Product Related suppliers have been evaluated on the basis of Sedex questionnaires.	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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CATEGORY: SOCIAL PERFORMANCE

ASPECT: EMPLOYMENT

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'	
401-1	New employee hires and employee turnover by age group, gender and region	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'	

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

1103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally	
403-1	Workers representation in formal joint management-worker	Chapter 'Our people' paragraph committees'. All the workers in production units are represented by the HSE committees	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of workrelated fatalities, by region and gender	Chapter 'Our people' paragraph 'Health and safety-HSE committees'	The current data collection systems do not permit to calculate the rate of absenteeism. Regarding the other requests of the indicator it is not possible to obtain the level of detail foreseen by the standard.

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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ASPECT: TRAINING AND EDUCATION

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Our people', paragraph 'Human capital: training and professional development'	
404-1	Average hours of training per year per employee, by gender and employee category	Chapter 'Our people', paragraph 'Human capital: training and professional development'	

ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'	
405-1	Diversity of governance bodies and employees by gender, age group, other indicators of diversity where relevant	Chapter 'Governance model', paragraphs 'Board of Directors' and 'Board of Statutory Auditors'; chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'. Reported data refer to employees with permanent contracts	
405-2	Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation	Chapter 'Our people', paragraph 'Remuneration system'	

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

103-1 / 103-2 / 103-3	Management approach disclosures	Campari Group supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Group assures legal compliance to national legislations relating to human rights in those countries where we operate. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements. Chapter 'Materiality Analysis'.	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk and measures taken intended to support these rights	We declare that there are no real risks of breaches of collective association rights vis-a-vis the operations of the Group and its main suppliers in all its geographical regions, partly due to the measures implemented to minimise this risk (e.g.: Code of Ethics, Employees and human rights policy, Supplier Code). www.camparigroup.com/en/governance	

GRI STANDARD DISCLOSURE CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES OMISSION

ASPECT: CHILD LABOR

103-1 / 103-2 / 103-3	Management approach disclosures	Campari Group supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Group assures legal compliance to national legislations relating to human rights in those countries where we operate. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements. Chapter 'Materiality Analysis'.	
408-1	Operations and suppliers at significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor	We declare that there are no real risks for incidents of child labor vis-a-vis the operations of the Group and its main suppliers in all its geographical regions, partly due to the measures implemented to minimise this risk (e.g. Code of Ethics, Employees and human rights policy, Supplier Code). Furthermore, Campari Group does not employ underage workers. www.camparigroup.com/en/governance	

ASPECT: FORCED OR COMPULSORY LABOR

103-1 / 103-2 / 103-3	Management approach disclosures	Campari Group supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Group assures legal compliance to national legislations relating to human rights in those countries where we operate. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements. Chapter 'Materiality Analysis'.	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor and measures taken to contribute to the elimination of all forms of forced or compulsory labor	We declare that there are no real risks for incidents of forced or compulsory labor vis-a-vis the operations of the Group and its main suppliers in all its geographical regions, partly due to the measures implemented to minimise this risk (e.g. Code of Ethics, Employees and human rights policy, Supplier Code). www.camparigroup.com/en/governance	

GRI STANDARD DISCLOSURE CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES OMISSION

ASPECT: HUMAN RIGHTS ASSESSMENT

103-1 / 103-2 / 103-3	Management approach disclosures	Campari Group supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Group assures legal compliance to national legislations relating to human rights in those countries where we operate. In case of differences between the content of our policies and national regulations, the Group always apply the most stringent requirements. Chapter 'Materiality Analysis'.	
412-1	Operations that have been subject to human rights reviews or impact assessments	The risk of failure to comply with laws and regulations, including the Employees and human rights policy, is continuously monitored for all Group's legal entities and organizational activities. Paragraph 'Risk management'.	

ASPECT: LOCAL COMMUNITIES

103-1 / 103-2 / 103-3	Management approach disclosure	Employees and human rights policy, paragraph 9. Chapter 'Community Involvement'. Chapter 'Materiality Analysis'.	
413-1	Operations with local community engagement, impact assessments, and development programs	Chapters 'The Foundations' and 'Community Involvement'	

ASPECT: SUPPLIER SOCIAL ASSESSMENT

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Responsible practices' paragraph 'Responsible sourcing'. Chapter 'Materiality Analysis'.	
414-1	New suppliers that were screened using social criteria	Chapter 'Responsible practices' paragraph 'Responsible sourcing'. In 2017, the pre-assessment procedure for new suppliers (both Product Related and Non Product Related) was formalised. From 2018, membership of Sedex is one of the pre-requisites for qualifying as a Campari Group supplier. This platform makes it possible to assess suppliers on social issues (e.g. non-discrimination, child labor, forced or compulsory labor, working hours, wages, freedom of association and collective bargaining, complaint mechanisms, information about suppliers sourcings). It should be noted that during 2017 all Product Related suppliers have been evaluated on the basis of Sedex questionnaires.	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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ASPECT: CUSTOMER HEALTH AND SAFETY

103-1 / 103-2 / 103-3	Management approach disclosures	The Company tends to apply an integrated QHSE management system through a triple certification process with the ISO 22000 (food safety), OHSAS 18001 (health and safety at work) and ISO 14001 (environment) voluntary standards. Performance improvement targets were also defined to ensure continuous process and activity development. Improvement projects to support these targets were implemented both locally and globally. Chapter 'Materiality Analysis'.	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Chapter 'Environment', paragraph 'Non-compliance with regulations and penalties'	

