

**DAVIDE CAMPARI-MILANO N.V.
SUSTAINABILITY REPORT
AT 31 DECEMBER 2020**

**CAMPARI
GROUP**

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CAMPARI GROUP

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2020 Sustainability report

Chairman's letter 'Building more value together'

In 2020 we celebrated the first 160 years of our Group: a long and successful story, in which there has been no shortage of important tests, not least the crisis caused by the spread of Covid-19. The global pandemic which hit us has certainly, albeit hopefully temporarily, changed our lifestyles and the 'new normality' which has taken hold has deeply changed our habits and opportunities for socialising. In the changed social and work context, our people, the *Camparistas* or Campari lovers around the world, have made the difference by creating virtual opportunities to share and meet, always continuing to actively support the business across all markets, with a sense of commitment, professionalism and great passion.

From the start of the pandemic, our Group's priority has been, and will continue to be, that of protecting the health of our *Camparistas* by guaranteeing the continuity of the business. In this regard, I particularly wish wholeheartedly thank all the *Camparistas* working at our production facilities who, right from the first months of the pandemic, even at the height of healthcare, rather than economic, uncertainty, have always worked with great commitment and dedication to guarantee operational continuity, regular procurement and adequate stocks, ensuring continuity in the sale of our products worldwide.

Acknowledging that in such extraordinary times business as usual would no longer be an adequate response, we have maximised the opportunities offered by digitalisation, making smart working effective and practical. In addition, we have also introduced new protocols and practices to guarantee that all our plants and distilleries can continue to operate in complete safety, and we have organised a gradual return to our workplaces in compliance with the highest standards of prevention and safety.

As a large team which tackles even the toughest moments united and resilient, our sense of belonging and spirit of togetherness have been further reinforced also thanks to the promotion of activities and initiatives aimed not only at our employees, but also at the various local communities where we are present. The valorisation of the diversity and contribution which each *Camparista* can bring to the business, has been matched in the global 'Diversity, Equity&Inclusion' project, which will see the Group strengthen its commitment by undertaking global and local initiatives and activities aimed at creating an even more inclusive environment.

We also wanted to express our closeness to and support for local communities by offering them our solidarity, through donations to hospitals, the production and distribution of disinfectants, and providing emergency funds or support funds for our friends in the hospitality sector.

When I think back to everything we have done over these months, during such an acute emergency, I can only look to the future that awaits us with pride and confidence. We will certainly face important commercial challenges, but, together, with the dedication, enthusiasm, creativity and talent which have always been our hallmarks, we will win all these battles because, as Albert Einstein taught: *'It's in crisis that inventiveness is born, as well as discoveries and big strategies. It's in the crisis where we can show the very best in us'*.



Note on methodology

This Sustainability Report represents the complete Campari Group's disclosure on non-financial information with the aim to illustrate to our stakeholders Campari Group's sustainability strategy and main initiatives in 2020. This disclosure contains non-financial information about environmental, social and employment matters, as well as respect for human rights, anti-corruption and bribery issues, to the extent necessary to ensure understanding of the Group's business, performance, results and impact. 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. A non-financial statement is also included in the Annual Report, which is an extract from this document that highlights the most relevant information of the year and the Group's more general approach to sustainability.

The Sustainability report is drawn up every financial year and presented to the Board of Directors of Davide Campari-Milano N.V. on February 18th, 2020, which is also responsible for approving the Non-Financial Declaration published in the Campari Group consolidated financial statements at 31 December 2020, addressing the requirements of the Dutch Civil Code, and of the Dutch Decree on Non-Financial Information (Besluit bekendmaking niet-financiële informatie), which is a transposition of Directive 2014/95/EU 'Disclosure of non-financial and diversity information' into Dutch law.

The Dutch Statutory Auditor verifies the disclosure of this document according to legal requirements, while EY Italy verifies, through a limited assurance engagement, the Sustainability Report's compliance with the GRI Standards, the global standards for sustainability reporting. The Sustainability Report is submitted for limited assurance, in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, by the independent auditing firm EY S.p.A..

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, has been further refined. In 2018, bartenders were included among the categories of stakeholders that are most relevant to the Group. In 2019, adjustments were made in the wake of a focus group conducted under the aegis of the Campari Group Sustainability Committee. And lastly in 2020, the priorities were reconsidered in a year when the entire world population was affected by the Covid-19 pandemic, resulting in a strong impact also on the global economy.

Campari Group's Sustainability report and Non-Financial Disclosure were prepared in accordance with the GRI Sustainability Reporting Standards, the sustainability reporting framework set by the Global Reporting Initiative ('GRI'), establishing the most advanced standard for sustainability reporting most widely used worldwide. The document complies with the In Accordance-core option of the GRI, ensuring that at least one indicator for each material issue is disclosed¹. As in previous years, in addition to the key performance indicators established in the GRI Sustainability Reporting Standards and the sustainability aspects covered by the statutory reporting requirements, Campari Group also reports certain additional qualitative and quantitative indicators that are particularly relevant for a multinational company operating in the spirits sector (e.g.: responsible marketing and serving, and communication practices), in accordance with the materiality principle.

With regard to the financial data, the scope of the reporting corresponds to that of Campari Group's consolidated financial statements. With regard to the non-financial information, the scope of the reporting encompasses the data of all Campari Group companies consolidated on a line-by-line basis for the period from 1 January 2020 to 31 December 2020 (2020 fiscal year); it thus excludes the information related to two companies: (i) Licorera Ancho Reyes y CIA S.A.P.I. de C.V., and (ii) Casa Montelobos S.A.P.I. de C.V.. This is because the scope of the acquisition, which occurred at the end of 2019, includes the brands, the company's intellectual property and related inventories, not the production and bottling facilities that are leased to third parties, whilst agave, the main raw material to produce mezcal, is sourced through third party agreements with major local growers to secure constant supply. Champagne Lallier S.a.r.l. is also excluded, whose signing was announced on 5 May 2020 and whose production, close to 700,000 bottles in 2019, is not seen as impactful and therefore material for the purposes of this report.

Furthermore, given that it is a distribution company and does not therefore have production facilities, environmental data relating to the company Campari France Distribution S.A.S., formerly Baron Philippe de Rothschild France Distribution S.A.S., are also excluded from the reporting perimeter. Similarly, Tannico S.p.A., the leading e-commerce platform for wines and premium spirits in Italy, in which Campari Group today holds a 49% interest, is not included in the scope of consolidation.

¹ For more information, refer to the GRI Content Index of this document.

Any data relating to previous years are reported for comparative purposes to allow performance to be assessed on a multi-annual basis.

ENABLON PERIMETER



Data collection and monitoring is managed through the Group's sustainability platform (Enablon) and this page shows the scope of reporting. The scope of reporting also includes all the information related to headcounts (in the chapter 'Our people') and some environmental KPIs (in the chapter 'The environment') of the French company Rhumantilles SAS, whose acquisition was announced on 5 September 2019; the company, which is based in Martinique (France), will be integrated within Enablon from 2021. With regard to 'The environment' chapter, the environmental data, including those relating to energy consumption and emissions, do not include consumption in offices (except for the headquarters based in Sesto San Giovanni-Milan).

Enablon 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 establish internal targets for overall improvement in the medium to long term.

Campari Group's Sustainability reports can be viewed and downloaded from the 'Sustainability' section of the Group's website at: www.camparigroup.com.

Campari Group's identity

About us

Campari Group, a leading company in the global branded spirits 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 and, with leadership positions in Europe and the Americas, Campari Group is now the sixth largest branded spirits² group in the world and employs approximately 4,000 people.

Campari Group's main competitors are:

1. Diageo
2. Pernod Ricard
3. Bacardi Ltd.
4. Brown-Forman
5. Beam Suntory
6. **Campari Group**
7. Constellation Brands
8. E.&J. Distillers
9. Mast-Jägermeister
10. The Edrington Group

With a corporate domicile in the Netherlands and headquartered in Sesto San Giovanni (Milan), Italy, on 31 December 2020, the Group owned 22 manufacturing plants and had a proprietary distribution network in 21 countries. The shares of the parent company, Davide Campari-Milano N.V. (Reuters CPRI.MI-Bloomberg CPR IM), have been listed on the Italian Stock Exchange since 2001.

Our world

The defining aspects of Campari Group's culture and the constituent elements of its identity are: Essence, Mission, Values and Behaviors.

• 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).

² Source: Impact's top 100 Premium Spirits Brands Worldwide by Company, March 2019.

- **Values**

- ❖ Passion-Passion is a defining trait of our way of thinking and acting within 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.

- **Our Behaviors**

- ❖ 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 behavior, which it considers to be 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 within 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 adopt 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 Behaviors, and overcoming every obstacle.

The new Campari Group website

Campari Group gives its online presence a makeover with a magazine-style website featuring a continuously evolving flow of new contents and updates. The website as the key official channel for all corporate information, gathers the most relevant global and local news, amplifying the voice of the Group and its in-market companies worldwide.

A perfect example of how the Group showcases local activities of global relevance, the Stronger Together section brings together all the Group’s main initiatives carried out since the onset of the Covid-19 health emergency and during all its subsequent stages, in every country where Campari operates. Campari Group responded to the emergency with an active commitment to support local communities, institutions, partners and the hospitality industry through donations, the production of hand sanitizer, assistance funds, training and many other initiatives in every country where it is present.

The News&Media section includes an original search engine that allows visitors to access all contents, using a cross-site approach. The aim is to encourage visitors to browse through different types of content, helping them to fully engage with the brand narrative.

The magazine-style approach is particularly evident in 'The Spiritheque' section. Part journey of discovery through a secret archive and part virtual art gallery, The Spiritheque tells the story of places, people, mysteries and atmospheres from the world of the Group's brands. Combining narratives and animated illustrations, it represents an original approach that explores the intangible heritage of the Group and its brands from a contemporary and innovative perspective through true stories, anecdotes and 'legends', so as to offer readers an original new way to experience the brands.

The common thread is how Campari and the world of art and culture have been intertwined right from the outset, when the Art of Advertising made a vital contribution to building a brand that is recognised today all over the world. Since then, Campari Group's story has been enriched by many more brands, all with a powerful identity inextricably linked to their countries and cultures of origin.

The visual element is, in fact, the most distinctive feature of how the Group's activities are narrated. The bespoke Pantone blue colour and exclusively designed proprietary font are part of the new understated and elegant, but also cutting-edge image the Group has chosen to speak to its stakeholders.

The multimedia content is enriched by video interviews with the master blenders and distillers who are guardians of the secret recipes behind some of the Group's most distinctive products. The investor relations pages provide a detailed account of the global growth and expansion achieved by Campari Group over the last 25 years, from the first acquisitions through to the listing and its success on the international markets. The redesign has also developed and expanded two key sections of the website that explain the company's approach to sustainability and its people.

'The new camparigroup.com website,' commented Enrico Bocedi, Corporate Communications Director at Campari Group, *"is the final stage in the corporate brand creation process and reflects the Group's ongoing evolution and commitment to supporting business growth in an increasingly global and complex context. We are pleased that it has been launched in the year of our 160th anniversary, which offers us the opportunity to both give the right visibility to how far we've come, as well as to look forward to the future challenges that await us'.*

Our history: a history of culture

- **Campari: the evolution of a brand**
 - ❖ 1860-Origins. Novara, Italy. The experiments of liquorist Gaspare 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

inspired 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 provoked 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'.
- ❖ 1990
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.
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
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.
- ❖ 2010-150 years of Campari
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.
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.

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.

❖ 2020-160 years of Campari

2020 was the 160th anniversary of Campari's foundation. A year dedicated to the rediscovery of the origins of the company created in 1860 producing just a single brand, and which is now the sixth biggest Group in the world in the spirits industry with a portfolio of over 50 brands.

Indeed, it was 1860 when the liquorist Gaspare Campari invented the red aperitif which took his name: it immediately won over Milanese society and was destined to be appreciated worldwide. Soon after Campari enjoyed a period of tremendous growth thanks to far-sighted investments and smart innovation. A continuous growth process which, in 2020, the Italian Ministry of Economic Development paid homage to with the issue of a stamp dedicated to Campari's 160th anniversary, including the Group among 'the excellences of the manufacturing and economic system' in Italy which Campari Group has supported since 1860 in all aspects of the business, social and cultural life of the country where its story started, promoting its professional capability worldwide.

The stamp, which was created by the illustrator Francesco Poroli, is a contemporary revisitation of a work that managed to capture the soul of the Campari brand, the spirit of optimism and the constant focus on the future which has always been a hallmark of the Group: 'Lo Spiritello' created by the artist Leonetto Cappiello from Livorno in 1921. The tribute which the Ministry of Economic Development dedicated to Campari Group in the year of its 160th anniversary celebrates its ability to make experimentation, dynamism and a cutting edge the distinctive features of a Group which has stood out from its start for transforming the Italian ritual of the aperitif into a real source of national pride.

After all, Campari's history is one that is closely intertwined with Italian art and culture, with which it immediately established a privileged relationship which led to the creation of the most iconic forms of artistic expression. A link which, in the year of the 160th anniversary of its foundation, Campari Group further reinforced through a sculpture that symbolises the values which have driven the Group right from its creation: 'Infinito Campari', an artwork designed and made by the sculptor Oliviero Rainaldi. A legacy which takes its inspiration from Campari's history and, in particular, from two works made by artists who in their era made an essential contribution to building up the brand: the futurist Fortunato Depero with his 1931 work 'Il Tempio Campari', and, once again, the painter and illustrator Leonetto Cappiello, who with 'Lo Spiritello' left his mark on Campari's history.

'Infinito Campari' is a complex piece, consisting of two elements: a work of landscape art, the *Labirinto Telescopico* (Telescopic Labyrinth), and, within it, a monumental sculpture in Carrara marble. The Labirinto Telescopico has a surface area of 320 sq.m. and consists of the monogram CG, the initials of Campari Group, which together create the symbol for infinity: this monogram houses at its centre the marble structure, a dynamic and open geometric shape which recalls a sphere with a diameter of 2.50 m. The sculpture was made from a single block of white Carrara marble weighing 74 tons. The work, which is inspired by the orange peel which wraps around Cappiello's 'Lo Spiritello', consists of two circles which again represent an intertwined C and G. Inside the marble work there is a special sealed niche which houses a bottle of Campari Bitter: the beating and secret heart of 'Infinito Campari'.

Celebrating its first 160 years at a time of great global difficulty, Campari Group thus renewed its commitment to its own people, to the communities and local areas where it has established its operations, without abandoning the spirit of optimism and the constant focus on the future which have always been hallmarks of Campari.

Campari Group: a history of entrepreneurship

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.

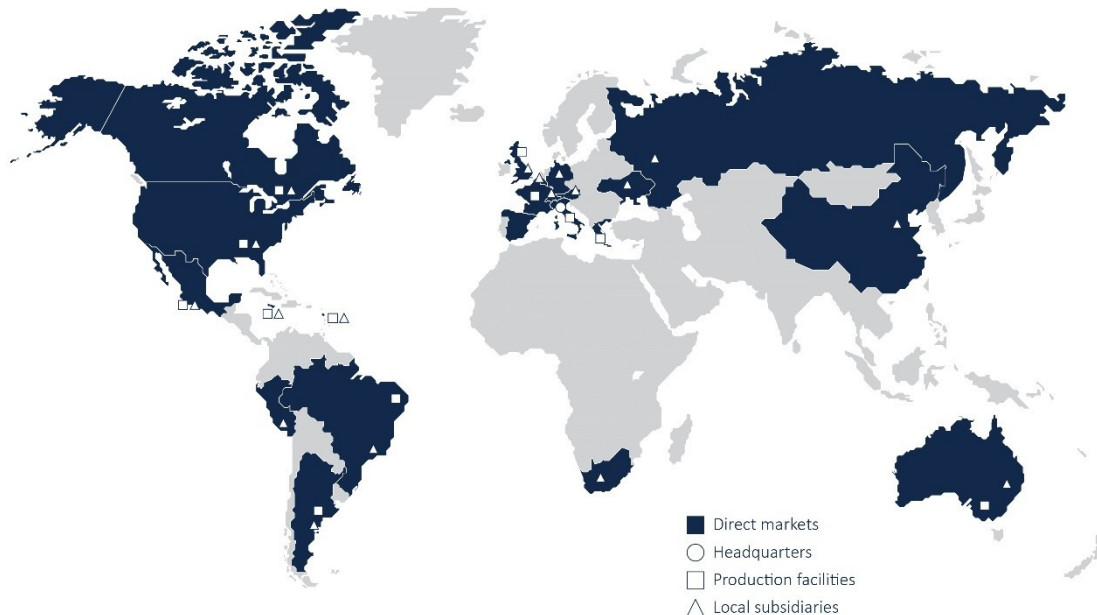
- Over 30 acquisitions since 1995 for a total value of over €3.2 billion;
- over 10 disposals since 2013 and divestment amounting to around €500 million since 2016.



Campari Group worldwide

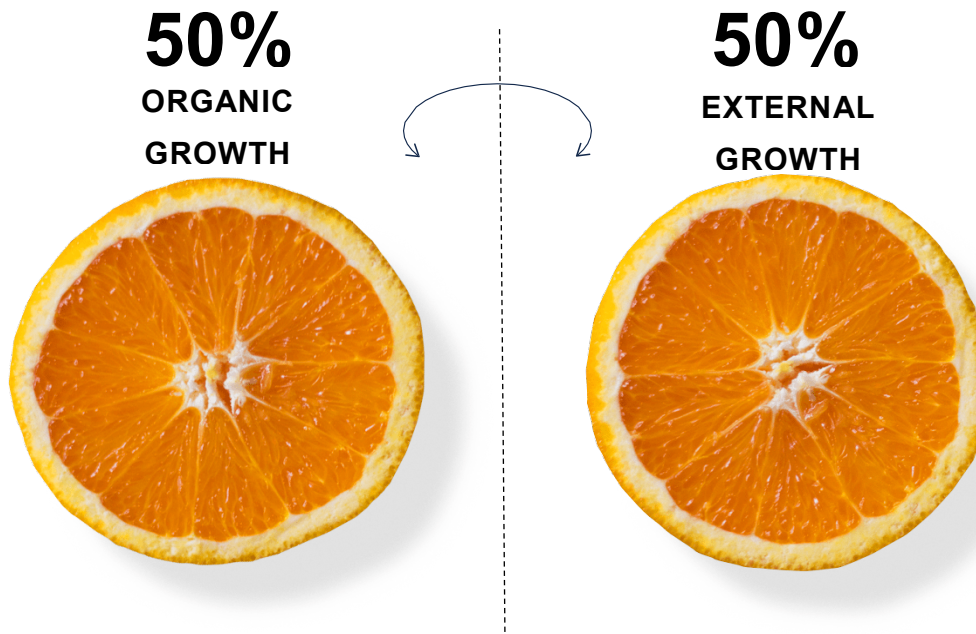
Since 2004, Campari Group, headquartered in Sesto San Giovanni (Milan), has been developing a proprietary direct distribution network, which has grown in 16 years from 5 to 21 markets worldwide and represents over 90% of total sales. The Group brought the bottling activities in the core markets of the US and Australia in-house sector and, since 2004, has been increasing the number of production sites around the world from 8 to 22 at 31 December 2020: Italy (4), Greece, Scotland, Jamaica (3), France (5), 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.



Growth strategy

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.



In 2020, the Group's net sales totalled €1,772.0 million, with an overall decrease of -3.8%, compared to 2019. The organic growth component showed a negative change of -4.1%. The exchange rate component was negative at -2.7%, while the perimeter effect was positive at +3.0%.

