

The Board of Statutory Auditors' Report to the Shareholders' Meeting

pursuant to art. 153 of Legislative Decree 58/1998 and art. 2429, para. 2 of the Italian Civil Code

Dear Shareholders,

The Shareholders' Meeting of 16 April 2019 appointed the new Board of Statutory Auditors consisting of Statutory Auditors Ines Gandini (Chairman), Fabio Facchini and Chiara Lazzarini; Ms Lazzarini resigned on 5 December 2019 by means of a letter sent to the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors, and was replaced by Piera Tula, who had already been appointed as Alternate Auditor during the aforementioned Shareholders' Meeting from the same list as Ms Lazzarini. Ms Tula will remain in the office until the term of the Board of Statutory Auditors expires pursuant to the terms of the Articles of Association of Davide Campari Milano S.p.A. (hereinafter "DCM" or the "Company").

During the year ended 31 December 2019, the DCM Board of Statutory Auditors performed the supervisory activities prescribed by law. In particular, pursuant to the combined provisions of art. 149, para. 1 of Legislative Decree no. 58 of 24 February 1998 (the Consolidated Law on Finance; hereinafter the "TUF") and art. 19, para. 1 of Legislative Decree no. 39 of 27 January 2010 (hereinafter "Decree 39/2010"), the Board of Statutory Auditors monitored:

- compliance with the law and the Articles of Association, as well as with the principles of proper administration when performing corporate activities;
- the adequacy of the Company's organisational structure, to the extent of its competence;
- the implementation methods of the corporate governance rules set out in the Code of Corporate Governance for Listed Companies (hereinafter the "CAD"), to which DCM adheres;
- the adequacy of the orders given by the Company to its subsidiaries to enable them to comply with statutory disclosure requirements;
- the financial reporting process and the adequacy of the Company's accounting administration system, as well as how reliable it is at properly representing operational events;
- the external audit of the annual financial statements and consolidated accounts, as well as the independence of the external auditor EY S.p.A. (hereinafter "EY");
- the adequacy and effectiveness of the internal control and risk management system.

While performing its supervisory duties, the Board of Statutory Auditors took into account the content of Regulation (EU) No. 537 of 16 April 2014 (hereinafter "EU Regulation 537/2014"), the principles of conduct of the Board of Statutory Auditors for listed companies as recommended by the *Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili* (Italian national accountancy body), CONSOB's provisions on corporate controls and the CAD's conduct guidelines.

This Report also recognises the supervisory activities performed in 2019 in accordance with the requirements of CONSOB Communication DEM/1025564 of 6 April 2001, as subsequently amended and supplemented.

The Board of Statutory Auditors uncovered no critical issues when performing the appropriate controls and checks on the aforementioned activities and areas.

In particular, the Board of Statutory Auditors reports that:

1. it has monitored compliance with the law and the Articles of Association, and has no comments to make in that regard;
2. it has received from the Directors, on a quarterly basis, including via attendance of meetings of DCM's Board of Directors and Control and Risks Committee, adequate information about the activities carried out, the general operating performance and outlook, and the transactions with the greatest impact on the Company's results, assets and liabilities and cash flows in 2019, including where such transactions were carried out via direct or indirect subsidiaries, pursuant to art. 150, para. 1 of the TUF. In this regard, the Board of Statutory Auditors has verified that the decisions and subsequent implemented actions comply with the law, the Articles of Association and the principles of proper administration and may provide reasonable assurance that the operations resolved upon are not manifestly risky or imprudent, susceptible to a conflict of interests, in contrast to shareholder resolutions or a threat to the integrity of the Company's assets. The characteristics of the transactions with the greatest impact on the Company's results, assets and liabilities and cash flows are described in the notes to Gruppo Campari's consolidated financial statements and to DCM's separate financial statements, as well as in the 2019 Report on Operations;
3. it did not identify during the course of the year any atypical and/or unusual transactions with third parties or related parties (including Gruppo Campari companies), nor did it receive any information thereon from the Board of Directors, the independent auditors or the director responsible for the internal control and risk management system;
4. information regarding the main intra-group and related-party transactions carried out in 2019, as well as a description of their characteristics and related economic effects, is properly reported in the notes to Gruppo Campari's consolidated financial statements and to DCM's separate financial statements (under "*Related Parties*"), as well as in the 2019 Report on Operations. This note should be referred to in order to identify the type of transactions in question and their effects on the results, assets and liabilities and cash flows. It is acknowledged that the Company has endowed itself with suitable Related Party Procedures, in compliance with the provisions of art. 2391 *bis* of the Italian Civil Code and of CONSOB Regulation 17221 of 12 March 2010, which are summarised in the 2019 Report on Corporate Governance and Ownership Structure. Pursuant to art. 4 of the aforementioned CONSOB Regulation, the Board of Statutory Auditors verified that the Procedures complied with said Regulation, and checked that they were being followed. All the related-party transactions mentioned in the notes to Gruppo Campari's consolidated financial statements and to DCM's 2019 separate financial statements were part of ordinary operations and carried out under market conditions in the interests of the Company and/or the Group. The Board of Statutory Auditors was periodically kept up to date;
5. it has monitored, to the extent of its competence, the adequacy of the Company's organisational structure (and more generally that of Gruppo Campari as a whole) and how it has changed, gathering information from heads of the relevant departments as well as meetings with representatives from the external auditor EY and with the Board of Statutory Auditors of Italian subsidiary Campari International S.r.l. for the purpose of exchanging relevant data and information, from which no critical issues emerged. Taking into account the information obtained, the Board of Statutory Auditors believes that activities were conducted in compliance with the principles of correct administration, and that the organisational structure, internal control system and accounting administration system are fully adequate for corporate requirements.
6. with regard to relations with the external auditor EY, the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, reports that:

(i) on February 28, the external auditor EY issued unqualified reports pursuant to articles 14 and 16 of Legislative Decree 39/2010 and art. 10 of EU Regulation 537/2014, stating that separate financial statements of DCM and the consolidated financial statements of Gruppo Campari for the year ended 31 December 2019 conform to the International Financial Reporting Standards adopted by the European Union and to the measures issued to implement art. 9 of Legislative Decree no. 38 of 2005, are presented clearly and provide a true and fair picture of the results, assets and liabilities and cash flows of the Company and the Group. In these reports, the external auditor also confirms that the Report on Operations and the information contained in the Report on Corporate Governance and Ownership Structure pursuant to art. 123-*bis*, para. 4 of the TUF is consistent with DCM's financial statements and the consolidated financial statements of the Group as at 31 December 2019;

(ii) on the same date, EY also released the Additional Report to the Internal Control and Audit Committee pursuant to art. 11 of EU Regulation 537/2014 which, in presenting the results of the external audit, identifies no material shortfalls in the financial reporting internal control system nor in the Company's accounting system and includes the declaration of independence mentioned in art. 6, para. 2, lett. a) of the aforementioned Regulation. The Board of Statutory Auditors shall inform the Company's Board of Directors of the outcome of the external audit, forwarding for this purpose the Additional Report as provided for by art. 19 para. 1 lett. a) of Legislative Decree no. 39/2010;

(iii) also, on the same date, EY released the Report on the Consolidated Non-Financial Declaration pursuant to art. 3 of Legislative Decree no. 254 of 30 December 2016 and art. 5 of CONSOB Regulation no. 20267 of 18 January 2018, which confirms that, based on the work carried out, there is no reason to believe that Gruppo Campari's consolidated non-financial declaration pertaining to the year ended 31 December 2019 was not drafted, in all significant aspects, in compliance with the requirements of articles 3 and 4 of the aforementioned Legislative Decree;

(iv) it has monitored the independence of the external auditor and received from EY specific written confirmation of such status, as required by articles 10, para. 2, lett. f) and 11, para. 2, lett. a) of EU Regulation 537/2014. In this regard, the Board of Statutory Auditors also monitored the nature and scale of the various services other than the primary external audit engagement provided to the Company and other Gruppo Campari companies by EY and other entities belonging to its network, the fees for which are indicated in the notes to DCM's separate financial statements pursuant to art. 149-duodecies of the Issuers' Regulation. The awarding of these engagements was approved in advance by the Board of Statutory Auditors in accordance with the "*Procedure for awarding engagements other than the external audit to Gruppo Campari's external auditor*" and, based on the checks carried out, the Board of Statutory Auditors believes there are no critical issues regarding the independence of the external auditor EY;