ASPECT: MARKETING AND LABELING

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Responsible practices', paragraph 'Responsible communications'. Chapter 'Materiality Analysis'.	
417-1	Requirements for product and service information and labeling and percentage of significant product or service categories covered by and assessed for compliance with such procedures	All products are labelled in compliance with applicable legislation and produced according to the Group's quality standards. Responsible messages (e.g. pregnancy logo) are reported on a voluntary basis.	
417-2	Incidents of non-compliance concerning product and service information and labeling	Chapter 'Responsible practices', paragraph 'Quality-non-compliance with regulations and penalties'	
417-3	Incidents of non-compliance concerning marketing communications, including advertising, promotion, and sponsorship	Chapter 'Responsible practices', paragraph 'Responsible communications'.	

ASPECT: CUSTOMER PRIVACY

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Risk management', paragraph 'Main risks for the Group-Cyber-security risks'	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2019, the competent supervisory authorities have not identified any breach with regard to the processing of customers' personal data. Furthermore, no leakage, theft or loss of customers' personal data has been identified.	

GRI STANDARD	DISCLOSURE	CHAPTER AND PARAGRAPH AND/OR REFERENCE TO EXTERNAL SOURCES	OMISSION
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NON GRI ASPECTS

PROTECTION OF THE ARTISTIC AND CULTURAL HERITAGE

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Materiality analysis'	
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CUSTOMER SATISFACTION

103-1 / 103-2 / 103-3	Management approach disclosures	Chapter 'Materiality analysis'	
-	CPM Complaints received per million bottles produced	Chapter 'Responsible practices', paragraph 'Quality-Complaints'	

Independent auditors' report on the consolidated disclosure of non-financial information in accordance with Article 3, par. 10, of Legislative Decree 254/2016 and with Article 5 of CONSOB Regulation adopted with Resolution n. 20267 of January 18, 2018

(Translation from the original Italian text)

To the Board of Directors of
Davide Campari-Milano S.p.A.

We have been appointed to perform a limited assurance engagement pursuant to Article 3, paragraph 10, of Legislative Decree 30 December 2016, n. 254 (hereinafter "Decree") and article 5 of CONSOB Regulation adopted with Resolution 20267/2018, on the consolidated disclosure of non-financial information of Davide Campari-Milano S.p.A. and its subsidiaries (hereinafter the "Group") for the year ended on December 31, 2019 in accordance with article 4 of the Decree and approved by the Board of Directors on February 18, 2020 (hereinafter "DNF").

Responsibilities of Directors and Board of Statutory Auditors for the DNF

The Directors are responsible for the preparation of the DNF in accordance with the requirements of articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016 by GRI – Global Reporting Initiative (hereinafter "GRI Standards"), identified by them as a reporting standard.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the DNF that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the DNF within the matters mentioned in article 3, par. 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the DNF, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the DNF with the requirements of the Decree and of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the DNF is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the DNF were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the DNF, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant matters in relation to the activities and characteristics of the Group reported in the DNF, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the DNF with those included in the Campari Group's consolidated financial statements;
4. understanding of the following aspects:
 - o Group's management and organization business model, with reference to the management of the matters indicated in the article 3 of the Decree;
 - o policies adopted by the Group related to the matters indicated in the article 3 of the Decree, results achieved and related key performance indicators;
 - o main risks, generated or suffered related to the matters indicated in the article 3 of the Decree.

With regard to these aspects, we obtained the documentation supporting the information contained in the DNF and performed the procedures described in item 5. a) below

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the DNF.
In particular, we have conducted interviews and discussions with the management of Davide Campari-Milano S.p.A. and with the personnel of Campari America LLC and Glen Grant Ltd. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the DNF.

Furthermore, for significant information, considering the Group activities and characteristics:

- at Group level
 - a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for Wild Turkey distillery in Lawrenceburg (Kentucky) of the subsidiary Campari America LLC, for Rothes (United Kingdom) distillery of the subsidiary Glen Grant Ltd. and for Canale plant of Davide Campari-Milano S.p.A., that we have selected based on their activities, relevance to the consolidated performance indicators and location, we have carried out site visits during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the DNF of the Campari Group for the year ended on December 31, 2019 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 of the Decree and the GRI Standards.

Other Information

The consolidated disclosures of non-financial information for the years ended on December 31, 2018 and December 31, 2017, whose data are presented for comparative purposes, have been subject to limited assurance procedures by another auditor, who expressed unqualified conclusions on March 21, 2019 and March 13, 2018, respectively.

Milan, February 28, 2020

EY S.p.A.
Alberto Romeo
(Statutory Auditor)

This report has been translated into the English language solely for the convenience of international readers.

*'Talking about sustainability
does not mean calling into question a company's
priority being to guarantee long-term
wealth creation. On the contrary, sustainability
is the prerequisite for this success, since it is only
when sustainability is present that a company's
competitiveness and reputation
- and, consequently, its profitability - are secured in
the long term. Consequently, sustainability
is not something that is superimposed
on a company's objectives, in the conventional
sense, but is a basic premise.
Sustainability is, therefore, core business.'*

Aldo Davoli, Global Public Affairs
& Sustainability Senior Director

CAMPARI GROUP

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www.linkedin.com/company/campari-group