The full year performance showed an organic change of -4.1%, with a fourth quarter down -7.0% after a decline of -2.8% in the first nine months period. The overall performance was largely hit by renewed lockdowns and severe restrictive measures affecting key on-premise markets (a channel which is estimated to represent approximately 40% of the Group's overall pre-Covid-19 sales), such as Italy, as well as the Global Travel Retail channel. The off-premise skewed markets, such as the United States, Canada, Australia and Northern Europe, continued their sustained growth. In particular, notwithstanding a strong third quarter (+12.9%), very positively impacted by favourable weather conditions, summer 'staycation' effect and the gradual reopening of on-premise which benefitted the aperitif business in its peak summer season, the fourth quarter heavily suffered from the resurgence of the pandemic, which is still active and challenging in many markets. Overall, the fourth quarter was weak mainly driven by European markets, due to the restrictions re-introduced in the on-premise as well as less pronounced staycation effect comparing to the summer given the lower seasonality for aperitifs and lack of winter sports tourism. Regarding the United States, the Group's largest market, the growth was driven by a positive year-end close (+13.0% in the fourth quarter), mainly thanks to a gradual shipment re-alignment to very positive off-premise consumption patterns, despite the destocking at wholesaler level across the whole portfolio, now fully completed. Excluding the destocking effect, the United States market organic growth would be +9.1% in 2020, while the overall Group organic growth would be -2.5%.

With regard to brand performance, the global and local priority brands declined overall by -3.8% and -4.4% respectively, mainly due to a negative performance in brands characterized by on-premise exposure (particularly the aperitifs), impacted by restrictions throughout the year across markets, amplified by renewed lockdowns at year-end, and destocking in the United States. The regional priority brands were slightly positive at +0.4%, mainly driven by the strong growth of Espolòn tequila

Although the evolution of the pandemic remains highly uncertain in most countries and given that it may take a long time for the economies of multiple markets to recover to pre-Covid-19 levels, the strong brand momentum continued in terms of consumption data, with sell-out trends outperforming shipments across all the key brand/market combinations. The sell-out trends were positively driven by relentless brand building activities throughout the year, mainly influenced by initiatives in digital channels and on-premise events on a selective basis.

On 29 June 2020, Campari Group completed the acquisition of a 49% interest in Tannico S.p.A. ('Tannico'). Founded in 2013, Tannico is the market leader in online sales of wines and premium spirits in Italy, with a market share of over 30%. Tannico has progressively expanded into business-to-business, offering targeted value-added services to professional operators in areas such as assortment and warehouse management, as well as tailored delivery solutions. Since 2017, Tannico has expanded its footprint to more than 20 markets, including the USA, Germany, UK, and France.

In 2019, Tannico achieved net sales of €20.6 million (under local GAAP). The compound annual growth rate (CAGR) for net sales for the past three years (2016-2019) was approximately 50%, with net sales rising

significantly in 2020, partly due to the Covid-19 emergency, almost reaching break-even from a profitability standpoint.

The total consideration paid for the 49% interest was €23.5 million, which was financed from available resources. Under the investment agreement, Campari Group will have the option to increase its ownership to 100% from 2025, subject to certain conditions.

Tannico is a unique and strategic fit with Campari Group's long-term business development goals. By leveraging Tannico's expertise, the Group will greatly enhance its digital capabilities and accelerate its development plans in e-commerce, a channel that is already growing and is set to become of even greater strategic importance given the likely long-lasting change in consumer behaviour due to the Covid-19 emergency.

On 10 June 2020, Campari Group completed the acquisition of an 80% interest, with a medium-term route to total ownership, in the share capital of Champagne Lallier S.a.r.l. and other group companies (jointly, the 'company'), from the privately-owned French company Ficoma S.a.r.l., the family holding company of Mr Francis Tribaut. The company is the owner of the champagne brand Lallier, which was founded in 1906 in Aÿ, one of the few villages classified as 'Grand Cru' in Champagne, a clear indication of the product's quality.

In 2019, the Company's sales amounted to €21 million (under local GAAP), including primarily sales relating to champagne of approximately 1 million bottles, of which close to 700,000 bottles of Lallier.

The consideration paid was €21.3 million (excluding the net financial debt at the closing date) and was financed from available resources. The transaction encompasses the brands, related stocks, real estate assets (including owned and operated vineyards) and production facilities.

Under the agreement, the remaining shareholding is subject to reciprocal put and call options, which can be exercised from 2023. Francis will continue in his role as managing director of Champagne Lallier.

Starting from January 2021, the highly respected industry veteran Dominique Demarville joined Champagne Lallier as General Manager and Cellar Master. The choice of Dominique is a statement of the ambition of Campari Group to develop Maison Lallier not only as a global Champagne player but as a superior Champagne range. With his great competence and passion for the Champagne world Dominique will lead Lallier to the next level, continuing the excellent job done by Francis.

With this acquisition, which marks the entry of the first Italian player into the Champagne category, Campari Group has added to its portfolio a premium and historical champagne brand, Lallier, mainly being sold in selected on-trade outlets and bottle shops, further extending its range of premium offerings to this key channel for brand building. Moreover, Campari Group will build further critical mass in the strategic French market where the Group recently started to sell through its own in-market company.

On 28 February 2020, Campari Group completed the acquisition of 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. specializing in the distribution of a diversified portfolio of international premium spirits, wine and champagne brands in France. RFD is the sole distributor for the French market of the Campari Group's portfolio, which is currently the main contributor to RFD's sales and growth. With regard to the rest of the portfolio, RFD is the exclusive distributor for the French market of the seller's premium and super premium wines, including the Mouton Rothschild and Mouton Cadet brands. The total acquisition price was €50.3 million (excluding the net financial debt at the closing date). The transaction was financed using the Group's available resources.

In 2019, RFD's total sales were €149.8 million, based on local accounting principles (€100.0 million after the reclassification based on International Financial Reporting Standards principles 'IFRS').

The incorporation of the distribution structure of RFD (now called Campari France Distribution S.A.S.) into Campari's network and the possibility of operating directly in France (a high-potential market for the Group) represents a unique opportunity to enhance the Group's focus on its key brands and benefit from the increased critical mass of the aperitifs business and the newly-acquired Trois Rivières and La Mauny premium rum agricole brands.

On 14 February 2020, the Group signed an agreement to create CT Spirits Japan Ltd., a joint venture in Japan, with a local partner experienced in the food&beverage sector. The aim of the joint venture is to promote and develop the Group's products in this market. The Group holds a stake of 40% and has a call option on the remaining holding of 60% of the share capital, which can be exercised from 2023.

In November 2020, a space in the heart of Venice (Campo Santo Stefano) was secured, set to be the first directly managed Aperol Flagship, later in 2021, after the project execution and marketing activities will be completed. This initiative is part of Campari Group's activities to create brand houses for its iconic brands and will enable the Group to establish local and international Aperol brand visibility and equity in the on-premise channel, while also consolidating its expertise in managing sales outlet, following Camparino flagship reopening in Milan in 2019.

Our brands



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. In 2020, Campari released an inspirational new digital campaign featuring a unique partnership with remarkable artists from around the world, bringing to life the brand's newly evolved ethos of Red Passion, the urge inside us that is impossible to ignore. Through a series of evocative video clips where the protagonists shift into and embrace their Red Passion in a way that is perfectly depicted to inspire others, the artists, spanning creative expression across a variety of fields, from dance, to bartending to music and filmmaking, showcase how they have been able to follow their passion, going beyond the ordinary, leaving their comfort zone, and transforming their passion into an outstanding creation. The series of videos are part of a wider digital campaign set to guide viewers on their journey to discovering and embracing their inner Red Passion.

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 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

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, 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 Whisky 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

Espolòn

Espolòn 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. It took its creator, the late Master Distiller Cirilo Oropeza, decades of experience and craftsmanship to create Espolòn. 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. Espolòn 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 purificators 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.

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 rests for an additional period of six months in sherry casks, so as to make it soft and velvety on the palate.

Braulio

Braulio was created in Bormio, in Valtellina, in 1875 through the expert research of the pharmacist Francesco Pelsoni, 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. In 2020 Amaro Averna launched its new international advertising campaign #OpenSicily, a true hymn to the Sicilian way of life and the beauty of the island, a celebration of a multi-dimensional land, built by its openness to a rich mix of welcoming people and cultures, able to convey the concept that when you open up a bottle of Averna, you open up a modern and vibrant world of Sicily.

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

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. In 2020 the #DesignConnexion initiative was created with the aim of strengthening and making visible and concrete the strong link between Campari Soda and the world of design, which started back in 1932, the year in which the futurist artist Fortunato Depero designed the unmistakable 9.8 cl inverted goblet-shaped bottle for the first single-serving aperitif in the history. Through this initiative, three young, talented and exceptional names in design have designed three objects that will make up a true #withoutlabels collection, celebrating the Campari Soda style, which, being free from all conventions and prejudices is able to create bonds among individuals who share the same values, always #withoutlabels.

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% (IWSR: 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 and 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 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, 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 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.

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 Officer of the Order of the British Empire (OBE) for services to the local community in Speyside (Rothes, Scotland).

Grand Marnier-Patrick Raguenaud

Patrick, 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 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 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.

Italian Icons-Bruno Malavasi

Herbalist and Master Blender of the Italian iconic brands, Bruno 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, 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 started 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 model³

Following the transfer of Davide Campari-Milano N.V.'s (the 'Company' and, together with its subsidiaries, the 'Group') registered office from Italy to the Netherlands, with simultaneous transformation into a *Naamloze Vennootschap* (N.V.) occurred on 4 July 2020 ('Redomiciliation'), the Company is a public limited liability company, incorporated under the laws of the Netherlands.

Campari's shares are listed on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. (the 'Italian Stock Exchange').

As regards its corporate governance, after the Redomiciliation Campari ceased to apply the Italian Corporate Governance Code of Listed Companies (*Codice di Autodisciplina delle Società Quotate*), while it started to comply with the Dutch Corporate Governance Code (the 'DCGC') which contains principles and best practice provisions that regulate relations between the Board of Directors, the shareholders and the general meeting of shareholders of the Company ('General Meeting') for listed companies. Such principles may be regarded as reflecting the general views on good corporate governance and create a set of standards governing the conduct of the listed companies' corporate bodies.

- Board of Directors

Upon the Redomiciliation the Company has adopted a one-tier governance structure. This structure does not foresee a board of statutory auditors and, therefore, the Company's board of statutory auditors (in place until the consummation of the Redomiciliation) ceased to hold office as from 4 July 2020 and no board of statutory auditors was then re-appointed.

The Company has a board of directors consisting of 10 directors ('Board of Directors'), comprising both executive directors having responsibility for the day-to-day management of the Company ('Executive Directors') and non-executive directors not having such day-to-day responsibility but in charge of supervising the Executive Directors ('Non-Executive Directors').

The Board of Directors is entrusted with the management of the Company. Each Director owes a duty to the Company to properly perform the duties assigned to each Director and to act in the Company's corporate interest. In accordance with the DCGC, the Board of Directors focuses on long-term value creation for the Company and its affiliated enterprise and takes into account the stakeholders' interests that are relevant in this context.

The Board of Directors was appointed by the General Meeting held on 16 April 2019 (except for Fabio Facchini, appointed as independent and Non-Executive Director by the Company's Extraordinary Shareholders' Meeting held on 18 September 2020). The Directors will remain in office for a three-year period expiring at the closure of the annual General Meeting to be held in 2022.

The Board of Directors consists of ten members, including three women, and therefore its composition complies with the Diversity Policy.

The table below shows the members of the Board of Directors at 31 December 2020:

Name	Principal position	Nationality	Gender
Luca Garavoglia	Chairman	Italian	M
Robert Kunze-Concewitz	Executive Director and Chief Executive Officer	Austrian	M
Paolo Marchesini	Executive Director and Chief Financial Officer	Italian	M
Fabio Di Fede	Executive Director, Group General Counsel and Business Development Officer	Italian	M
Alessandra Garavoglia	Non-Executive Director	Italian	F

³ For further information, please refer to the 'Corporate Governance' section of the Campari Group consolidated financial statements at 31 December 2020.

Eugenio Barcellona	Non-Executive Director ⁽¹⁾ (2)	Italian	M
AnnaLisa Elia Loustau	Non-Executive Director ⁽¹⁾ (2)	Italian	F
Catherine Gérardin Vautrin	Non-Executive Director ⁽¹⁾ (2)	French	F
Michel Klersy	Non-Executive Director	French	M
Fabio Facchini	Non-Executive Director ⁽¹⁾	Italian	M

⁽¹⁾ Member of the Control and Risks Committee

⁽²⁾ Member of the Remuneration and Appointments Committee

As showed by the table above, three out of ten board members (30%) have a cultural background different from Italy, the country where the corporate headquarters are located.

- Committees

The Company has established two internal committees within its Board of Directors: (i) a Control and Risks Committee, which operates as an audit committee pursuant to Dutch law and the DCGC, and (ii) a Remuneration and Appointment Committee, in line with what was in force before the Redomiciliation.

The composition of the committees is determined by the Board and remained unchanged after the Redomiciliation (i.e., Eugenio Barcellona, Annalisa Elia Loustau and Catherine Gérardin-Vautrin), except for Fabio Facchini who was appointed as a new member of the Control and Risks Committee on 18 September 2020 following his appointment as Non-Executive Director.

The Board remains collectively responsible for the decisions taken by the committees. Each committee may only exercise such powers as are explicitly attributed to it by the Board and may never exercise powers beyond those exercisable by the Board as a whole.

- Supervisory Body

In addition to the Non-Executive Directors charged with the supervision of the Executive Directors, the Company also has a supervisory body (Organismo di Vigilanza) adopted according to the 'Organisation, Management and Control Model' (the 'Model') pursuant to the Italian Legislative Decree 231 of 8 June 2001.

Such corporate body is responsible for monitoring that the Company acts in compliance with the Model and for proposing amendments required under Italian law. The Model is designed to prevent the offences specified in the Italian Legislative Decree 231 of 8 June 2001, with a focus on offences against the public administration, corporate and financial offences and breaches of health & safety regulations at work.

The members of the supervisory body (Organismo di Vigilanza), i.e., Fabio Facchini (chairman), Enrico Colombo and Piera Tula, have not changed upon completion of the Redomiciliation.

- Internal audit system

The Board of Directors identified the executive 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.

The Board of Directors, based on proposal made by the executive director along with the opinion of the Control and Risks Committee, appoint the Head of Internal Audit.

The Internal Audit (IA) Department is an independent function of the organization whose role is to provide assurance that the company's internal control, risk management and governance processes and activities are operating effectively. IA reports its findings, conclusions and recommendations to the Group Management, Board of Directors and Controls and Risks Committee while collaborating with other parties, such as external auditors and regulatory bodies. The mission of IA is to add value by delivering an independent professional opinion on the performance of Group Legal Entities/Functions while continuously responding to the evolving challenges in the business environment in an adaptive and collaborative manner.

Internal auditors operate in conformity with applicable law and regulations and the activities of the IA Department are conducted in accordance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing (IIA Standards) and the organization's code of ethics. In addition, the IA Department

has adopted data analytics, continuous monitoring and process mining methodologies to improve operational efficiency for compliance and audit purposes.

In 2020, PwC completed an External Quality Assessment Review (QAR) of Campari Group’s IA Department and confirmed it operates in compliance with the IIA Standards.

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;
- e-mail to: organismo231@camparigroup.com; or
- 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.

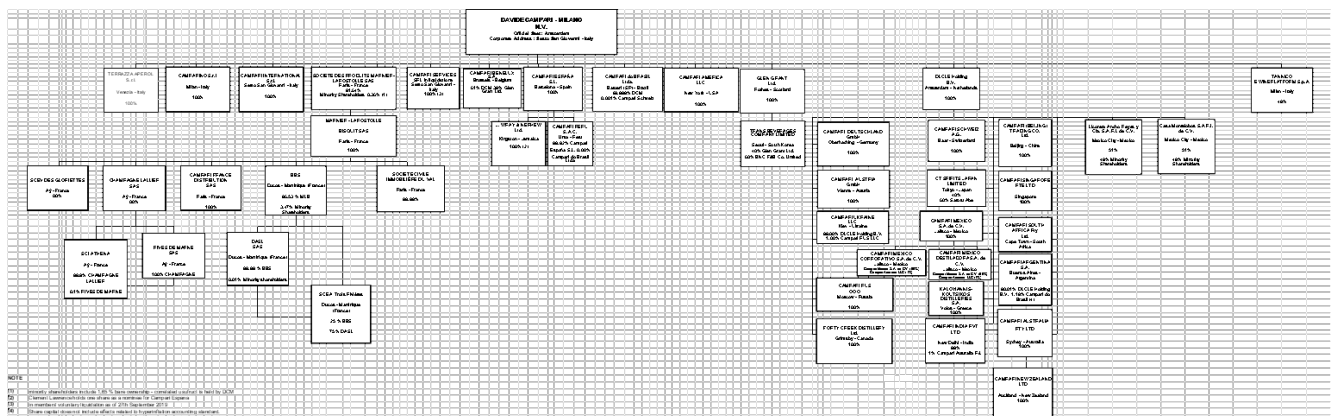
In Italy, moreover, in compliance with the provisions of Legislative Decree 231 of 8 June 2001, the Company and its Italian subsidiaries have adopted an organisational model (‘the Model’) aimed at preventing the crimes provided for in the aforementioned decree and in particular to prevent crimes against 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
- The Company has an external auditor in charge of examining the annual report prepared by the Board of Directors and releasing its opinion. In this respect, upon completion of the Redomiciliation, EY N.V. (a Dutch company of the EY network) succeeded, without any interruption whatsoever, to EY S.p.A. (an Italian company of the same network).

Nevertheless, EY S.p.A. verifies the Sustainability Report’s compliance with the GRI Standards, the global standards for sustainability reporting.

The Company’s sociogram at 31 December 2020 is given below.



For more information on the Company’s sociogram, please refer to the Campari Group consolidated financial statements at 31 December 2020.

Risk management

The risk management and internal control system is an integral part of the Campari Group's operations and culture and supports the efficiency and effectiveness of business processes, the reliability of financial information and compliance with laws and regulations.

Campari Group has a risk management system in place aimed at identifying, assessing, managing and monitoring potential events or situations that could potentially impact Campari Group's activities and the achievement of its objectives.

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. Individuals are asked to assess the impact and likelihood of each risk. The SRA tool has multiple objectives: to help the business identify risks and consequently make strategic and operational decisions; to strengthen understanding of the Group's risk profile to allow decision makers to analyse risks and monitor how they evolve over time; to ensure traceability of risk assessment activities that provide the foundation for the financial information communicated to stakeholders. The SRA is performed globally at local, business unit and group level.

Campari Group operates at three levels of internal control:

- First Level: operating areas identification, evaluation and monitoring of applicable risks in individual processes and the establishment of specific actions for managing such risks. The structures responsible for the individual risks, for their identification, measurement and management, as well as for the performance of the necessary checks are located at this first level.
- Second Level: departments responsible for supporting management with setting policies and procedures and in developing process and controls to manage risks and issues.
- Third Level: it provides an independent and objective assurance of the adequacy and effective operation of the first and second levels of control and, in general, of the overall mode of managing risks. This activity is carried out by the Internal Audit function which operates independently; assessment of the controls may require the definition of compensating controls and plans for remediation and improvement. The results of the monitoring are subject to periodic review by management.

The internal control system is subject to verification and updating annually in order to ensure its constant suitability as an instrument of control over the business's principal areas of risk.

The risk management and internal control system is an integral part of the Campari Group's operations and culture and supports the efficiency and effectiveness of business processes, the reliability of financial information and compliance with laws and regulations.

Campari Group has in place a risk management system aimed at identifying, assessing, managing and monitoring potential events or situations that could potentially impact Campari Group's activities and the achievement of its objectives.