(v) it has, pursuant to art. 150, para. 3 of the TUF, held regular meetings with senior figures from the external auditor, during which appropriate information was exchanged and nothing emerged that warrants reporting here. The Board of Statutory Auditors has analysed the activity carried out by the external auditor, particularly the methodology, the audit approach used for the different major parts of the financial statements and the work schedule, and shared with the external auditor the issues relating to corporate risks, thereby enabling it to assess the safeguards put in place by the Company and the adequacy of what the auditor has planned. The Board of Statutory Auditors has also been informed about EY's checks that the accounts are being properly kept and that operating events are being properly logged in the accounting records. There were no observations in this regard;

7. it has monitored the financial reporting process and the adequacy of the Company's accounting administration system, as well as how reliable it is at properly representing operational events, including by gathering information from the Company's management, examining Company documents and the results of the work conducted by the external auditor, and examining the reports drawn up the Head of Internal Audit, including information on the outcome of any remedial actions undertaken following the audit activity, and that it has no observations to make in this regard. The Board of Statutory Auditors has acknowledged the declarations made by DCM's Chief Executive and Chief Financial Officer about the appropriateness, in relation to the nature of the business, and the effective application of administrative and accounting procedures for the preparation of the separate financial statements and Gruppo Campari's consolidated financial statements during 2019.

The Board of Statutory Auditors has checked that the 2019 impairment test procedure conforms to the recommendations in the joint Bank of Italy - CONSOB - ISVAP document no. 4 of 3 March 2010 and the guidelines provided by CONSOB in Communication no. 7780 of 28 January 2016, intended to ensure the transparency of methods adopted by listed companies when performing impairment tests of intangible assets with indefinite life. To this end, the impairment test procedures were carried out in compliance with IAS 36, discussed in a dedicated meeting of the Board of Statutory Auditors and expressly approved by the Board of Directors in a meeting prior to the one that approved the 2019 annual financial reports. See "Impairment" in Gruppo Campari's consolidated financial statements at 31 December 2019 and DCM's separate financial statements.

With regard to the provisions of art. 15, para. 1, lett. c), point ii) of the CONSOB Markets Regulation (conditions for the listing of shares of parent companies that control companies incorporated under and regulated by the law of countries not in the European Union), the Board of Statutory Auditors, also taking into account information obtained from the external auditor and the Company's management, found no evidence that the accounting administration system used by the subsidiaries was unable to properly provide the management and auditor of the parent company with the information about results, assets and liabilities and cash flows needed to prepare the consolidated financial statements;

8. it has monitored the adequacy and effectiveness of the internal control and risk management system, primarily by holding regular meetings with the Company's Head of Internal Audit and managers from that department, and by attending meetings of the Control and Risks Committee where the regular audit reports were analysed and the policies relating to Gruppo Campari's sustainability and privacy and data security compliance were examined. The Board of Statutory Auditors then monitored the status of the Audit Schedule, obtaining complete information on the outcome of the checks carried out and the schedule and status of the related follow-up activities, determining that there was no significant information that warranted mentioning in this Report, notwithstanding ongoing monitoring of compliance with the timeframes established for implementing the remedial actions identified following the checks.

The Board of Statutory Auditors has acknowledged the overall assessment of the internal control and risk management system given by the Control and Risks Committee, stating that: *"accounting principles when preparing the consolidated financial statements were used correctly and consistently, in view of the size and structure of the Group the Company's internal control system is adequate for the purpose of identifying, measuring and managing the main corporate risks, and the Company and its strategic subsidiaries have an adequate organisational, administrative and general accounting system, particularly in relation to the internal control and risk management system"*.