Campari Group has implemented a tool to identify, assess and monitor corporate risks. 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. Individuals are asked to assess the impact and likelihood of each risk. The SRA tool has multiple objectives: to help the business identify risks and consequently make strategic and operational decisions; to strengthen understanding of the Group's risk profile to allow decision makers to analyse risks and monitor their evolution over time; to ensure traceability of risk assessment activities that provide the foundation for the financial information communicated to stakeholders. The SRA is performed globally at local, business unit and group level.

The Control and Risks Committee, External Auditors and Board of Directors monitor the effectiveness of the Campari Group's internal control and risk management system.

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 2020, the Sustainability Audit activities concerned the plants in Mexico, Jamaica and the Italian plant located in Alghero, Caltanissetta, Novi Ligure and Canale.

Main risks for the Group:

Strategic risks (S)

- Risks relating to dependency on the sale of key products and the seasonality of certain Campari Group products (S)

A significant proportion of the Campari Group's sales are focused on certain key brands. Accordingly, any factor adversely affecting the sale of these key products individually or collectively could have a material adverse effect on the Campari Group's results from operations.

In addition, sales of certain Campari Group products are affected by seasonal factors due to different consumption patterns or consumer habits. In particular, aperitif consumption tends to be concentrated in the hottest months of the year (May to September), whereas sales of other products, such as sparkling wines and spirits, are concentrated in the last quarter (September to December). Seasonal consumption cycles in the markets in which the Campari Group operates may have an impact on its financial results and operations. Although Campari Group has a global presence, the majority of its revenue is in the northern hemisphere. This is particularly true in the summer months, when unseasonably cool or wet weather can affect sales volumes. Mitigation actions put in place by Campari Group to mitigate those risks include investments in products' success and growth to increase brands value and the Group's diversified portfolio of products and brands

- Risks relating to the Campari Group's dependence on consumer preferences and habits and propensity to spend (S)

An important success factor in the beverage industry is the ability to interpret consumer preferences and tastes and to continually adapt sales strategies to anticipate market trends and developments using its media and marketing tools. Preferences and tastes can change in unpredictable ways due to a variety of factors. Changes in lifestyle and everyday behavioural patterns can occur also as a result of global pandemics and subsequent restrictions including safety measures enacted by governments such as social distancing and lockdown, changes in travel, vacation or leisure activity patterns. Consumers also may also begin to prefer the products of competitors or may generally reduce their demand for products in the spirits and wine categories in general. In order to mitigate these risks, Campari Group leverages a diversified portfolio of brands to ensure coverage of consumer occasions, trends and prices and constantly monitors consumer trends at market and brand level. Nevertheless, 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 may dampen the confidence of consumers, making them less likely to buy drinks.

The rapid spread of Covid-19 has resulted in a rapid deterioration of the socio-economic and financial situation globally, with a consequential negative impact on all markets in which the Campari Group operates. Furthermore, in order to contain the spread of Covid-19, governments of the various countries concerned have introduced progressively more restrictive measures to limit the movement of, and contact among, people (including social distancing, quarantine, 'shelter in place', lockdown or similar orders and travel restrictions) and suspended productive activities in sectors defined as non-critical, allowing only essential activities and

production to continue. Such measures restricting social contact have had, and continue to have, an adverse effect on global trade and supply chains and more specifically with respect to the spirits business, a significant adverse effect on consumption levels given the sector's natural exposure to consumption in the on-premise distribution channel mainly represented by bars and restaurants. Furthermore, the significant reduction in air travel resulting from travel restrictions has had, and continues to have, an adverse effect on the Group's retail travel sales.

Despite Campari Group's flexibility and capability of adapting to changing conditions (e.g. re-forecasting, capability to focus on online rather than traditional sales, flexibility in cash flow management), the Group is unable to predict the ultimate impact from Covid-19 on the results of its operations, financial condition, business and/or prospects. Although lockdown restrictions are temporary in nature and are gradually being eased across many countries as a result of a gradual improvement in the health crisis, restrictive measures may nonetheless continue for an extended period of time and intensify depending on developments in the pandemic, including new waves of the Covid-19 outbreak, and on the vaccine administration and effectiveness. Further management time and resources may need to be spent on matters related to Covid-19, distracting from implementation of the Campari Group's long-term strategy. In addition, the new protocols, work practices and safety measures that Campari Group has been required to adopt in its plants and distilleries may be costly and may affect production levels. The Campari Group's suppliers, customers, distributors and other contractual counterparties may be restricted or prevented from conducting business activities for indefinite or intermittent periods of time, including as a result of safety concerns, shutdowns, slowdowns, illness of such parties' workforce and other actions and restrictions requested or mandated by governmental authorities.

Uncertainty remains as regards the extent and timing of the economic recovery to pre-Covid-19 levels in when the restrictive measures are gradually lifted across different markets.

Each of these factors is likely to continue to have a negative impact on consumer demand and consumption, as well as on the Group's capability to continue to implement brand building strategies targeting the on-premise channel and will consequently have an adverse effect on the Group's results of its operations, financial condition, business and/or prospects. While Campari Group is continuing to monitor and assess the evolution of the pandemic and its effects on the macroeconomic scenario, on the markets in which it operates, on the behavioural patterns of its consumer base and on the Campari Group's financial position and results of its operations, significant uncertainty remains about the length and extent of the restrictions in the markets in which Campari Group operates. The future impact of the Covid-19 pandemic on the Group will depend on ongoing developments in the pandemic, including the success of containment measures and other actions taken by governments around the world, the possibility of further waves leading to the re-imposition of severe lockdown measures as well as the overall condition and outlook of the global economy. The Covid-19 pandemic may also exacerbate other risks, including, but not limited to, the Group's competitiveness, demand for the Group's products, shifting consumer preferences, exchange-rate fluctuations, and credit market conditions affecting the availability of capital and financial resources.

- Risks relating to adverse macroeconomic and business conditions and instability in the countries in which the Group operates (S)

Global economic conditions and conditions specific to developed markets, as well as emerging markets in which the Campari Group does business could substantially affect its sales and profitability.

Operating in emerging markets makes the Group vulnerable to various risks inherent in international business, including exposure to an often unstable local political and economic environment which may impact the ability of the Group to trade locally and the ability of the Group's counterparts to meet their financial obligations, exchange rate fluctuations (and related hedging issues), export and import quotas, and limits or curbs on investment, advertising or repatriation of dividends. Consequently, the Group constantly monitors developments in the global geopolitical environment that could require a review of the corporate strategies put in place and/or the introduction of measures to safeguard its competitive positioning and performance.

Global economic activity went through a sharp economic downturn following the 2007-2008 global financial crisis, the disruption to global financial markets created increasingly difficult conditions in recent years and the international macroeconomic situation continues to be characterised by uncertainty (i.e. progressive heightening of tensions in international trade between the United States and China, the slowdown of economic growth recorded in the Eurozone, China's slowing economy, etc.).

Continuation or a further worsening of these difficult financial and macroeconomic conditions could materially adversely affect the Campari Group's sales, profitability and results from its operations. Therefore, the Group constantly monitors and assesses the markets in which it operates as well as customers' behavioural patterns.

- Risks relating to acquisitions (S)

Campari Group may be exposed to risks in relation to acquisitions that may have an adverse effect on the Campari Group's financial condition and results from its operations.

Despite Campari Group having implemented a diversified investment strategy, with integration plans being implemented and monitored, the Group's growth prospects may suffer if the Group is unable to implement its acquisition strategy and/or realise the full intended benefits of synergies if, for example, the Group encounters unexpected difficulties when integrating businesses acquired. Employees and customers of acquired businesses may sever their relationships with those businesses during or after completion of the transaction. In addition, if Campari Group makes an acquisition in a market outside of those in which the Group currently has a presence, the Group will have to address an unfamiliar regulatory and competitive environment and may not be able to do so successfully, which might adversely affect the Campari Group's operations in that market.

- Risks relating to the disruptions or termination of the Campari Group's arrangements with the Group's third party manufacturers or distributors (S)

The production and distribution of the Campari portfolio is carried out, to a large extent, directly by the Campari Group. However, the Campari Group relies upon third parties (including key customers in specific geographies) to distribute, and in some cases also produce, a number of its own brands in a number of markets under licensing arrangements. In 2020, 13% of the Group's consolidated net sales came from distribution under license of own products outside its direct distribution network. The vast majority of the Group's own products were manufactured by the Group and the remainder were manufactured by third parties under license. Furthermore, Campari Group distributes third-party brands upon license agreements in certain markets. In 2020, 5.8% per cent of the Campari Group's consolidated net sales came from distribution by Campari Group under license of third-party products. Although licenses are with several third-parties avoiding concentration on few licenses/third parties, the use of or reliance on third parties for these critical functions entails risks, including the risk of termination of licences and of delays or disruptions in production and distribution. Furthermore, the Group has less control over the quality of products manufactured by third parties. In addition, in certain cases, there may be no suitable replacements for the Campari Group's third-party manufacturers. A disruption or termination of the Campari Group's present arrangements with these third parties without having suitable alternative arrangements in place could have a material adverse effect on the Group's business, prospects, results from its operations and/or financial condition.

- Risks relating to a decline in the social acceptability of Campari Group's products or governmental policies against alcoholic beverages (S)

Campari Group's ability to market and sell its alcoholic beverage products depends heavily on both society's attitudes toward drinking and governmental policies that flow from those attitudes. In recent years, increased social and political attention has been directed at the alcoholic beverage industry. Recently, this attention has focused largely on public health concerns related to alcohol abuse, including drinking and driving, underage drinking, and health consequences from the misuse of alcoholic beverages. Although Campari Group has a global presence, alcohol critics in Europe and the United States increasingly seek governmental measures to make alcoholic beverages more expensive including through tax increases for certain product categories, restrict their availability, and make it more difficult to advertise and promote, including as a result of laws and regulations aimed at restricting advertising. If the social acceptability of alcoholic beverages were to decline significantly, sales of the Campari Group's products could materially decrease. The Campari Group's sales would also suffer if governments ban or restrict advertising or promotional activities, limit hours or places of sale, or take other actions designed to discourage alcohol consumption. Consequently, the Group constantly monitors regulatory changes, consumer trends at market level and promotes responsible drinking initiatives.

- Risks relating to market competition and the consolidation of participants in the beverages industry (S)

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 that are operating aggressive competitive strategies at a global level. The Group's competitive position vis-à-vis these 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.

In addition, consolidation in the beverage industry may also reduce the number of distribution outlets available to the Group, or lead to higher distribution costs. Campari Group competes with other brands for shelf space in retail stores and marketing focus by independent wholesalers. Independent wholesalers and retailers offer other products, sometimes including their own brands, that compete directly with Campari Group's products. If independent wholesalers and retailers give higher priority to other brands, purchase less of or devote inadequate promotional support to the Campari Group's brands, it could materially and adversely affect the Group's sales and reduce the Group's competitiveness.

The Group constantly monitors the industry dynamics of mergers and acquisitions and the initiatives taken by competitors, constantly invests in products' success and growth to increase the brands value and expand customers.

- Risks related to the relationship of the United Kingdom with the European Union (S)
 The United Kingdom's membership of the European Union ended on 31 January 2020 (Brexit) in accordance with the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the Withdrawal Agreement). Under the terms of the Withdrawal Agreement, a transition period commenced which lasted until 31 December 2020. In December 2020, the United Kingdom and the European Union reached an agreement on the future relationship between them. The United Kingdom is a high potential market for the Campari Group; in the United Kingdom the Group has a direct distribution network and operates in the country through local offices, plants and distilleries. Any material adverse effect of Brexit on global or regional economic or market conditions could lead to changes in consumer spending in the United Kingdom, exchange rate volatility, or restrictions in the movement of people and goods, all of which could adversely affect the Group's business, the results from its operations and financial condition. Moreover, the United Kingdom could experiment, post-Brexit, with changes to laws and regulations in areas such as intellectual property rights, employment, the environment, supply chain logistics, data protection, and health and safety, each of which could have an adverse effect on the Campari Group's operations in the United Kingdom. The potential implications of Brexit cannot be fully understood until any future tariffs, taxes and other free-trade agreements and regulations have been established by the United Kingdom. Political developments will be continuously monitored to anticipate and minimize any vulnerabilities in all the main functions affected, and to adopt prudent measures to mitigate the risks, where possible.
- Environmental risk (S)
 Production activities and the implementation of the Group's strategies are subject to the effects of natural events. Environmental changes, some of which could have a significant impact, could interfere with local supply chains 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. 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.
- Exchange-rate and other financial risks (S/F)
 Around 62% of the Group's consolidated net sales in 2020 came from outside the Eurozone. With the Group's international operations outside the Eurozone growing, a significant fluctuation in exchange rates, principally caused by macroeconomic or political instability or, in the specific case of the United Kingdom, could have a negative impact on the Group's activities and operating results. However, the existence of permanent Group establishments in countries such as the United States, the United Kingdom, Australia, Jamaica, Brazil, Canada, Russia and Argentina allows this risk to be partially hedged, given that both costs and revenues are broadly denominated in the same currency. Therefore, exposure to foreign exchange transactions generated by sales and purchases in currencies other than the Group's Euro functional currency represented a moderate proportion of consolidated sales and profitability in 2020 hence the use of hedging measures was very limited. For a more detailed analysis of the Group's financial risks, please refer to Campari Group consolidated financial statements.

Operational risks

- Risk relating to an inability to attract and retain qualified personnel (O)
 The loss or retirement of senior management or other key personnel, or an inability to identify, attract and retain qualified personnel in the future, may make it difficult for the Group to manage its business and could adversely affect its operations and financial results. Therefore, Campari Group has put in place talent reviews and succession plans, as well as talent development programmes and retention plans for key resources.
- Risk from fluctuations in the prices of raw materials or energy (O)
 Market risks consists of the possibility that changes in exchange rates, interest rates or raw materials or commodities (alcohol, aromatic herbs, sugar, agave and cereals) could negatively affect the value of assets, liabilities or expected cash flows. The price of raw materials depends on a wide multiplicity of unpredictable factors, that are not under the control of the Group. Historically, the Group has basically not had any problems in obtaining an adequate and high-quality quantity of raw materials. However, it cannot be excluded the possibility that the Group could face challenges with the supply of raw materials. This situation could have an impact on costs and consequently on the Group results and cash flow. In this regard, from 2016, the Group has been faced with an increase in the price of agave, the raw material for tequila, due to increased demand

for agave and tequila. The Group is implementing actions aimed at reducing agave price fluctuations, including by signing co-investments agreements with local agricultural manufacturers to guarantee qualitative and quantitative quantities of agave. The benefits of these investments will probably only be observable in the medium term, given the natural growing process of agave plants. In addition, energy price increases result in higher transportation, freight and other operating costs for the Group and have an indirect impact on the purchase of key ancillary materials such as glass. Procurement policies are in place in order to maximize efficiency.

- Risk related to climate change (O)

Campari Group recognizes the importance of climate change risk and how the Group's inability to manage it could negatively affect Campari's Group reputation, revenues, and profits (e.g. via increased taxation and supply chain volatility). Campari Group promotes a responsible use of resources and a reduction of the environmental impact of production to mitigate climate change. In this context, Campari Group has adopted an environmental policy that applies to all company locations and divisions and has set up a structure dedicated to control environmental pollution, waste, and water disposal. The Group closely monitors energy consumptions and carbon dioxide emissions and undertakes initiatives to reduce them by increasing the use of lower-emission energy source. The Group has also set specific targets in line with the UN Sustainable Development Goals aimed at reducing Green House Gases (GHG) emissions deriving from the Group's direct operations and the overall supply chain, and at increasing the use of renewable electricity in all European production sites (for more information refer to 'The Environment' chapter of this document).

- Risk relating to disruption in information technology systems (O)

The Group highly depends on its information technology and data processing systems to operate its business, and a significant malfunction or disruption in the operation of its systems, human error, interruption of power supply, or a security breach that compromises the confidential and sensitive information stored in those systems, could disrupt the Group's business and adversely impact its ability to compete. 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 cyberattack and the increased cost of resolving these problems. Cyber-security risks have a global impact for Campari Group, due to both the strong interconnectedness within the Group and the ever-increasing pervasiveness of technology (and the internet) on the performance of activities. The Group has implemented awareness campaigns to heighten employee awareness of cyber risks (C-Level fraud, Phishing, Social Engineering). Employees take part in annual e-training sessions and take monthly tests to improve their knowledge of the main cyber threats. The Covid-19 pandemic has triggered extensive use of remote working arrangements that have been implemented, where feasible, across all regions. Wherever possible, smart-working policies have been recommended for office-based employees, given that the safety and wellbeing of Camparistas is a top priority. Campari Group had put in place a smart working policy prior to the Covid-19 pandemic and is engaged in major projects that leverage online digital technologies and expand on smart working in the Group's offices. Therefore, new protocols, training programmes, work practices and safety measures have been introduced and reinforced during 2020 by the Group to prevent cyberattacks. More flexible working methods are being promoted as they can bring benefits for both Camparistas and the Group, encouraging a better work-life balance and increasing employees' responsibilities in pursuing the Group's objectives and results. Notwithstanding the procedures introduced, in November 2020 Campari Group was the victim of a targeted ransomware attack following unauthorized access to its network. For additional information on this topic please refer to the 'Significant events during and after the end of the period' section in the Campari Group consolidated financial statements at 31 December 2020.

Compliance risks

- Tax risks and changes in fiscal regulations (C)

Distilled spirits and wines are subject to import duties or excise taxes in many countries where the Group operates. An increase in import duties or excise taxes could adversely affect profit margins or sales revenue by reducing overall consumption or encouraging consumers to switch to lower-taxed categories of alcoholic beverages. Furthermore, tax-related changes in any of the markets in which the Group operates, such as the effect of Brexit on trade between Europe and the United Kingdom or changes in import duties in the United States on alcoholic products originating from the European Union, could result in a rise in the Group's effective tax rate or lead to uncertain and/or unexpected tax exposure for the Group that could increase the Group's overall business costs. The Group regularly reviews its business strategy and tax policy in light of legislative and regulatory changes and assesses the likelihood of any negative results of potential tax inspections to determine the adequacy of its tax provisions.

- Risk of failure to comply with laws and regulations (C)

As the Group is exposed and subject to numerous different regulations, there is a risk that failure to comply with laws and regulations, and with the Group policies, could harm its reputation and/or result in potentially substantial fines. To mitigate this risk, the Group has drawn up a Code of Ethics and laid down 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 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 has also implemented 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 (GPDP) department, the Campari Group is managing a project to align with the new European regulations on personal data protection (the 'GDPR' or 'Regulation'). In accordance with the new Regulation, a Data Protection Officer (DPO) has been appointed and an organizational model has been drawn up for the protection of personal data and to identify roles and responsibilities. As part of the project work, numerous training and awareness activities have also been carried out. 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 required under GDPR to effectively demonstrate compliance with this Regulation.

In 2020 a new version of the Privacy Policy for the processing of employees' personal data have been released together with a Policy on the Use of Electronic Communications and Information Systems, as proof of the company's commitment in promoting the correct use of IT and electronic communication systems in order to protect its IT assets and, in general, all its stakeholders.

- Risks relating to legislation on the beverage industry and the application of import duties (C)

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. This necessitates monitoring of the economic risks arising from the increasing tension in global trade and the application by the United States of duties on alcoholic products from the European Union. Moreover, the requirement to make the legislation governing the health of consumers, particularly young people, ever more stringent could, in the future, lead to the adoption of new laws and regulations aimed at discouraging or reducing the consumption of alcoholic drinks. Such measures could include restrictions on advertising or tax increases for certain product categories. Campari Group is committed to constantly publicizing messages and models of behaviour associated with responsible consumption and serving of alcoholic drinks through its communication channels and constantly monitors any changes in the legislation applicable to the beverage industry. Any further tightening of regulations in the main countries in which the Group operates could lead to a fall in demand for its products.