DCM's internal control and risk management system also includes the Organisation and Management Model (*Modello Organizzativo e Gestionale*) aimed at preventing offences that may incur the liability of

the Company pursuant to Legislative Decree no. 231/2001. The Board of Statutory Auditors acknowledges that the Supervisory Body (*Organismo di Vigilanza*), which monitors the functioning and updating of the Model and compliance therewith, consists of two Statutory Auditors from the Company and one Statutory Auditor from the Italian subsidiary Campari International S.r.l., and that this composition contributed to a continual and immediate mutual exchange of information regarding the organisational and procedural activities implemented by the Company during 2019. In particular, the Board of Statutory Auditors has verified the functioning and effectiveness of the aforementioned Model, including in relation to its adequacy and updating, and found nothing that warranted mentioning in this Report.

In light of the information received from the aforementioned bodies and teams at the Company, and in the absence of any critical issues being uncovered, we have reason to believe that the internal control and risk management system is adequate and effective;

9. it has ascertained that the orders given by DCM to its subsidiaries pursuant to art. 114, para. 2 of the TUF are sufficient to fulfil the disclosure requirements pursuant to said article. In this regard, it should be noted that the Company has adopted a dedicated procedure for the internal management and processing of privileged information that can be viewed on its website;
10. it has, since the date of its inception during the year, issued the following opinions:
 - a favourable opinion, pursuant to art. 2389, para. 3 of the Italian Civil Code, on the Appointments and Remunerations Committee's proposals to define the remuneration of executive directors, including the chief executive officers;
 - a favourable opinion, pursuant to art. 154-*bis*, para. 1 of the TUF and art. 21 of the Articles of Association, on the decision to re-appoint the Chief Financial Officer;
 - a favourable opinion, pursuant to art. 7, para. 1 of the CAD, on the re-appointment of the Head of Internal Audit;
 - a favourable opinion on the Appointment and Remuneration Committee's proposals regarding the setting of 2019 targets for the short-term incentive (STI) plans of executive directors, including the chief executive officers.
11. it is not aware of any facts or statements that should be reported to the Shareholders' Meeting. During the activity performed from its inception until the date of this Report, the Board of Statutory Auditors uncovered no omissions, non-conformities or irregularities, no complaints were made by shareholders pursuant to art. 2408, para. 3 of the Italian Civil Code, and no petitions of any kind were submitted;
12. in 2019, since its inception, it held seven meetings, all of which were attended by the Head of Internal Audit, and it also had a presence at all six meetings of the Board of Directors and all five meetings of the Control and Risks Committee;
13. it monitored how the CAD, to which the Company adheres, is actually being implemented, checking that DCM's corporate governance system conforms to the recommendations set out in the CAD. Detailed information about the corporate governance system adopted by DCM is contained in the 2019 Report on Corporate Governance and Ownership Structure approved by the Board of Directors on 18 February 2020. Said Report contains a detailed description of how the Company is adhering to the CAD's recommendations, including precise reasons in any cases where said recommendations are not being applied, either in full or in part. During the first Board of Directors' meeting held after its appointment by the Shareholders' Meeting on 16 April 2019, the Board of Statutory Auditors was able to check, pursuant

to Principle 3, para. 5 of the CAD, that the ascertainment procedures and criteria adopted by the Board of Directors to evaluate the independence of its non-executive members were being correctly applied. During the first meeting following its appointment on the same date, the Board of Statutory Auditors also checked that its own members complied with the professionalism, independence, integrity and competence criteria. With regard to “self-evaluation”, the Board of Statutory Auditors has verified, most recently in December when the Alternate Auditor replaced the outgoing Statutory Auditor, that its members possess the requirements set out in the TUF and the CAD, and has sent the results of this verification to the Board of Directors, which has in turn included them in the Report on Corporate Governance and Ownership Structure;

14. it received in good time from the Board of Directors DCM’s separate financial statements and Gruppo Campari’s consolidated financial statements, together with the 2019 Report on Operations.

Following the supervisory activity performed as illustrated above, and taking into account the outcome of the specific work carried out by the external auditor EY in relation to auditing the accounts and verifying the reliability of the financial statements, the Board of Statutory Auditors unanimously expresses a favourable opinion on the approval of DCM's separate financial statements at 31 December 2019 and on the Board of Directors’ draft resolution regarding the appropriation of income.

Milan, 28 February 2020

For the Board of Statutory Auditors

The Chairman

Ines Gandini