- Risk related to non-compliance with environmental regulations and policy (C)

Due to Campari Group's global presence, its operations are subject to environmental regulations imposed by national, state and local agencies, including, in certain cases, regulations that impose liability without regard to fault. These regulations can result in costs or liability, including fines and/or environmental remediation obligations, which might adversely affect the Group's operations. The environmental regulatory climate in the markets in which Campari Group operates is becoming stricter, with a greater emphasis on enforcement. The responsible use of resources and reduction of the environmental impact of the Group's production activities are, of course, practices that guide the Group's activities with the aim of pursuing sustainable development.

Campari Group has adopted an environmental policy aimed at reducing the environmental impacts that may be caused by the Group's activities. This policy, which is regularly reviewed to keep it in line with the nature and size of the Group and its corporate objectives, applies to all company locations and divisions and is also shared with suppliers, funders and employees. The Group's industrial management has also 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.

While the Group has implemented those initiatives, there can be no assurance that it will not incur substantial environmental liability and/or costs or that applicable environmental laws and regulations will not change or become more stringent in the future. Any increase in environmental compliance costs, and other related costs and fines could have an adverse effect on the Campari Group's business, prospects, financial condition and/or results from its operations.

- Risks relating to product compliance and safety (C)

If any of the Campari Group's products are defective or found to contain contaminants, the Campari Group may be subject to product recalls or other liabilities. Campari takes precautions to ensure that its beverage

products are free from contaminants and that its packaging materials are free of defects by conducting extensive quality controls and having a worldwide quality team. In the event that contamination or a defect does occur in the future despite all precautions, this could lead to business interruptions, product recalls or liability, each of which could have an adverse effect on the Campari Group's business, reputation, prospects, financial condition and/or results from its operations.

Although Campari has drawn up defined guidelines to be implemented if quality is accidentally compromised, such in the event of any withdraw or recall of products from the market and maintains insurance policies against certain product liability risks, if contamination or a defect occurs, any amounts that Campari recovers may not be sufficient to offset any damage it may sustain, which could adversely impact its business, results from its operations and/or financial condition.

For a detailed analysis of the Group's risks, please refer to the section 'Risk management' of the Campari Group consolidated financial statements 31 December 2020.

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 Model is 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. 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 employees 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 10 July 1957, it began its activities towards the end of that year. The first donation was made on 8 November 1957.



Fondazione Campari is a private law foundation subject to the rules of the Italian Civil Code. The Foundation was created by Guido Campari, Davide's brother, (both sons of Gaspare, the founder of the Campari family) and Angiola Maria Barbizzoli Migliavacca, wife of Antonio Migliavacca (son of Antonietta Campari, sister of Davide and Guido). After forty years as a teacher, Angiola Maria Barbizzoli Migliavacca took over the reins of the then Campari Group, achieving solid results through investments in technology and innovation. She was one of the first women to receive the honour of Cavaliere del Lavoro della Repubblica (Knight of the Italian Republic, under the Order of Merit for Labour). The Foundation is based in Sesto San Giovanni (Milan), where the first Campari plant was built.

Pursuant to its Statute, the purpose of the Foundation is to pursue social solidarity projects and, in particular, to promote assistance, training, education and charity in favour of all deserving individuals. This purpose may be pursued in Italy and/or abroad and mainly benefits employees and former employees of Davide Campari-Milano N.V., of the companies or entities that control it or are controlled by it ('Campari Group'), of their families and of all those who have contributed to the success of the 'Campari' name. Fondazione Campari may also pursue social solidarity purposes and, in particular, assistance, training, education and charity in favour of persons other than Campari Group employees.

Despite the complexities of the year 2020, Fondazione Campari did not stop its philanthropic support work, continuing to be close to Campari's members and their families all over the world; in particular, the Foundation supported two major macro-projects: the Liceo Malpighi school in Bologna with a wide-ranging series of initiatives, and the Associazione Cometa educational institution.

Regarding the Liceo Malpighi, Fondazione Campari, through the project 'Imparare per passione' (Learn by passion), has developed a scholarship programme that gives students the opportunity to attend the 4-Year Programme of the International High School. 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'.

Regarding Associazione Cometa, the Foundation sustained the project 'Insieme. La scuola inclusiva post emergenza, perché nessuno resti indietro' (Together. The post-emergency inclusive school, so that no one is left behind), through which the most vulnerable children and those at high risk of dropping out of school of the Oliver Twist School of Cometa Formazione, were helped, and, at the same time, support was given to the educational staff through Lifelong Learning projects.

In particular, for the year 2020 Fondazione Campari provided philanthropic aid amounting to a total of €303,918.00.

As regards Camparistas, 66 requests out of 69 were accepted, for a total value of €228,918.00, broken down as follows.

Type	Economic value (€)
Mortgage subsidies	€102,000.00
Scholarships and awards	€63,500.00
Nursery/kindergarten fees	€19,500.00
One-off applications-Italy	€17,800.00
One-off applications-abroad (Mexico and South Africa)	€26,118.00
Total	€228,918.00

- **J. Wray&Nephew Foundation**

J. Wray&Nephew Foundation (JWNF) 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. Together, Camparistas and communities are working to realise the Foundation's mandate of '*Transforming lives and communities for a better Jamaica*'.

In 2020, JWNF carried out fifteen targeted interventions under its three main pillars of education, social inclusion and cultural expression, for a total value of JMD50,894.91 (€293,039.75), directly impacting 61,661 persons.

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

- ❖ Education

- JWN Foundation's Scholarship Awards Programme 2020: JWN Foundation disbursed JMD25,403,826.35 (€145,834.50) for 413 students in the below categories:
 - *Community Scholarship Programme 2020*
 - *Special Scholarships to the Children of Affected Camparistas*
Through a partnership with J. Wray&Nephew Ltd., the Foundation has been called on to support the dependents of the affected Camparistas following the 2018 closure of the Holland and Casa Marantha estates disbursing scholarships for 51 students and providing scholastic support to 186 dependents of affected Camparistas due to the closure of the Appleton and New Yarmouth Estate sugar factory.
- **Back 2 School Support**
Since the onset of the COVID-19 global pandemic in Jamaica, JWN Foundation partnered with the Ministry of National Security's social intervention unit to provide support to the school communities in their efforts to meet the sanitization and social distancing protocols to safeguard the health and safety of students. To this end, JWN Foundation distributed assorted back to school support packages to 13 schools in Clarendon&St. Elizabeth including hand wash stations, thermometers for temperature checks, face shields and masks, 800L of hand sanitizers and J\$600,000 (€3,454.65) worth of cleaning supplies in vouchers. Schools were also equipped with various tools such as multimedia projectors, tablets, stationery kits and calculators to enhance the online learning experience.
- **Read Across Jamaica Day 2020**
In observing and maintaining the relevance of Read Across Jamaica Day 2020 during the pandemic, JWNF secured partnerships with the Ministry of Education, Youth and Information (MoEYI), Jamaica Information Service, (JIS) and BookFusion for the televised broadcast of four book readings of Caribbean authored children's books by media and two Camparistas, reaching approximately 20,000 students. Additionally, the recordings were shared with 10 schools with a cumulative population of 6,000 students combined with YouTube views of over 1,200 to date.
- **JWN Foundation Early Childhood Activity Booklets**
JWN Foundation partnered with two private sector companies (Copy Cat Jamaica and Fontana Pharmacy) to produce 90 basic school activity booklets for Penwood Basic School, Appleton Basic School and Middlesex Infant School.
- **Skills Training**
 - *Career Readiness Training*
The JWNF initiated an internship programme whereby graduates of the JWNF Annual Scholarship Programme are given a full immersion in the world of work.
 - *WSET-WIRSPA Caribbean Spirit Initiative-Level 1 Spirits Training Certification*
The West Indies Rum&Spirits Producers Association (WIRSPA) was invited to work with the Wine & Spirits Education Trust (WSET) to make spirits education available to the Caribbean hospitality sector, specific to beverage service professionals (bartenders, mixologists). The intent was to provide WSET Level 1 Award in Spirits qualifications to these service professionals. JWN sponsored 40 persons (bartenders, sales representatives and merchandisers) to partake in this internationally certified training course.
 - *The Art of Bartending*
JWN Foundation set out to facilitate the training and certification of 50 young people between the ages of 18 to 35 years old from at risk and inner-city communities in the art of bartending at the JWN Academy through the HEART Trust NTA (the national body responsible for the assessment and certification of the Jamaican workforce) and funded by the Tourism Enhancement Fund (TEF). The JWN Foundation also provided a stipend to all participants of J\$12,000.00 (€69.09) each to offset the travel expenses incurred to guarantee their attendance.

❖ Social inclusion

- *International Women’s Day Activation & Donation of Sanitary and Personal Hygiene Products to Maxfield Park Children’s Home*
J. Wray&Nephew Ltd. celebrated International Women’s Day by visiting five women’s centers and seven primary schools. The JWN Foundation also donated 650 care packages to women and girls across three parishes and Camparistas have been invited to give monetary and sanitary/hygienic donations thus ensuring 281 more sanitary packs. JWNF also provided for the ladies’ emotional need with encouragement sessions from strong females such as PR Gurus, medical practitioners and nurses, TV personality, longtime partners of the JWN Foundation, along with JWN Directors and staff. Over 80 Camparistas volunteered for this initiative. On April 27th, due to the challenges faced to provide for the young ladies in this very difficult time brought on by the Covid-19 pandemic, JWN Foundation donated an additional supply of sanitary packages to the Maxfield Park Children’s Home.
- *Infrastructural Development-St. Elizabeth Health Services Gazebo*
The JWN Foundation sponsored the construction of a gazebo at the Maggotty Health Centre, which is closed to the Appleton Estate, thus providing a comfortable external area for the 1,200 patients received on a monthly basis to wait while allowing for social distancing.
- *Social Fair-JWN&Ministry of National Security-St. Elizabeth Community Outreach*
JWN commenced discussions with the Ministry of National Security to develop an action plan to increase community outreach to combat the increased crime and violence in the area and to safeguard our most valuable assets: our staff, plant and property. This outreach initiative was the second in a series of interventions aimed at helping staff transition following the closure of the Appleton Estate Factory. JWN Foundation also provided transition support to Camparistas affected by the closure of the Appleton Sugar Factory with vouchers for Back to School Medicals from the local medical community in St. Elizabeth, Birth Certificates from the Registrar General Department and Jamaican passports from the Passport, Immigration and Citizenship Agency. These vouchers allowed for persons to access these services in a responsible way and in compliance with the Covid-19 directives from the Ministry of Health&Wellness. In addition to the vouchers, persons also benefited from financial management and retirement planning consultations, food packages, medical and insurance assistance. Entrepreneurship was also a major focal area and agricultural start up kits comprised of seeds, fertilizers and vouchers for farming tools and other inputs for producing vegetable gardens were made available to interested participants.
- *Meal Subsidy Programme for Online Learning in Schools*
Since most students in the inner city communities usually receive breakfast and lunch at school and that these meals would be the only ones they receive on a daily basis which have been negated by the onset of the Covid-19 pandemic and the genesis of remote learning, the JWN Foundation distributed 500 food packages valued at JMD500,000.00 (€2,878.87) and supermarket vouchers valued at JMD50,000.00 (€287.89) each to four schools in Kingston-Balmagie, Seaward, Seaview Gardens and St. Patrick’s primary schools reaching 1,000 children on the schools’ welfare programmes directly and their extended families of approximately 6,000 persons indirectly.
- *195 Trees for 195 Years*
JWNF promoted a tree planting exercise in all parishes within which we operate. This project fed into the wider regional objective of planting 1 million trees across the Caribbean by 2021. Camparistas set out to plant 195 trees in recognition of JWN’s 195th anniversary and over-delivered by planting 286 trees.
- *Delivering the Spirit of Christmas-The Social Distancing Edition*
JWN Foundation provided food packages and supermarket vouchers to over 1,000 families in Kingston and Clarendon, in line with the Campari Group’s commitment to supporting our communities through purposeful interventions and increasing the role of our staff volunteers in giving back to the communities in the areas that we operate.
- *Council of Voluntary Social Services (CVSS)*
JWN Foundation continued its partnership with the Council of Voluntary Social Services (CVSS), an NGO whose mission is to create partnerships between various parties, facilitating mutual support and joint action to help more disadvantaged and vulnerable groups in the local community thereby increasing the impact of its joint programmes. As part of this undertaking, JWNF is actively supporting philanthropic activities and corporate social responsibility development in Jamaica for the benefit of community-based initiatives from the purview of governance and effective monitoring and evaluation.

❖ Culture

- *195th Anniversary Mural on Henley Road, Kingston*

The 195th commemorative 50-ft Mural on Henley Road was designed by art students of the Edna Manley College of the Visual & the Performing Arts following a brief history of Camparista involvement in the communities over the years. The mural showcases imagery of JWN's contribution to the foundation of Jamaica's culture and spirit of our nation. The community involvement and support in the execution of the mural was overwhelming with 9,735 persons that came on a daily basis to share their appreciation for the mural and our reinvestment in the community. Children and adults from the community and Camparistas were also involved in the execution by having their hand prints placed on wall.

- **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 Fundación Campari México are the 'School Kits' program and the 'Espolòn School', an educational programme 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. The Espolòn School program aims to increase the educational level of the workforce in Mexico and, at the end of the program, participants receive their high school diploma directly from the public school system. In 2020 the School has been suspended because of the spread of the Covid-19 pandemic. Again with the aim of fostering school continuity and the development of future talent in the region, the Foundation distributed 86 scholar kits to employees and/or their children.

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.

Campari Group's approach to sustainability identifies the following four areas through which the Group's commitment to creating value in each business area is structured:

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

Global Sustainability Strategy

In 2020 the Campari Group has formalized its sustainability commitments into a roadmap, an agreed framework to focus investment and drive performance towards specific priorities within each area and that reflect the company's values and culture.

Our people – Diversity, Equity & Inclusion, learning and development, rewarding and engaging

- **Diversity, Equity&Inclusion (DEI):** a new strategy to foster diversity, equity&inclusion in the workplace with intentional commitment, supported by an internal multi-functional governance at all organizational levels. Monitoring the Group's progress through an internally developed Campari Group DEI Index, based on people survey-based and GRI Standard based Key Performance Indicators (KPIs), allowing the development of action plans in the field of Culture (focusing on education) and Power Acts (focusing on concrete initiatives).
- **Learning Culture:** introduce a new paradigm around personal and organizational development, based on pervasive growth mindset, a greatly enhanced learning offer, and a brand-new digital ecosystem to enable anytime/anywhere learning experiences through the Learning Distillery, a one-stop-shop for all Camparistas.
- **Feedback Culture:** foster a new company-wide 360° feedback practice, serving as a boost for both leadership development and individual engagement and growth. Complementing our sound talent management process, it aims at adding an extra layer of frequency, education, involvement, and purpose, powered by an agile tech platform.

- Rewarding and engaging through an **Employee Stock Ownership Plan** for all Camparistas.

Responsible practices - Education and involvement with regard to responsible drinking

- The Campari Group's **Global Strategy on Responsible Drinking** has been formalized in 2020, identifying internal and external initiatives to be implemented within the next two years.
- Educational **sessions on responsible drinking for 100% of Camparistas**, especially for new hires.
- Ad hoc and continuous **training for the global marketing** community with a deep dive on digital communication.
- **Responsible serving project** for bartenders to be leveraged at global level.
- **Digital brands' campaigns** on responsible drinking.

Environment

Energy and GHG emissions

- **Reduce greenhouse gas (GHG) emissions** from direct operations⁴ **by 20% in 2025, by 30% in 2030 and from the total Supply Chain by 25% in 2030**, using 2019 as a baseline.
- **100% renewable electricity** for European production sites **by 2025**.

Water

- **Reduce water usage (L/L) by 20% in 2025 and by 25% in 2030**, using 2019 as a baseline.
- **Return 100% of wastewater** from our operations to the environment **safely**.

Waste

- **Zero waste** to landfill **by 2025**.

Community involvement - Exporting best practices across key markets



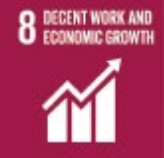



- Strong commitment to **work, education and culture** will continue to be key for Campari Group.
- Best local practices will be **exported** in other geographies around the world.
- **Continuous involvement in the world of art**, by sponsoring major events and further developing iconic brand houses and the Campari Gallery.
- **Strong support to business partners** through activations and events, reflecting a commitment to playing a major role in the comeback of the on-premise channel.

During the year, the Group reconsidered its sustainability priorities, defining a short-to-medium-term roadmap to which all major global functions contributed, and this was validated at the end of the year by the top management. The roadmap led to key actions being defined in the three areas of sustainability considered to be the most relevant at this time for a company of the spirits sector: our people, responsible drinking and the environment. In the area of *people*, particular attention was paid to the themes of inclusion, equity and diversity, an ethical and moral imperative for a multinational company in which positive and productive interaction, cooperation and synergy between people, cultures and experiences drives business growth, value creation and organizational performance. Based on these considerations, the Group drew up its Diversity, Equity&Inclusion strategy, which determines the approach and provides a framework for everyone within the company to be empowered and encouraged to contribute to our journey and support a culture of inclusion. Regarding the *responsible drinking* area, a global strategy with internal and external short and medium-term initiatives has been established, with the aim of raising awareness and educating the company's key stakeholders, starting with Camparistas, bartenders

⁴ Scope 1 and 2.






and consumers, about correct and responsible consumption of the Campari Group’s products and alcoholic beverages in general. Finally, in the *environment* area, particular importance has been given to *energy*, *water* and *waste*, for which reduction and efficiency targets have been set for 2025 and 2030, which will be made possible through the implementation of specific global projects. For more details of the Group’s commitments in relation to these three areas of focus, please refer to the following chapters.

Through the conduct of its business, Campari Group contributes to the achievement of 11 of the 17 Sustainable Development Goals (SDGs)⁵ established under the UN 2030 Sustainable Development Agenda, which promotes 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:

Objectives	Campari Group topics ⁶	Campari Group commitments
	Remuneration policies Relationships and initiatives for the community Activities of the Foundations	Exporting best practices across key markets <ul style="list-style-type: none"> Strong commitment to work, education and culture will continue to be key for Campari Group Best local practices will be exported in other geographies around the world
	Employee training and development Relationships and initiatives for the community Activities of the Foundations	Learning and development, rewarding and engaging <ul style="list-style-type: none"> A new paradigm around personal and organizational development, based on pervasive growth mindset, a greatly enhanced learning offer, and a brand-new digital ecosystem to enable anytime/anywhere learning experiences: the Learning Distillery, a one-stop-shop for all Camparistas
	Value generated and distributed to stakeholders Economic sustainability Job creation Diversity, equal opportunities and inclusion Training and employee development Human rights Recruitment, turnover and pension policies Talent attraction Remuneration policies Industrial relations Work-life balance Employee satisfaction Health and safety	<ul style="list-style-type: none"> A new company-wide 360° feedback practice, serving as a boost for both leadership development and individual engagement and growth. Complementing our sound talent management process, it aims at adding an extra layer of frequency, education, involvement, and purpose, powered by an agile tech platform Employee Stock Ownership Plan for all Camparistas Education and involvement on responsible drinking <ul style="list-style-type: none"> Educational sessions on responsible drinking for 100% of Camparistas, especially for new hires Ad hoc and continuous training for the global marketing community with a deep dive on digital communication Responsible serving project for bartenders to be leveraged at global level
	Health and safety Emissions Waste Water	Energy and GHG emissions <ul style="list-style-type: none"> Reduce greenhouse gas (GHG) emissions from direct operations (Scope 1 and 2) by 20% in 2025, by 30% in 2030 and for the total Supply Chain by 25% in 2030 100% renewable electricity for European production sites by 2025
	Water	Water <ul style="list-style-type: none"> Reduce water usage (L/L) by 20% in 2025 and by 25% in 2030
	Energy Renewable energy	Waste <ul style="list-style-type: none"> Return 100% of wastewater from our operations to the environment safely Zero waste to landfill by 2025

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.

	<p>Emissions Energy Water Waste Materials Supply chain transparency and traceability Product quality Food safety</p>	
	<p>Emissions Energy Suppliers-Qualification and evaluation with respect to environmental criteria</p>	
	<p>Diversity, equal opportunities and inclusion Remuneration policies Human rights</p>	<p>Diversity</p> <ul style="list-style-type: none"> • A new strategy to foster diversity, equity&inclusion in the workplace with intentional commitment, supported by an internal multi-functional governance at all organizational levels. Monitoring the Group's progress through an internally developed Campari Group Diversity, Equity&Inclusion (DEI) Index, based on people survey-based and GRI Standards-based Key Performance Indicators (KPIs), allowing the development of action plans in the field of Culture (focusing on education) and Power Acts (focusing on concrete initiatives)
	<p>Diversity, equal opportunities and inclusion Remuneration policies Human rights Indirect economic impact on communities Initiatives for the community Activities of the Foundations</p>	
	<p>Business relations with responsible and transparent partners Relations with institutions Projects and initiatives on sustainability</p>	<p>Exporting best practices across key markets</p> <ul style="list-style-type: none"> • Continuous involvement in the world of art, by sponsoring major events and further developing iconic brand houses and the Campari Gallery; • Strong support for business partners through activations and events, reflecting a commitment to playing a major role in the comeback of the on-premise channel.

Stronger Together-Campari Group and the Covid-19 pandemic

Right from the early stages of the pandemic, the Campari Group's priority has been to protect the health and safety of its employees. The Group has adapted its way of working, set up dedicated teams to closely monitor the situation and to proactively adopt all the necessary health and safety measures, as well as to guarantee business continuity. Where possible, the Group has adopted smart working and introduced new work and safety protocols in plants and distilleries.

At the same time, in order to continue to build and strengthen the team spirit and sense of belonging of Campari Group's employees, or Camparistas, as they are known, a wide range of communication and internal engagement activities have been promoted on internal channels, thus creating a virtual 'piazza' (forum) where employees have been able to share, experience and live the culture of 'togetherness'.

With the outbreak of the first wave of the emergency in Italy, Campari Group wanted to make its own contribution to the healthcare system in Lombardy: first with a donation to the public healthcare institution ASST Fatebenefratelli Sacco, then, by donating alcohol for the production of hand sanitizer which was then distributed to a number of hospitals in Lombardy and to a small town near Bergamo, Ambivere, which was among the areas mostly impacted by the pandemic. The overall donation was approximately 45 thousand bottles. A major effort was also made to support the hospitality sector to help face the Covid-19 emergency, with the donation of \$1 million to the non-profit organisation Another Round Another Rally, launching the campaign 'Shaken Not Broken' which started in the US and was picked up by other countries where the Group operates. Numerous activities have also been undertaken to support other local communities in countries such as Jamaica, Canada, Brazil, Argentina, Australia, France and Belgium.

In the second wave of the pandemic, Campari Group relaunched the 'Shaken Not Broken' campaign in the US with an additional donation of US\$100,000 to drinks industry non-profit organisation Another Round, Another Rally and in UK, inviting British companies to devolve part of their unused budgets for corporate parties to the relief fund set up for struggling hospitality workers and which offers financial assistance, mental health and well-being support, as well as grants for education and training. With the relaunch of the 'Shaken Not Broken' campaign the Group also donated US\$50,000 to Canada's Bartenders Benevolent Fund.

Below a list of the main initiatives developed worldwide to support local communities in the fight against Covid-19. Regular updates on the Group's initiatives can be found on the official website: [Stronger Together | Campari Group](#).

Europe

• Italy

Donations

- Campari Group donated €1,000,000 to public healthcare institution ASST Fatebenefratelli Sacco in Milan for the Coronavirus emergency. The Group has also invited all Camparistas, customers and consumers, to donate to the ASST Fatebenefratelli Sacco.
- Campari Group has donated €100,000 to Fondazione MultiMedica Onlus to strengthen the Intensive and Sub-intensive Care Units and to ensure personal protective equipment for on-field healthcare operators.
- Campari Group and Intercos Group joined forces to produce hand sanitizer (15,000 bottles in total, half of which owned by Campari, the other half by Intercos). Campari Group and Intercos also handled the logistics of the finished product, in order to deliver the gel sanitizers where most urgently needed.

Distribution of kit caring to support re-opening of on-trade activities

- 1468 kit caring (containing surgical masks, sanitizing spray and hand gel), were distributed by *Camparistas* in the Sale Function to clients in the on-trade in order to support the re-opening after the first lockdown.

Fundraising initiative

- *Together We Can*: Aperol Italia, together with Rockin'1000, brought together 1,200 musicians to participate in the live session project '*Together We Can*', a twist on the Aperol brand's usual '*Together We Joy*', reflecting the need to come together in positivity in light of the current situation. For each video received (1,215 in total), Aperol and Rockin'1000 donated €50 and, after 1,000 participants, Aperol doubled the donation. Over €100,000 was raised and donated to the Health Care System in Italy to combat the Covid-19 crisis.
- *Together We Can Dance*: a project carried out by Aperol Italia, together with Italian choreographer Luca Tommassini and the dance magazine TuttoDanza. Dancers, professionals and amateurs are asked to send a video and for each video received, Aperol Italia donated €100 to *#NoiConGliInfermieri* ('We stay with frontline nurses'), the solidarity fund to support frontline nurses in Covid-19 health emergency and their families. This fund was promoted by FNOPI, the National Federation of Nursing Professions Orders.

• France

Support to the on-trade community

- Campari France Distribution has taken action to support on-trade partners through the platform '*J'aime Mon Bistro*' ('I love my favorite bar'). The online initiative allowed customers to make a cash donation to their favorite establishment so that the restaurant, bar or *bistro* received the money, and the customer could enjoy a meal or drink when the site reopened after the period of lockdown.
- Professionals of *Cognac*, *Pineau des Charentes*, *Vins IGP Charentais* and *Vins sans Indication Géographique*, have decided to come together to provide assistance to caregivers and hospital staff in their region with a donation of €400,000 for hospitals and other public health establishments in Charente and Charente-Maritime.

• Martinique

Alcohol donation

- Cane producers, rum, chemical and printing manufacturers in Martinique mobilized in support of professionals in the healthcare system engaged on the front line in the fight against the spread of Covid-19. 7,000 liters of ethyl alcohol of agricultural origin (sugar cane alcohol) were donated to produce 16,500 bottles of sanitizing gel.

• Austria

Support to on-trade partners

- Campari Austria activated a program to help its on trade partners with prolonged credit terms to two of the main companies of cash & carry and delivery wholesale trade, Metro and to Transgourmet, and with special purchases prices for the on-trade clients.

• Benelux

Support to the Horeca sector

- *#HorecaComeBack* is an initiative promoted to support the Horeca sector companies giving consumers the possibility to buy vouchers thus offering additional income to Horeca establishments. Consumers can redeem the voucher at the venue of their choice as soon as it opens again.

- **Germany**

- Support to the on-trade community

- In partnership with SUPPORT YOUR LOCAL BAR (SYLB)-a non-profit community project founded by drinks industry professionals. The initiative's goal is to give people the opportunity to leave a tip, to their favorite bar or restaurant, for every drink enjoyed at home during shut-down. In addition, companies can support with donations to matching fund/or single outlets.
 - Campari Deutschland supplied a document which contained the most important links and information to guide on-trade business through the crisis. Since a lot of owners have a language barrier (especially owners of Italian restaurants in Germany), the key is to supply the document in both German and Italian languages.

- **United Kingdom**

- Employees cash donation to the drinks industry

- 60 employees of Campari UK have pulled together to help their fellow colleagues in the drinks industry by making personal donations amounting to more than £16,000 for The Drinks Trust (the drinks industry charity).

- Relief fund for hospitality industry's front-line workers

- Campari UK created the *Shaken Not Broken* Fund to provide much-needed support to front-line workers in the hospitality industry during and following the Covid-19 pandemic. The fund was created in collaboration with The Drinks Trust and TIPJAR (the virtual tipping platform and technology powering the gesture where you can find the Shaken Not Broken Fund page).
 - *Campari reopens*: Campari virtually reopens some of the world best bars to give consumers the opportunity to experience the feeling of being in a top end bar, drinking Campari cocktails, creating their own cocktails in a masterclass with a world class bartender, all remaining at home. Consumers will pay £20 each for participating and will receive before the session a cocktail kit, a pre-made cocktail from the bar, virtual backdrops to use in the sessions. Proceeds will go to The Drink Trust and TIPJAR.
 - Campari UK is calling on businesses that may no longer be putting money behind the bar for Christmas party to instead put it behind the bar staff donating a suggested 5% from their unused party budget to hospitality worker relief fund *Shaken Not Broken*.

North, Central and South America

- **Canada**

- Hand sanitizer production and alcohol donation

- At Grimsby-based Forty Creek Distillery, a production of 1,000 physical cases of hand sanitizer for local health authorities was made. The first batch was destined to St Catherine's hospital Niagara and Red Cross whereas the second one was destined to Campari employees, Grimsby Community Living (a non-profit organization with the mandate of providing services and support to people of all ages with a developmental disability) and LCBO (Liquor Control Board of Ontario) front line workers. Also, \$1,000 in value of alcohol have been donated to a local craft distillery to produce hand sanitizer for local health authorities.

- Donation to the hospitality industry

- Campari Canada donated \$50,000 to the Bartenders Benevolent Fund, a Canadian non-profit organization that is raising much-needed funds for bartenders, servers and other hospitality staff who have fallen under serious financial hardship. This donation is part of the *#ShakenNotBroken* initiative that Campari Group has undertaken globally during the ongoing crisis. At the end of the year, Campari Canada donated an additional CAD \$50,000 to the Bartenders Benevolent Fund to support bars and restaurants facing new Covid19-related restrictions and invited companies to donate a percentage of their holiday party budgets.

- Support to the bartenders' community, bars and restaurants

- *CampariStirCrazy*: Campari Canada (with the worldwide community Bartender Atlas) promoted a competition among bartenders to create a cocktail for compensation of \$250. The bartenders had one week to create their cocktail and submitted via IG. Bartender Atlas would reshoot the cocktail for a professional cocktail shot, becoming Campari Canada's creative property, for social content. Campari rewarded 137 bartenders sending an incredible message of support to the industry.
 - *First round on us*: Campari gave back and supported independent accounts across Canada to celebrate the re-opening of bars/restaurants across the country, by serving them an Aperol Spritz. The first guests received a complimentary Aperol Spritz to thank them for coming back out again. This idea gave the Territory Managers an opportunity to support their accounts and gave them an opportunity for a relationship building conversation.

- **United States**

- Donation to the hospitality industry

- Campari America donated \$1,000,000 to Another Round, Another Rally (ARAR), a non-profit organization that raises emergency funds for hospitality workers to support bartenders who are facing economic hardship due to the Covid-19 emergency. Along with the donation, Campari America encouraged its community to support their local bars. Bar patrons could 'tip their servers' by donating to Another Round, Another Rally's virtual tip jar and then challenged friends on Instagram to do the same using the hashtag. With resurgence of Covid-19 cases across the country at the end of the year, Campari America donated an additional \$100,000 to ARAR to support bars and restaurants facing new restrictions.

Alcohol donation

- The government of KY has coordinated a mechanism to facilitate sourcing, production and distribution of hand sanitizers. The final product has been distributed to workers performing essential services, with a priority for those in health and primary care. Wild Turkey team in Kentucky donated 75,000 litres of neutral grain spirit to a company in Louisville for the production of denatured sanitizers delivered to people through a website setup by the Kentucky Distillers Association. A small portion of the final product was sent back to our plant and bottled for internal use.

Support to the hospitality sector

- *#TogetherWeToast*: Aperol encouraged our community to share a Virtual Toast celebrating a family member, friend, or even a perfect stranger who is spreading positivity. Whether an essential worker on the front lines, a mother who's taken on homeschooling, friends sharing meals or even a funny joke. For every eligible post, Aperol donated \$5 to Another Round, Another Rally for a total of up to \$50,000 worth of Toasts.

• **Jamaica**

Support to local communities

- Food packages donation: J. Wray & Nephew (JWN) donated 2,000 food packages to the residents of Cornpiece community in Clarendon to help them facing the quarantine and 5,000 more food packages through its Community Bar Round Robin network to support bar families during the closure of the Horeca sector.
- JWN committed to provide non-potable water to the communities in Kingston, St Elizabeth, and Clarendon. The water came from wells located on those properties.

Support to the industry

- JWN committed JMD5,000,000 toward the creation of a Jamaica Response Fund to support the Private Sector Organisation of Jamaica (the national organisation of private sector entities) in the fight against Covid-19. Moreover, 39 Camparistas volunteers joined the Council of Voluntary Social Services (CVSS)-a coordinating body for non-governmental organisations (NGOs) involved in social development-to package 3120 food packages in 310 volunteer hours.
- *Shaken Not Broken*: JWN supported unemployed bartenders during Covid-19 crisis and closure, by giving them 285 care packages.
- 2000 Bar Restart packages were distributed to community bars across Jamaica. Between 100-150 bar owners received packages of 24 bottles of products, hand sanitizers, masks and posters with social distancing and other Covid-19 messages. JWN also provided training to bar operators and owners.

Hand sanitizers and alcohol donation

- In partnership with the National Health Fund, 100,000 liters of alcohol were donated to the National Health Service to support hospitals and clinics. In addition, 6,000 bottles of hand sanitizers were delivered to the J. Wray&Nephew staff, community volunteers, at risk groups, children's homes and infirmaries and other stakeholders.

• **Mexico**

Support to on-trade and bartenders' community

- *Recover your Business*: 150 bartender kits were distributed to bartenders to prepare home cocktails. The kits included some supplies, cocktails' recipes, bartender's articles (jigger, stoppers...) and a postal with a message from Campari Mexico On Trade Team.
- Products' donation within *@mexicobartendersguild* initiative. The product donated was to be sold as sealed bottle or used to make cocktails. The money raised was used to buy food and groceries for bartenders or waiters that need it the most.

• **Argentina**

Donations

- Campari Argentina donated 2,000 litres of alcohol for sanitizer production.

- *TogetherWeCare*: Aperol launched the #TogetherWeCare campaign and, through the Orange Auction initiative, Campari donated 2,500 Aperol Spritz cups to the Banco de Alimentos foundation (Food Bank). The Food Bank Foundation was the beneficiary of 100% of the collection of the Aperol Spritz cups.

Support to bars and the bartenders' community

- *Unapartedevos*: Campari Argentina launched #Unapartedevos ('a part of you'), which sought to help more than 100 bars around the country, donating thousands of exclusive products and brand materials that through a consumer's e-commerce purchase of vouchers went 100% to the bar they choose to support.

• **Brazil**

Support to bars and the bartenders' community

- Campari do Brasil launched a website to support bars and bartenders under the '*Shaken Not Broken*' umbrella campaign. It consists of an educational and engaging program for bartenders' community. The program included:
 - Campari TV Academy, a platform focusing on supporting and promoting education and awareness about our brands;
 - Virtual Bar-Series Bartender, a platform to promote interaction and engagement between bartenders and consumers;
 - Virtual Tip – Tip the bartender and enjoy a cocktail, direct financial support to the bartender community;
 - Creative Championship, mini tournament style competition through social media between bartenders based on home-made cocktails;
 - Voucher online-*Pay it now, enjoy it later!*, a partnership with clients to offer consumers options of cocktails to enjoy after the emergency. The vouchers also include food linked to food pairing.
- *Brinde do Bem* April 23, 2020: Campari do Brazil supported on-premise partners by participating to the initiative *Brinde do Bem*, in partnership with industry's peers. Through this initiative consumers helped their local bars donating a pre-established amount for buying vouchers to be spent once bars reopened.

Donations

- Campari do Brazil donated 30,000 liters of 70% alcohol delivered for free to five hospitals near the Suape plant.
- #TogetherWeCare: Aperol Spritz, through the campaign #TogetherWeCare, developed two initiatives, #CARTASNARANJAS (Orange Letter) and #SUBASTANARANJA (Orange Auction). With the first initiative Aperol Spritz collected and spread positive messages through oranges letters from around the world for all those infected by Covid-19; the most inspiring messages have been shared on the brand's social channels and projected on buildings of Buenos Aires. Also, Aperol Spritz auctioned off 2,500 Aperol cups whose proceeds have been donated to the Banco de Alimentos (food bank) to help contribute to the fight against the consequences of the pandemic. Through the campaign \$406,200 have been raised.

Asia-Pacific

• **Asia**

Support to the hospitality sector

- Campari Group has been the primary sponsor of the 50 Best for Recovery, a recovery fund created within the Asia's 50 Best Bars event to support the on-trade sector across Asia. Bartenders have been involved in the #PassTheShaker social media campaign to show consumers how to make their signature and perfect cocktails, and promote and share within the community the best initiatives and tools they were putting in place to actively face the Covid-19 crisis.

• **Australia**

Donation

- Campari Australia donated \$100,000 to a charity operating in the bartending/hospitality industry leveraging the 'Shaken not Broken' platform launched by Campari America.

Support to the on-trade and bartenders' community

- Campari Australia website hosted a new platform where local venues could showcase their cocktails to sell. Leveraging on the newly created Campari venue platform, it also supplied free products and a design and trade toolkit to Australian venues and bartenders.

• **India**

Donation to support the bartenders' community

- The Indian Flair Bartenders Association put together several companies to provide monetary help to people who lost their jobs and Campari India participated to the initiative.
- One-day salary donation: Campari India team donated 1-day salary to the Prime Minister's National Relief Fund for fighting Covid-19 crisis.

- **Mongolia**

Support to the bartenders' community

- Through the *Shaken not Broken* platform a campaign has been launched to help bartenders and on-trade loyal customers during the Covid-19 emergency by donating them our products and temporary employing unpaid bartenders as customer and product advisors in off-premise venues through the *Bartender Help-Out Program*.
- *Campari Club Mongolia*: an initiative thought to help develop bartenders in the country by educating them on the Campari brands and campaigns, particularly important during the Covid-19 period. It also contributed in fostering a sense of community and creating brand advocacy.

- **Singapore**

Support to the bartenders' community

- *Together In Spirits*: Campari and the whole industry came together via the European Chamber of Commerce (Wine&Spirits Committee) in Singapore to support the on-trade sector, with a specific focus on bartenders.

- **Southeast Asia⁷**

Educational program to Southeast Asian hospitality industry

- In the framework of the *Shaken not Broken* program, Campari and EdApp (the first mobile microlearning platform) partnered to provide online training material in various languages to power the hospitality industry through the challenging Covid-19 climate. Campari Academy Online (CAO) content had been hosted on the EdApp platform so that Campari team members and hospitality professionals could access and complete lessons remotely.

Support to bars and the bartenders' community

- In Thailand bartenders affected by the Covid-19 emergency were engaged to act as Campari Product Specialists to present Campari brands in the off premise. They then received a salary and a small commission on each product sold during their time in store.
- During Covid-19 pandemic, Campari Vietnam sought to support and help their partners by creating a platform where their customers could purchase coupons at a discount to support their favourite bars and use them after the lockdown had been lifted. In turn, this would give immediate cash support to the bars and help them sustain their operations and prevent them from shutting.

Sustainability policies and governance

As it continues to split up its business structure into divisions and expand its geographical and market reach, Campari Group has had to formalise its key principles in 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 behavior of those operating in the Group, both in terms of internal relations and in terms of relations with third parties (the Code of Ethics is available at www.camparigroup.com).

To ensure compliance with the Code of Ethics and its correct interpretation 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, accessible 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:

⁷ Including Japan, Malaysia, Vietnam, Thailand, Indonesia, Mongolia, Singapore.

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

Since 2013, Campari Group has had a Quality, Health, Safety & Environment (QHSE) 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 regularly reviewed to keep it in line with the nature and size of the Group and its corporate objectives, applies to all company locations and divisions. These are responsible for amending the policy to align with the specific characteristics of quality, health, safety, environment and sustainability of the location concerned. The policy is also shared with all suppliers, funders and employees, and is published on Campari Group's website⁸.

In 2017, in accordance with the provisions of the Decree on Non-Financial Information, a policy on human rights and personnel management was drafted and signed by the Group Officers. 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 defined its position with respect to issues related to human rights, working conditions, training and to the employees' well-being and 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 website⁹.

Campari Group checks for the compliance of all its operating units with its human rights commitments by monitoring and analysing its grievance mechanisms as appropriate. In 2020, there were no reports of human rights violations. The Group also commits to a continuous focus on ensuring the effectiveness of its whistleblowing procedures for reporting any illegal behavior and/or irregularities through the Campari Safe Line. The principles and provisions of the Code of Ethics and the Employees and Human Rights Policy also apply to the Group's suppliers.

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 ensures legal compliance with national legislation on human rights in the countries in which it operates. In the event of any divergence between the content of our policies and national regulations, the Group always apply the most stringent requirements. The risk of failure to comply with laws and regulations, including our internal policies, is continuously monitored for all Group's legal entities and organizational activities in all its geographical regions.

The Supplier Code, implemented globally in 2013 and revised in subsequent years, summarizes the principles and founding values that underlie every business relationship. By signing this document, each supplier of materials and components for production gives its 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 suppliers to which the Supplier Code applies, including non-product-related suppliers.

In 2020, the Board of Directors prepared and adopted a diversity policy in accordance with best practice provision 2.1.5 of the Dutch Corporate Governance Code, establishing the company's commitment, setting objectives, and putting in place monitoring and reporting procedures in order to guarantee that the differences in skills and backgrounds of the Board's members reflect the diverse nature of the environment in which the Company and its stakeholders operate, thus improving the Company's effectiveness through diversity of approach and thought.

A new Policy on the *Use of Electronic Communications and Information Systems* has been issued, demonstrating the Company commitment to promoting the correct use of IT and electronic communication systems in order to protect its IT assets and, in general, all its stakeholders; the Privacy Policy applying to the processing of employees' personal data was also updated.

Finally, a renewed Internal Policy on Responsible Alcohol Consumption consistent with the Group's responsible commitments and practices was released and shared internally. The policy is aimed at all Camparistas and those who work with the Campari Group to promote its brands (e.g. agents and Brand Ambassadors) to ensure that every employee always promotes responsible and measured consumption of alcoholic beverages, both in and

⁸ www.camparigroup.com/en/sustainability/qhse-quality-health-safety-and-environment/qhse-policy

⁹ www.camparigroup.com/en/governance, www.camparigroup.com/en/sustainability

out of the workplace, by encouraging and practicing responsible behaviors and lifestyles. Proper training will be provided to all Camparistas in 2021.

Creating value for stakeholders

Campari Group's goal is to create and share long-term value with stakeholders. Firstly, the economic value generated and distributed provides an indication of how wealth is created, on the other there are plenty of intangible resources and initiatives that derive from the Campari Group's Global Sustainability roadmap¹⁰ and contribute to the value creation processes. In this regard, community engagement and involvement with the local territory are of fundamental importance, as described in the above and subsequent chapters.

• Economic value generated and distributed¹¹: (EUR millions)

- Economic value generated by Campari Group:
Revenues from sales: +€1,772.0 million;
Financial income collected (interest income): +€6.2 million;
- Economic value distributed by Campari Group:
 - Operating costs:
 - cost of sales: -€746.1 million (of which -€73.3 million for personnel costs);
 - Advertising and promotional costs: -€309.8 million (of which -€2.8 million for personnel costs);
 - Overheads: -€394.2 million (of which -€230.0 million for personnel costs);
 The previous costs include total personnel costs of +€306.3 million, taxes other than income taxes of -€13.2 million, and donations and gifts of -€3.4 million;
 - dividends distributed: -€62.9 million;
 - financial expenses paid (interest expenses paid)¹²: -€30.1 million;
 - direct taxes paid: -€119.7 million

During 2020, the economic value generated by the Group was +€1,778.27 billion, while the economic value distributed during the year was +€1,662.8 billion.

Also considering the amortization of €78.0 million, and the write-downs of fixed assets, provisions net of utilizations: €11.5 million, the value retained, given by the difference between the economic value generated and the economic value distributed, was equal to +€204.9 million.

Key economic data:

(EUR millions)	2018	2019	2020
Net sales	1,711.7	1,842.5	1,772.0
Contribution margin	738.9	801.3	716.1
Adjusted EBITDA	432.6	479.8	399.9
EBITDA	434.5	458.1	309.8
Result from recurring activities=EBIT adjusted	378.8	408.0	321.9
Operating result=EBIT	380.7	386.3	231.8
Net profit	296.3	308.4	186.9

¹⁰ For more information on the Global Sustainability roadmap, refer to the chapter 'Sustainability for the Group'.

¹¹ The values 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.

¹² Starting from 2019 the financial charges include the notional interest payables for leases, following the application of IFRS 16-'Leases'.

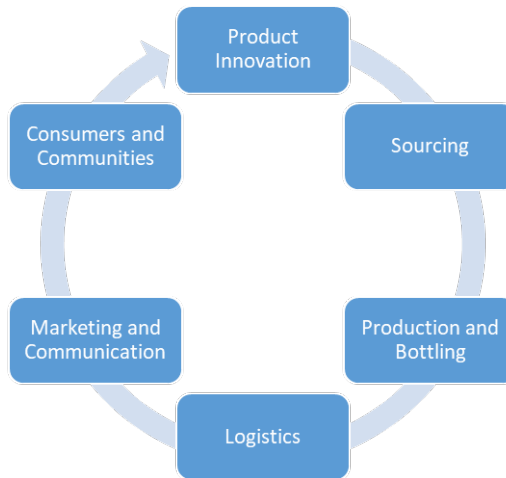
Non-controlling interests profit/(loss)	-	-	(1.0)
Group net profit for the period	296.3	308.4	187.9
Free cash flow	235.6	258.5	168.6
Net financial debt/(cash)	846.3	777.4	1,103.8
Shareholders' equity	2,162.8	2,391.6	1,998.4

Our stakeholders

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

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; Covid-19-related supporting initiatives; 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	Biennial 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 behaviors 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	Regular meetings; preparation and sharing of projects and best practices; participation in meetings and activities of associations.	Protection of sector interests; promotion of responsible consumer behaviors and models.
Trade unions	Collective and supplemental bargaining; meetings with company union representatives; conferences.	Ongoing dialogue and fulfilment of obligations arising from collective 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 programmes; 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 Camparistas in 2017, and having established 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 the customers and bartenders with whom we work and/or have dealings, receiving replies from over 700 users.

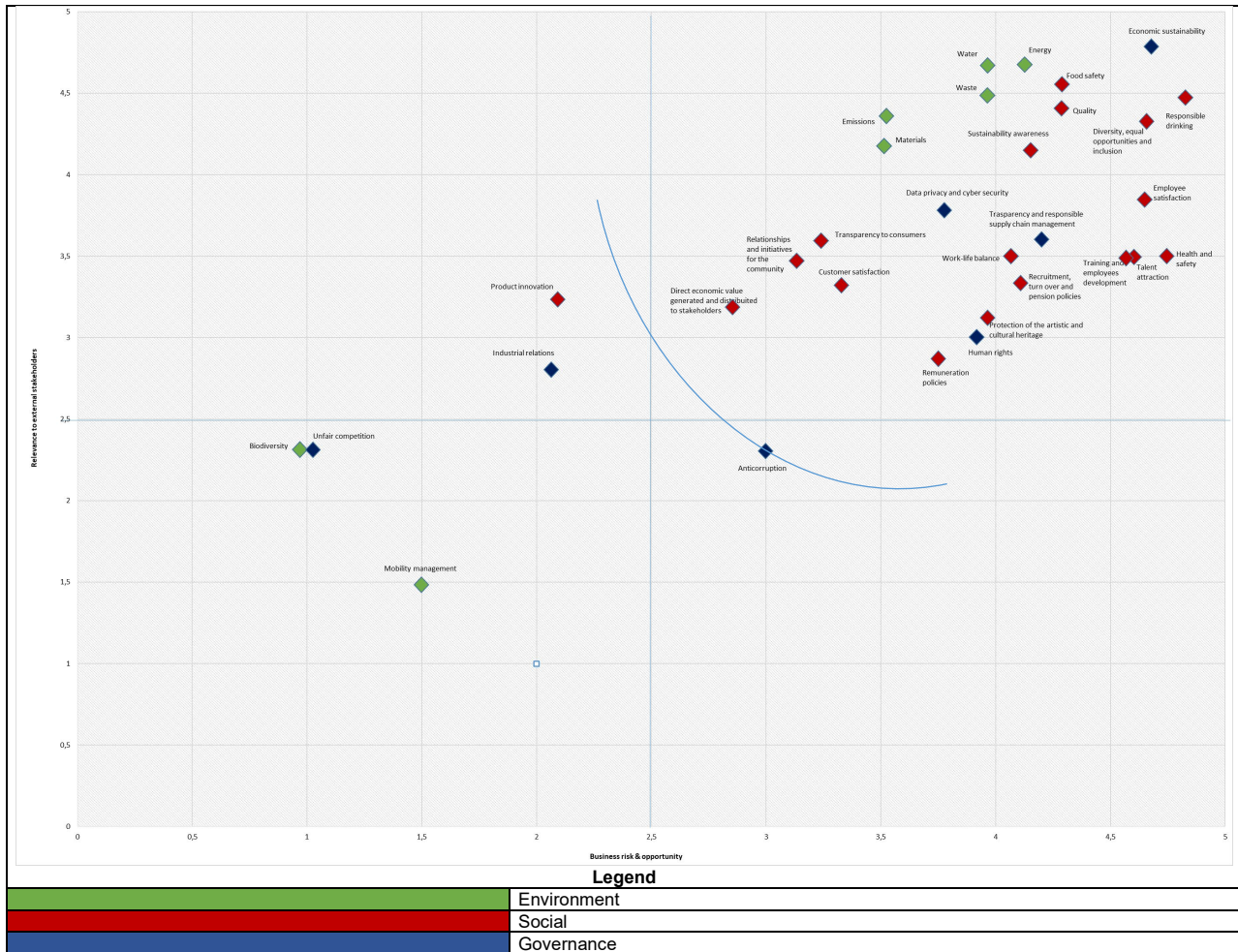
In 2019, the matrix was further revised and refined with a view to rationalising priority issues with a focus group created within the Sustainability Committee and composed of the managers of the main corporate functions. This exercise has led to more effective consolidation and a better definition of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

The events of 2020 necessarily led us to review the matrix, especially in light of the two events that most impacted our business during the year: the Covid-19 pandemic and the cyber-attack we suffered in early November. In addition, the process of developing a Sustainability roadmap, approved by the Leadership Team, led us to identify material issues by prioritising them and to define short- and medium-term initiatives on which the Group will focus particularly from 2021. The updated materiality matrix was validated by the members of the Sustainability Committee in December 2020.

In addition to the contributions received, the preliminary external analysis, such as the analysis of the media, the sector regulations, the aspects highlighted by the Dutch Decree on Non-Financial Information and a benchmarking of the companies operating in the alcoholic beverages sector, also provided another useful tool to determine the relevance of sustainability issues.

In accordance with the GRI Sustainability Reporting Standards, according to the materiality principle, each issue must be 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 below.



The main changes with respect to the materiality matrix validated in 2019, concern the inclusion of the theme 'Job rotation' in the broader theme 'Training and employees development'; the elimination of the theme 'Indirect economic impact on communities' because it was assessed as non-material; the inclusion of the two material themes 'Voluntary consumer information about the technical characteristics of the product' and 'Voluntary consumers information about safe consumption' under the broader reference 'Transparency to consumers'.

We confirm the particular importance of those issues most directly related to the product, from 'Quality' and 'Food safety' to 'Responsible drinking', given 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. In particular, during the year the Group launched a global 'Diversity, Equity&Inclusion' project, the first actions will be implemented from 2021. With regard to the Environment, priority has been given to 'Energy', 'Water' and 'Waste', in relation to which specific projects and efficiency targets have been defined. 'Economic sustainability', a key issue for any sound business, proved to be even more important in this year with the pandemic having caused serious economic impacts on companies around the world. Moreover, 'Data privacy and cyber-security', already a top priority for us, became an issue on which the company had to focus extensively following the cyber-attack at the end of the year.

Finally, it is important to highlight that all the issues resulting from the materiality 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.

i. Our people

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

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 Employer Value Proposition: ‘Our Signature Mix’.

‘Our Signature Mix’ 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 in our key markets.

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.

The resulting compelling employer promise is serving as a compass to shape our Camparistas’ work-lifecycle, throughout all its phases (or ‘journeys’) and touchpoints, in a multi-year endeavor to review all the Group’s people-related practices.



Our people: a global community of Camparistas

At 31 December 2020, the total workforce consisted of 3,793¹³ people, of whom 3,651 had a permanent contract. Company population by region, gender and professional category:

Region and gender	2018				2019				2020				
	Permanent		Temporary	Total	Permanent		Temporary	Total	Permanent		Temporary		Total
	Full-time	Part-time	Full-time		Full-time	Part-time	Full-time		Part-time	Full-time	Part-time		
Asia-Pacific	200	5	13	218	216	8	9	233	214	10	11	2	237
Women	81	5	3	89	84	8	3	95	84	10	6	1	101
Men	119	-	10	129	132	-	6	138	130	-	5	1	136
Europe, Middle East and Africa	1,385	51	35	1,471	1,519	48	73	1,640	1,693	64	65	2	1,824
Women	522	43	20	585	567	43	22	632	667	47	24	1	739
Men	863	8	15	886	952	5	51	1,008	1,026	17	41	1	1,085
North America	1,511	2	102	1,615	1,497	6	59	1,562	1,327	4	60	0	1,391
Women	534	1	37	572	539	2	32	573	506	1	22	-	529
Men	977	1	65	1,043	958	4	27	989	821	3	38	-	862
South America	376	-	1	377	352	-	1	353	339	0	2	0	341
Women	120	-	-	120	124	-	-	124	120	-	1	-	121
Men	256	-	1	257	228	-	1	229	219	-	1	-	220
Total	3,472	58	151	3,681	3,584	62	142	3,788	3,573	78	138	4	3,793

As a mean to reward Group employees globally, team spirit and dedication of all Camparistas and incentive their active participation in the Company growth, an Employee Stock Ownership Plan (ESOP) will be rolled out in 2021. This is a breakthrough reward and engagement program to allow Camparistas to become company shareholders,

¹³ In 2020 the Group also employed 30 interns, to be added to the total workforce, but excluded from the scope of this Report, as required by the GRI Sustainability Reporting Standards.

awarding their culturally strong sense of belonging. All permanent Camparistas who have a minimum seniority at Campari or any other company of the Group, with the exception of employees appointed as members of the Board of Directors, will be enrolled with an initial grant of free shares equal to one month of gross base salary by 1 July 2021 and the opportunity to voluntarily contribute with Company matching shares after 3 years of vesting¹⁴.

Campari Group and Camparistas: #StrongerTogether

In 2020, even more than in the past, the ongoing dialogue between Campari Group and Camparistas all over the world was reinforced, responding to the increased physical distance imposed by the global pandemic. While taking all the necessary actions to ensure the safety of all its employees, the Group intensified its efforts to keep Camparistas informed and connected.

Several internal communications and engagement initiatives were developed and launched globally around the concept of *Stronger Together*. Leveraging its internal communications channels, such as Yammer (the corporate social network), where, a virtual ‘piazza’ (forum) was created, Camparistas could keep on sharing and living the culture of ‘togetherness’.

Aimed at reassuring and guiding on the strategic priorities at a time of uncertainty and disruption, the plan included regular updates through the voice of the CEO on how the Group was responding to the health emergency around the world, sharing a message of empathy and closeness to Camparistas. Added to this, content, such as cocktail building tutorials, yoga classes, reading suggestions, and calls to Camparistas to connect and share their hidden talents, was published to engage the community and promote a friendly team spirit.

Ever more continuous dialogue

Not only were internal communication efforts and executive involvement reinforced, but a two-way dialogue, fundamental to check in with Camparistas and respond to their needs, was promoted. Covid-19 led to major shifts in the workplace, which could lead to critical gaps in the employee experience, with serious implications for people well-being.

In 2020 more than ever, it was critical to connect with Camparistas’ feeling and concerns on their contingent situation and upcoming future, so that more effective measures could be taken to support them.

One of the major shifts driven by the global pandemic was the need to transition to remote working and working from home wherever possible to guarantee employees’ and stakeholders’ health and safety. Although the Group had implemented global smart working policies in the recent past, Camparistas were not used to working as part of such an extensive remote workforce. Several training initiatives and information material were deployed to deep-dive in specific areas, such as how to manage teams and projects using remote, smart working practices, and much more.

In addition to the above, the Group promoted the Covid-19 Pulse Survey in May 2020, sent to every Camparista working from home. The participation in the initiative was remarkable and its results were highly encouraging for Campari Group’s efforts proving the worth of the direction taken by the Company.

Covid-19 Pulse Survey results¹⁵:

Workforce support:		
Clarity of expectations while working remotely	Mutual support among team members	Access to information for health & well-being benefits
86%	92%	89%
Managers support:¹⁶		
How much people manager felt they had what they needed		
84%		
The outcome above indicates the percentage of favourable responses (‘Agree’ or ‘Strongly Agree’)		
Clarity and effectiveness of communication:		
Clarity of the Company’s actions in communications	Communications’ clarity on what Camparistas need to do in response to COVID-19	Communications from Campari Group has conveyed the Company’s support and closeness to its people, making me feel part of a community
85%	94%	95%

¹⁴ In the context of an employee stock ownership program, the vesting period is defined as the amount of time an employee must work for a company in order to reach full ownership of the shares of the company stock.

¹⁵ Based on 2,040 responses of employees working from home.

¹⁶ Based on 654 people managers’ responses.

The outcomes above indicate the percentage of favourable responses ('Very Clear' or 'Extremely Clear')		The outcome above indicates the percentage of favourable responses ('I Agree' or 'I Strongly Agree')	
Leadership&tone at the Top:			
Confidence in Senior Leadership to make the right decisions	Senior Leadership's consideration of	Senior Leadership's consideration of	of
86%	Camparistas' safety and well-being	94%	
The outcomes above indicate the percentage of favourable responses ('Very Confident' or 'Extremely Confident'; 'Moderately Considerate' or 'Extremely Considerate')			

2020 was also the year of the biennial Global Camparista Survey-the worldwide engagement survey since 2008-now in its 7th edition.

The survey was conducted by Campari Group for the third time in a row in partnership with the Great Place to Work® Institute, the global authority on workplace culture that has undertaken pioneering research on best workplaces for over 30 years. The Great Place to Work® Trust Index® Survey is based on a proven methodology, identifying the element of 'Trust' as the core of any successful workplace culture. It measures a wide variety of aspects across all demographic groups within the company, providing actionable insights, sound external benchmarks and enabling the Group to be a great place to work *for all*.

Camparista Survey Distribution:

- 3,411 Invitations
- 3,196 Responses
- 94% Response rate
- Period: October 2020
- Online questionnaire

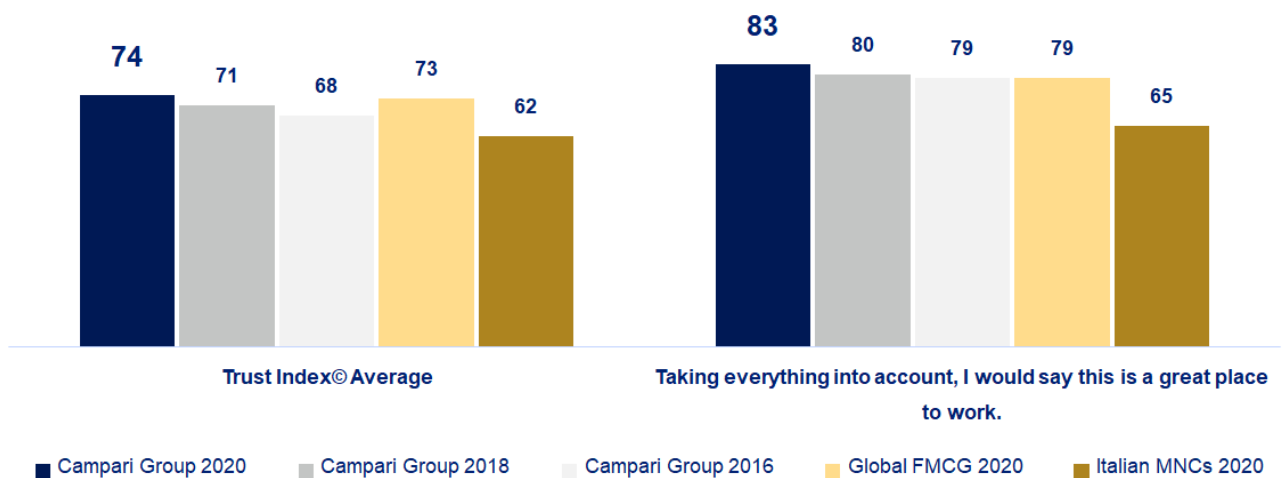
The Global Camparista Survey involved all Camparistas with a permanent contract who joined the company before July 2020, be they office or field-based staff or plant and distillery workers.

The Response Rate of 94% was, in itself, a declaration of Camparistas' passion and engagement, but the results also showed an important advancement across all areas for improvement identified.

Overall satisfaction: *Taking everything into account, I would say this is a great place to work*-83% (+3pts as compared with 2018)

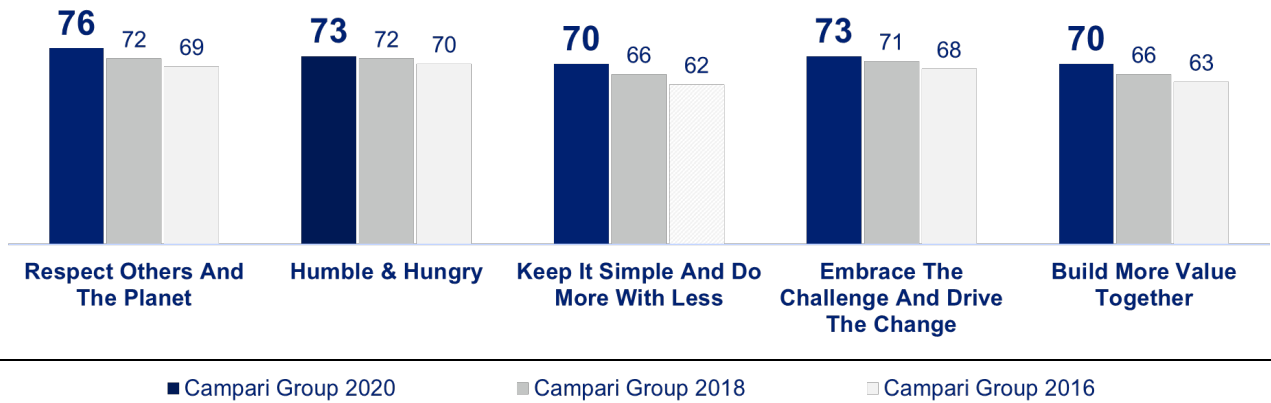
Trust Index©: 74% (+3pts vs. 2018)

Campari Group's 2020 results against benchmarks:



We have seen steady growth across the five GPtW Dimensions since the first Camparista Survey in partnership with Great Place to Work®. The investments made in each area are paying out and the trend demonstrates the Group's ability to work on its weaknesses.

The 5 Campari Group Behaviors Indices-evolution since 2016:



In its bid to distil and reinforce its corporate Culture, Campari Group had liaised with Great Place to Work® to introduce five indices-one for each company Behavior-for survey monitoring and to keep track of the Culture activation and its concrete impact in the workplace.

All the Behaviors Indices have improved along the years. The most relevant improvements as compared with the latest 2018 Survey were seen on the ‘Respect Others and the Planet’ and ‘Build More Value Together’ Behaviors, demonstrating once again a strong appreciation of the Company’s reaction to the global pandemic.

Other tools for dialogue and engagement-Channels and initiatives

Within the framework of an integrated internal communication ecosystem, meant to promote the culture of sharing by improving communication between departments and geographic areas, some channels have been particularly successful in contributing to enhanced dialogue with the company and among Camparistas.

Yammer, the corporate social network, 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.

2020 also saw some milestones in the consolidation of Campari TV, an internal TV channel aimed at spreading the company’s culture, values and strategy, as well as at supporting change management within transformational projects among Camparistas around the world. 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 were introduced. One particularly significant example of this was the ‘Build More Value Together Award’, which saw Camparistas based in all the Group’s countries nominate extraordinary examples of both Brand Building initiatives and Cultural role-modelling across teams and departments. The hundreds of nominations received passed through a screening process and ultimately the Group Lead Team selected the winners for each category, and all the finalists received their award publicly, a video of their endeavours being showcased.

Diversity, Equity&Inclusion in the workplace

In 2020 Campari Group started a journey to develop a new Global Diversity, Equity&Inclusion strategy. At Campari Group, we aim at a true meritocracy where individual talents can flourish to their full potential. This can be only enabled by Diversity, Equity&Inclusion, fundamental to our Culture and strongly connected and inspired by our Values. The Group’s goal is in fact to continue to nurture a corporate culture in which its people, bonded by the company’s Values, feel welcome, trusted and encouraged to bring their whole self to work so they can truly feel that they belong.

The Campari Group Diversity, Equity&Inclusion strategy sets out the approach and provides a framework for ensuring that everyone within our company working with Camparistas, Business Partners and the Communities is empowered and encouraged to contribute to this journey and support a culture of inclusion.

The Group’s commitment is based on three areas of impact:

- For Camparistas:
- For Business Partners:
- For Communities:

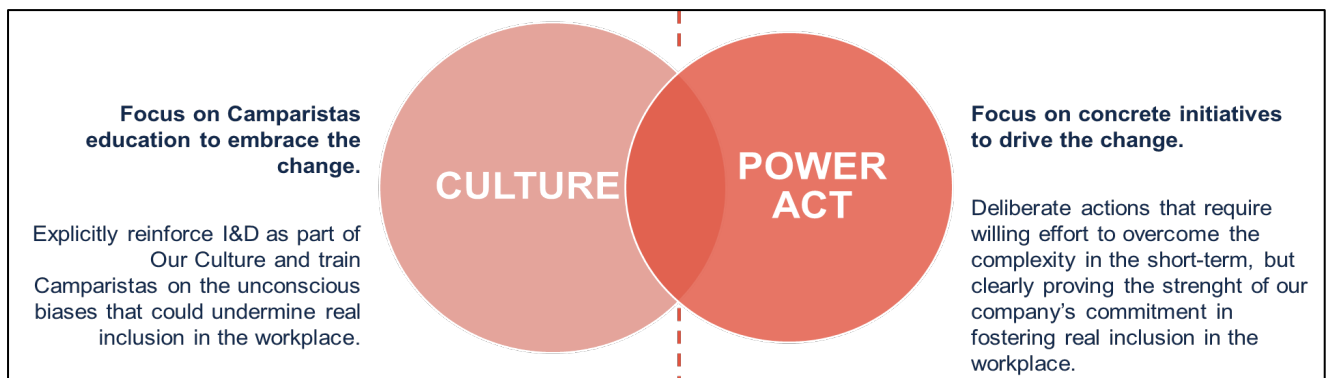
To promote a fair and equal employment lifecycle where everyone has all the opportunities to progress and feels as if they have always belonged.

To leverage our diversity to foster creativity and innovation to better interpret consumer's needs and boost business potential.

To embrace and support equity by promoting education, culture and social inclusion.

Specifically with regard to Camparistas, the approach to action in this area is about looking at the whole Camparista Experience and its underlying touchpoints, identifying the barriers to success and defining concrete initiatives to break them down.

In order to to that, the Group bases its efforts to proactively manage diversity, equity and inclusion on two main aspects: *Culture* and *Power Acts*.



Initiatives within the **Culture Activation** space firmly position diversity, equity and inclusion as an integral part of Campari Group's Culture, which is the maximum expression of the Group's identity as a company and as member of the communities in which it operates.

Initiatives within the **Power Act** space encourage momentum in the right direction, rewarding efforts to overcome the complexity in the short-term and fostering change through reiteration and continuous practice. Power Act initiatives are poised to become the new norm in the relevant area of impact.

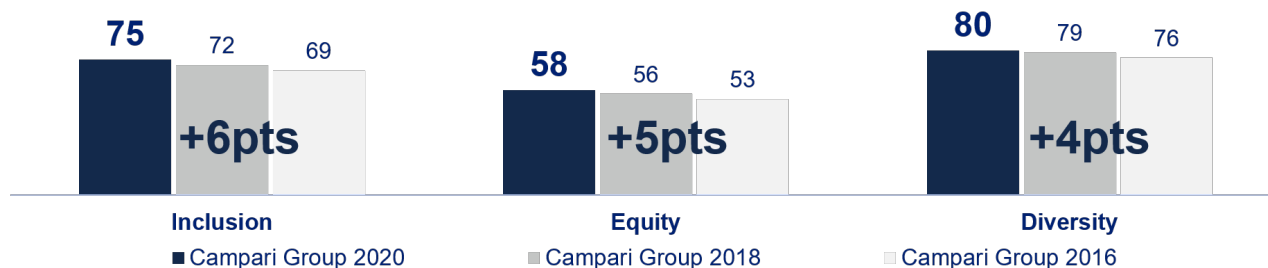
Within this framework—while the Group will keep deploying new global initiatives—freedom is provided to each local organization within the Group to identify, design and introduce measures based on their most urgent needs and priorities. An essential enabler for this flexibility, to be interpreted within a common agenda, is to share the same approach, the same language and the same discipline for the purposes of measurement. To this end, the Group will be embarking on an extensive education programme in 2021 in order to align the whole organization to a common vision, and has identified its bespoke Global Diversity, Equity&Inclusion Index, to allow a shared measurement method.

Campari Group Diversity, Equity&Inclusion Index provides actionable insights, both at Group and Country level, enabling concrete and precise measurement to prioritize interventions and initiatives at all levels and to monitor the effect over time. The Index is based on two sets of indicators:

SURVEY-BASED
 A selection of Great Place to Work® statements, describing the key dimensions that underpin an inclusive, equitable and diverse workplace.
Inclusion-Equity-Diversity

GRI-BASED
 A selection of KPIs as per GRI Standard, which the Group monitors on a yearly basis for Sustainability Reporting.
Representation-Gender Pay Gap

Campari Group Global Diversity, Equity&Inclusion Index 2020-survey-based results:



Regarding the GRI-based KPIs, the internal Diversity, Equity&Inclusion Index will consider workforce representations based on different elements of diversity as per GRI Sustainability Reporting Standards, with a specific focus on the gender pay gap.

Lastly, the Group put in place an internal multifunctional Diversity, Equity&Inclusion governance structure at all organizational levels (local, regional, functional and global), and a multicultural and cross-country **Global Diversity, Equity&Inclusion Advisory Team** to actively support the Group in its company-wide efforts in this space, membership of the Team being on a rotational basis.

Campari Group nationalities¹⁷:

	2018	2019	2020
Nationalities	63	62	62

Permanent Camparistas by region and gender:

Region	2018				2019				2020			
	Men	Women	Total	% women	Men	Women	Total	% women	Men	Women	Total	% women
Asia-Pacific	119	86	205	42%	132	92	224	41%	130	94	224	42%
Europe, Middle East and Africa	871	565	1,436	39%	957	610	1,567	39%	1,043	714	1,757	41%
North America	978	535	1,513	35%	962	541	1,503	36%	824	507	1,331	38%
South America	256	120	376	32%	228	124	352	35%	219	120	339	35%
Total	2,224	1,306	3,530	37%	2,279	1,367	3,646	37.5%	2,216	1,435	3,651	39%

With the exception of the corporate population working in the Product Supply Chain area (which includes production facilities), female Camparistas represented 45% of the total workforce.

Percentage of female Camparistas out of the total workforce-trend

	2018	2019	2020
Female Camparistas (%)	37%	37.5%	39%

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

Permanent Camparistas by professional position and gender:

Professional grade	2020		Total	% women
	Men	Women		
Senior management and above	180	65	245	27%
Management	211	133	344	39%
Senior professional	350	293	643	46%
Professional	490	389	879	44%
Specialist/generic staff	343	401	744	54%
Blue collar	642	154	796	19%
Total	2,216	1,435	3,651	39%

New Camparistas hired, by region and gender:

Region	2018				2019				2020			
	Men	Women	Total	% women	Men	Women	Total	% women	Men	Women	Total	% women
Asia-Pacific	17	15	32	47%	24	16	40	40%	18	14	32	44%
Europe, Middle East and Africa	108	58	166	35%	83	63	146	43%	79	64	143	45%
North America	99	78	177	44%	83	50	133	38%	73	45	118	38%
South America	44	24	68	35%	25	27	52	52%	7	8	15	53%

¹⁷ The number for the Group's nationalities does not include the US and Canada, for which due to local regulations, figures cannot be traced.

Total	268	176	443	40%	215	156	371	42%	177	131	308	43%
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Percentage of new Camparistas hired out of the total workforce by region and gender:

Region	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Asia-Pacific	14%	17%	16%	18%	17%	18%	14%	15%	14%
Europe, Middle East and Africa	12%	10%	12%	9%	10%	9%	8%	9%	8%
North America	10%	15%	12%	9%	9%	9%	9%	9%	9%
South America	17%	20%	18%	11%	22%	15%	3%	7%	4%
Total	12%	13%	13%	9%	11%	10%	8%	9%	8%

Percentage of new Camparistas hired by gender-trend:

	2018	2019	2020
Men (%)	60%	58%	57%
Women (%)	40%	42%	43%

Turnover by region and gender:

Region	2018				2019				2020			
	Men	Women	Total	% women	Men	Women	Total	% women	Men	Women	Total	% women
Asia-Pacific	17	8	25	32%	19	11	30	37%	18	7	25	28%
Europe, Middle East and Africa	138	97	235	41%	94	68	162	42%	95	62	157	39%
North America	221	127	348	37%	103	58	161	36%	221	76	297	26%
South America	127	40	167	24%	55	22	77	29%	14	11	25	44%
Total	503	272	775¹⁸	35%	271	159	430	37%	348	156	504	31%

The higher number of leavings in North America is mainly due to the business decision to divest the Group's sugar operations in Jamaica. Employees have thus exited the business as their skills were related to sugar production and could not be absorbed within the larger company. The Group, however, has provided resources and support to the exiting employees to include provision of outplacement services (counselling, transition start up kits) and offered scholarships to all exiting employees children for the next five years. An external partnership for the disposal of the sugar farmlands will ensure most of the exited employees to be re-hired externally.

Turnover rate compared to the total workforce by region and gender:

Region	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Asia-Pacific	14%	9%	12%	14%	12%	13%	14%	7%	11%
Europe, Middle East and Africa	16%	17%	16%	10%	11%	10%	9%	9%	9%
North America	23%	24%	23%	11%	11%	11%	27%	15%	22%
South America	50%	33%	44%	24%	18%	22%	6%	9%	7%
Total	23%	21%	22%	12%	12%	12%	16%	11%	14%

Voluntary turnover¹⁹-trend:

	2018	2019	2020
Voluntary turnover (%)	6.3%	5.9%	4%

The low level of voluntary turnover in 2020, 4%, is confirmation of the Group's genuine commitment to building an excellent work environment that Camparistas are not inclined to leave.

New Camparistas hired by region and age bracket:

Region	2018				2019				2020			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Asia-Pacific	5	24	3	32	3	31	6	40	4	24	4	32
Europe, Middle East and Africa	40	107	19	166	48	95	3	146	39	98	6	143
North America	56	104	17	177	48	78	7	133	32	78	8	118
South America	17	51	-	68	21	31	-	52	4	11	-	15
Total	118	286	39	443	120	235	16	371	79	221	18	308

Percentage of new Camparistas hired out of the total permanent workforce by region and age bracket:

	2018	2019	2020

¹⁸ It should be noted that the high number of the Company's turnover rate in 2018 was due to the disposals made, together with outsourcing activities.

¹⁹ Voluntary turnover means leaving the company through voluntary resignation.

Region	2019				2020			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Asia-Pacific	19%	15%	18%	16%	19%	17%	22%	18%
Europe, Middle East and Africa	28%	12%	5%	12%	28%	10%	1%	9%
North America	24%	11%	-	12%	24%	8%	2%	9%
South America	30%	19%	-	18%	38%	13%	0%	15%
Total	26%	12%	5%	13%	27%	10%	2%	10%

Turnover of personnel by region and age bracket:

Region	2018				2019				2020			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Asia-Pacific	3	19	3	25	9	19	2	30	1	21	3	25
Europe, Middle East and Africa	18	130	87	235	25	93	44	162	19	89	49	157
North America	43	228	77	348	27	101	33	161	38	171	88	297
South America	18	100	49	167	10	54	13	77	5	18	2	25
Total	82	477	216	775	71	267	92	430	63	299	142	504

Turnover rate compared to the total permanent workforce by region and age bracket:

Region	2018				2019				2020			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Asia-Pacific	12%	12%	18%	12%	56%	10%	7%	13%	6%	12%	12%	11%
Europe, Middle East and Africa	12%	14%	24%	16%	14%	9%	11%	10%	9%	8%	12%	9%
North America	19%	23%	25%	23%	14%	10%	11%	11%	22%	18%	38%	22%
South America	32%	38%	88%	44%	18%	22%	24%	22%	12%	7%	4%	7%
Total	18%	20%	29%	22%	16%	11%	11%	12%	14%	12%	20%	14%

Permanent Camparistas by professional position and age bracket:

Professional grade	2020			Total
	< 30	30-50	> 50	
Senior management and above	-	169	76	245
Management	4	278	62	344
Senior professional	33	528	82	643
Professional	141	610	128	879
Specialist/generic staff	148	469	127	744
Blue collar	129	438	229	796
Total	455	2,492	704	3,651

Although not Group policy, the Company tends to favour the hiring of managers who live in the countries in which it operates.

Senior managers who are part of the local communities in the main countries:

Countries ²⁰	2018			2019			2020		
	Sr Managers	Sr Managers who are part of the local community	Sr Managers who are part of the local community (%)	Sr Managers	Sr Managers who are part of the local community	Sr Managers who are part of the local community (%)	Sr Managers	Sr Managers who are part of the local community	Sr Managers who are part of the local community (%)
Argentina	8	8	100%	7	7	100%	5	5	100%
Australia	8	7	88%	10	9	90%	6	5	83%
Austria	1	1	100%	3	3	100%	3	3	100%
Belgium	1	1	100%	1	1	100%	1	0	0%
Brazil	5	4	80%	6	5	83%	5	4	80%
Canada	6	2	33%	6	2	33%	7	5	71%
China	0	0	0%	1	0	0%	1	0	0%
France	7	6	86%	7	6	86%	17	17	100%
Germany	8	7	88%	7	6	86%	7	6	86%
Greece	1	1	100%	1	1	100%	1	1	100%
Italy	100	80	80%	100	75	75%	108	82	76%
Jamaica	16	13	81%	14	11	79%	14	11	79%
Mexico	4	4	100%	4	4	100%	4	4	100%
Peru	1	0	0%	1	0	0%	1	0	0%
Russia	5	4	80%	5	3	60%	5	3	60%

²⁰ To comply with local regulations, data for Canada and the United States refer to managers' citizenship and not to their nationality.

Singapore	1	0	0%	2	0	0%	8	1	13%
South Africa	1	1	100%	1	1	100%	1	1	100%
Spain	2	0	0%	2	0	0%	1	0	0%
Switzerland	2	0	0%	2	1	50%	2	1	50%
Ukraine	1	1	100%	1	1	100%	1	1	100%
United Kingdom	8	0	0%	10	4	40%	10	4	40%
United States	35	21	60%	37	18	49%	37	25	68%
Total	221	161	73%	228	158	69%	245	179	73%

Learning and professional development in the workplace

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.

In Campari Group, people development is strongly connected with the organizational growth. Growing individually is a lever for growing as an organization and it means supporting performance and developing people’s potential. Learning is the pillar for sustaining individual development and is considered to be a key competitive advantage for the business.

In 2020, Campari Group completed its Corporate Learning Experience re-design. The new ecosystem is built on a new technology, a reshaped content offer and an agile governance and operating model. The implementation of a new Learning Management System (LMS) offers the opportunity to make the learning experience more open and scalable with access to multiple digital resources. It is tied to a unified framework with a direct access to Camparistas’ personal learning plan and historical data. Implementation of the LMS makes it possible to integrate the Learning and Talent Management Processes.

The reshaped content offer has been thought out to give all Camparistas the opportunity to access Learning Activities and to offer them relevant solutions for their specific needs. It is built on agility and digitalization and on concrete off-the-shelf, tailor-made and blended content that integrates existing programmes and breaks down functional ties. The new Learning Management System, the Learning Distillery, makes Camparistas accountable for their own development. Its objective underlying the strategy is to make learning a personal daily habit and a common management practice with a direct impact on performance and engagement. Camparistas have a direct access to learning resources when and about what they need, minimizing the time lag between learning and the use of what they have learnt. The Learning Distillery in Campari Group is an ecosystem that provides managers with an additional lever for managing performance and developing teams and individuals.

The Ecosystem is composed by three assets:

- **SAP JAM**
It is the front-end gateway for employees’ access to Campari Learning programs. SAP JAM provides Camparistas with a unique and tailored learning experience compliant with Campari Group EVP²¹ and able to put Camparistas at the centre of a learning universe with all learning offering available in one-click and in one-place and accessible anytime and anywhere.
- **SuccessFactors Learning module**
Camparistas are invited into a learning ‘one-stop-shop’ made of digital, classrooms and other contents covering relevant upskilling areas (digital, functional, management, brands, compliance, etc.) within a learning ecosystem of curated contents providers. It allows to review and track digital and Face to Face initiatives. This new Framework will be integrated with the IDP process, providing a direct link between personal development and learning.
- **SuccessFactors Mobile App**
To be agile and competitive in the digital era, employees need real-time access to Learning Distillery from anywhere. The Mobile app makes it easy for Camparistas to engage with Learning processes and complete activities quickly, using the device that is always with them, improving the ‘anywhere and anytime approach’.

In addition to the Learning Distillery, from a digital learning standpoint, Campari Group leverages also on *Cloud Platform-SCORM*, a content delivery system accessible to external collaborators, so that they can receive training, benefiting from the same experience available to Camparistas and on the same content.

²¹ The Employer Value Proposition (EVP) 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.

In the past few years, the Company has invested in developing a Global Capabilities Development ('GCD') architecture. Designed to align the training and learning strategy with business needs, the architecture ties in directly with a global Talent Management process, as it provides all Camparistas with support 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 on 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. Campari Group's global Talent Management process is the foundation of all people development initiatives, including a thorough succession planning reflection by the management teams every year at all company levels (local, regional, corporate), strongly supported by a dedicated digital platform. Whenever an internal successor is ready to take on any vacant position, Campari Group prioritizes the internal candidate. In case there is no successor identified, jobs are posted both externally and internally through a dedicated Internal Career Site, where any Camparista can apply.

The Global Capabilities Development architecture is based on a development model, 70% of which consists of on-the-job learning experiences, 20% of social learning and 10% 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 4 main areas:

- functional excellence: to develop people's technical skills and support functional development;
- leadership development: to spread the culture, behaviour, values and leadership skills of Campari Group;
- cross-functional education: to increase people's organizational understanding, creating a common language over departments and reducing silos; and,
- compliance training: to build sound knowledge of regulations.

Digital environments transversely support the development of content and contribute to providing 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:

	2020				Total
	Asia-Pacific	Europe, Middle East and Africa	North America	South America	
Men [hours]	2,611	31,293.5	10,436.8	3,268.25	47,609.55
Women [hours]	2,136	19,935.25	6,367.75	1,745.5	30,184.5
Management [hours]	855	17,353	2,593.5	1,265.75	22,068.25
Men [hours]	514	10,255.5	1,820	909.25	13,498.75
Women [hours]	341	7,098.5	773.5	356.5	8,569.5
Non-management [hours]	3,892	33,874.75	14,211.05	3,748	55,725.8
Men [hours]	2,097	21,038	8,616.8	2,359	34,110.8
Women [hours]	1,795	12,836.75	5,594.25	1,389	21,615
Total Hours	4,747	51,228.75	16,804.55	5,013.75	77,794.05

Average hours of annual training per employee:

	2020				Total
	Asia-Pacific	Europe, Middle East and Africa	North America	South America	
Average hours of annual training per employee [man hours]	20.03	28.55	12.08	14.7	20.51
Men [hours]	19.2	29.2	12.11	14.86	20.67
Women [hours]	21.15	27.58	12.04	14.43	20.66
Management [hours]	19.43	47.1	19.35	31.64	37.28
Non-management [hours]	20.17	23.76	11.31	12.45	17.41

Average hours of annual training per employee-trend:

	2018	2019	2020

Average hours of annual training per employee [man hours]	20.49	25.20	20,51
Men [hours]	20.2	26.22	20,67
Women [hours]	20.97	23.53	20,26
Management [hours]	33.82	42.49	37,28
Non-Management [hours]	18.21	22.18	17,41

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

Functional Programmes (Academy) aim to develop functional competencies supporting organizational change. They are focused on sustaining company transformation with a cocktail of activities to promote functional awareness, technical skills and a business partnership approach and a cross functional culture.

- 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
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.
- 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 Functional Initiatives
The HR Functional Initiatives are a series of activities that cover several areas of the Human Resources Management in the ‘Campari Way’. A series of webinars on the Applicant Tracking System, Learning Management System and Reward are available.

The Leadership Development programmes support Camparistas in developing core competencies (i.e.: teamworking, leadership, communication, problem solving, self/people development, execution excellence, strategic thinking) to prepare them for a 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.

Cross-Functional Education:

- Finance for Non-Finance Academy
Finance for Non-Finance programme is provided to teach basic finance and accounting concepts to all Camparistas, bridging the gap between the finance and non-finance communities.
- Supply Chain E-Learning
The Supply Chain e-learning goes through key concepts and principles with curated resources to supporting deeper understanding. Case studies are analysed to illustrate industry best practice.
- 10 Marketing Capabilities Masterclasses
The Marketing Academy Masterclasses tackle 10 Marketing Capabilities. The purpose is to learn the Campari way of building our brands. The masterclasses are video pills delivered by Camparistas from the Marketing Community.
- Brands in Cask
Brands in Cask is an in-depth journey through our Global Priority Brands to discover more about their history, vision and the related drinking strategy in an interactive way. It brings Camparistas up to date on our latest thinking, securing their understanding on our global priority brands.
- Campari Academy Virtual Masterclasses
Campari Academy Master Bartenders tell stories and fun facts on the Spirits Industry and on our Brands. They share their knowledge on Mixology with hints and tips on how to prepare drinks.
- Our Signature Mix
This masterclass showcases some of the core principles of employer branding, as well as brings to life the way those connect with the reality of the experience at Campari Group.

Compliance Training:

- General Data Protection Regulation (GDPR)-The GDPR e-learning programme goes through the European Regulation 679/2016 on how companies must handle personal data.
- Code of Ethics-Code of Ethics provides Camparistas with guidance on data privacy, antitrust, conflict of interest and anti-corruption measure. It includes technical content as a reference for the legal community and it provides examples of 'Dos and Dont's'.

This year, with working from home due to the pandemic, part of learning offer has been digitalized. Many Academies have been redesigned to meet the new working conditions and a new module was added to the Campari Way of People Management: Leading a Distributed Team from Home.

This module is meant to support managers in managing their team remotely and particularly:

- to build confidence in adjusting to the practical challenges of 'virtual leadership' of distributed teams;
- to maintain the psychological challenges of connection, motivation and solidarity in times of extraordinary disruption in our personal and professional lives.

The possibility of using digital channels as a training medium has been consolidated over the years and will be leveraged to keep training on track throughout this wave of the pandemic. 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 a personal daily habit.

With a specific focus on Quality, Health&Safety (H&S) and Environment, total hours of trainings in 2020 were 14.394, of which 10.512 on H&S topics and 704 on Environmental topics.

Investments in training:

€ million	2018	2019	2020
Trainings	3.3	3.7	3.2

Training costs per employee: €843.66

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 drawing up a remuneration policy is to set adequate remuneration for top management and encourage 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:

Countries	2018		2019		2020	
	Men (%)	Women (%)	Men (%)	Women (%)	Men (%)	Women (%)
Argentina	229.85%	289.77%	217.87%	302.23%	306.56%	357.57%
Australia	129.45%	129.45%	125.67%	125.67%	126.28%	126.28%
Brazil	170.32%	262.85%	162.02%	130.5%	105.26%	105.26%
Canada	100%	100%	100%	100%	100%	100%
France	-	-	-	-	104.39%	104.39%
Germany	240%	240%	232.26%	232.26%	215.2%	215.2%
Italy	108.81%	109.8%	102.73%	108.13%	118.59%	119.63%
Jamaica	196.02%	196.02%	196.02%	196.02%	196.02%	196.02%
Mexico	213.14%	213.14%	192.57%	192.57%	166.89%	166.89%
Russia	256.1%	256.1%	259.92%	239.6%	418.55%	412.17%
United Kingdom	200.47%	195.31%	163.04%	163.04%	158.08%	158.08%
United States	129.07%	129.07%	121.6%	121.6%	127.93%	129.47%

The percentage ratio between the average remuneration of female Camparistas with a permanent contract²² as compared to men (gender pay gap), with a breakdown by country and professional classification, is given below. To provide a more meaningful analysis, 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 91% 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:

Countries	2020				
	Management	Senior professional	Professional	Specialist/General Staff	Blue collar
Argentina	87.7%	81%	106.9%	103.2%	-
Australia	94.2%	107.1%	87%	93.9%	90.2%
Brazil	100.1%	101.2%	93.5%	94.4%	119.1%
Canada	102.8%	93.7%	110.8%	92.9%	87.6%
France	84.5%	86.3%	91%	101.3%	95.8%
Germany	87.1%	88.5%	108.7%	97.9%	-
Italy	95.1%	91.6%	88.5%	104.1%	94.1%

²² 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.

Jamaica	103%	105.2%	102.1%	112.4%	93.0%
Mexico	176.5%	100.1%	100.9%	99.0%	93.4%
Russia	81.6%	89.4%	103.1%	95.2%	-
United Kingdom	101.4%	87.1%	104.2%	55.8%	48.9%
United States	100.2%	102%	107.3	114.3%	93.9%

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:

Countries	2020				
	Management	Senior professional	Professional	Specialist/General Staff	Blue collar
Argentina	88%	84%	108%	102%	-
Australia	101%	103%	86%	92%	90%
Brazil	99%	100%	93%	95%	119%
Canada	95%	92%	106%	93%	87%
France	74%	88%	90%	94%	86%
Germany	88%	92%	109%	97%	-
Italy	94%	95%	93%	110%	94%
Jamaica	97%	105%	102%	110%	93%
Mexico	145%	96%	97%	99%	93%
Russia	80%	88%	97%	93%	-
United Kingdom	101%	86%	108%	55%	48%
United States	98%	99%	105%	114%	93%

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.

Camparistas’ involvement with the environment, well-being and social activities

Campari Group’s activities to improve Camparistas’ well-being and their 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, workshops on nutrition, immune system and well-being, and a better work-life balance by offering essential support to working women and new parents such as day care services in partnership with local structures and organizations and child care subsidies. In this regard, 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. More flexible working methods are being promoted, being them able to bring benefits for both Camparistas and the company, encouraging a better work-life balance, helping employees in the management of daily routines, especially those that are parents of young or disabled children and carers of adults, 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. Particularly in 2020, in order to limit the risk of Covid-19 contagion, the company in all its offices has adopted an extraordinary regime for smart working allowing employees to work from home tackling the health emergency situation with the maximum safety.

Main projects developed:

Welfare FAMILY

Since 2018, Campari Group has expanded its welfare programme with a new initiative dedicated to Camparistas in Italy: Welfare FAMILY. Every Camparista through a dedicated online portal and an app, 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 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 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.

Particularly, with regard to day-care services, through Welfare Family, Camparistas and their families can benefit from baby-sitting services with qualified nannies and animators, at a discounted cost and being able to pay for the service with the amount available on the Welfare Credit.

Campari Argentina

Campari Argentina, following the spread of the Covid-19 pandemic, provided employees with a new program 'Contá Conmigo' (Count on me), which offers legal, nutritional, financial and psychological assistance to Camparistas and their families. Also, new economical benefits have been implemented, such as refunds for Wi-Fi service for employees who work from home or offering Camparistas the possibility to buy essential products at special prices thanks a partnership with Unilever. Other benefits include: health and sports club memberships through online trainings, home office equipment for every Camparista to allow them to work more comfortably, additional vacation days, reduced working hour schedule on Fridays, reduced work schedule for mothers who have just ended their parental leave, annual medical check-ups, vaccination programs. New online events have been promoted, such as: 'Campari Live Sessions' where Camparistas enjoyed different activities every week to bond each other (i.e. cooking lessons, games, yoga lessons, bartending lessons, etc); and virtual Family Day and end of the year party.

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, 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. To ensure Camparistas remain connected and relevant whilst 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. The purpose is to provide important information to our Camparistas, as well as, easing them back into the workplace or by providing them with tools they may use as new parents; also, 'Meet-Ups' sessions are held in the workplace once a quarter over morning tea and opened to any parent and their children.

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 especially during the spread of the pandemic (i.e.: flexible work and the adoption of global smart working policies); 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 continue 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. For 2020, Campari Jamaica provided health related checks for staff including blood pressure and cholesterol. With the onset of the Covid-19 pandemic in as early as March, initiatives

were more focused on providing awareness and guidance to staff about the virus via online presentations, department talks and print media. Support was provided in arranging testing for impacted staff and following-up with guidance until they return to work. Access to counselling for both individuals and groups was provided as needed. Most initiatives were facilitated online and included mental health talks, stress management and raising awareness for breast cancer which involved live interviews with medical professionals and cancer survivors. The initiatives catered to the health and wellbeing of staff and aimed at promoting a good work-life balance.

Industrial relations

Campari Group recognises the importance of continuing to develop solid, trust-based relations with its social partners, given their important role in improving competitiveness and employment as part of the company's clear commitment to social responsibility. Union relations are therefore important and strategic in a highly competitive context which is characterised by mergers, acquisitions and exceptional events that go beyond regular business.

The Group's companies maintain constant and ongoing relations with trade unions, and this represents more than mere respect of agreements made locally or nationally, but is a serious, real and objective dialogue to guarantee respect for roles and people, without ever losing sight of the corporate goal of efficiency.

Again with a view to constructive relations with the unions, the Group played an absolutely key role in the delegation involved in the negotiations which took place throughout 2020 to renew the Italian national collective labour contract (CCNL), thus avoiding social tensions in a period which was already problematic owing to the pandemic.

In addition to the content of the Italian national labour contract and the interconfederal contracts, Camparistas in Italy are also subject to the content of the so-called supplementary second level contract which was last renewed on 18 May 2018. Currently, there are 4 collectively negotiated national labour contracts in force: the Food Industry Contract (for almost all employees), the Services Sector Contract applicable to the Camparistas of Campari International S.r.l., the public sector contract (tourism sector) connected to the recent acquisition of the Camparino bar and, as for Executives, the agreement for Executives of goods and services producers.

In 2020 around 20% of all Camparisti in Italy were members of trade unions.

In 2020, owing to the pandemic, agreements were signed between the parties on a temporary remodulation of factory work to facilitate less intensive use of the workplace by making judicious and moderate use of the social safety nets envisaged for the Covid-19 emergency.

Initiatives and procedures were agreed between the parties to guarantee workers' health and to prevent and contain the spread of the Covid-19 virus in the workplace, with the aim of combining business continuity with adequate health and safety conditions at work and in operating methods.

In November, due to the malware attack that led to the suspension of IT systems, the parties agreed on how to manage operations, adopting in a balanced and concerted way appropriate social stabilisers and flexibility for the provision of those activities that were temporarily suspended, as well as agreements among the parties to manage temporary slowdowns in operations, albeit within the context of smart working adopted owing to the pandemic.

Throughout 2020, the parties (the company and workers' representatives) maintained constant and ongoing dialogue, thus successfully preserving the existing excellent union relations, ensuring, through respect for the parties' roles and agreement on suitable solutions, workers' safety and business efficiency. In 2020 there was no unrest or hours or days lost in strikes.

Health and safety in the workplace

Campari Group considers the health, integrity and well-being of its employees, contractors, visitors and the communities in which it operates 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.

- **Pandemic response**

In response to the health threat posed by SARS-CoV2, Campari Group took steps to protect the health and safety of Camparistas, visitors and contractors both in offices and plants. Comprehensive safety plans were implemented to ensure that offices reopened in a safe manner. To protect individuals working within plants, Campari Group implemented comprehensive safety countermeasures to minimize the risk of Covid-19 transmission, e.g. pre-entry health screenings in place at all sites; increased sanitization of facilities; re-design of common use areas (canteens, changing rooms); physical distancing and face covering usage; assessment of plant and office heating, ventilation and air conditioning systems; implementation of procedures for the prompt management of

symptomatic people and identification of close contacts, etc. To ensure thorough execution of these countermeasures, all plants were audited on two occasions with all sites achieving full implementation of the audited items. Also, in response to the serious threat posed by Covid-19 the company restructured all management short-term incentives and created an incentive entirely focused on Covid-19 safety actions at manufacturing facilities.

- **Accidents**

Compared to the previous year, there were reductions in the total number of accidents involving Camparistas (-19%) and contractors (-10%) in 2020. This result is thanks to an intense multi-year global risk mitigation programme that had been launched in 2018, based on technical and behavioral elements and an extensive awareness campaign. With regard to technical elements, 2020 saw a continuation of activities aimed at reassessing structural risks and providing specific training for work at height and in confined spaces, already implemented and delivered in the company's European facilities in the last two years. Specific audits have been conducted in our manufacturing facility in Mexico and work-at-height training has been completed in Canada and Mexico. Similar audits scheduled for Argentina, Brazil and Canada have been postponed due to the travel restrictions and are planned for completion in 2021. Concerning behavioral elements, mention should be made of the Safety Leadership Plan training programme and the Behavioral Observation Walkaround launched in 2020. Finally, additional tools to promote involvement and communication were developed for inclusion in the global awareness campaign #WeToastTo #Safety.

Behavioral Observation Walkaround (BOW)

In 2020, Campari Group launched the Behavioral Observation Walkaround (BOW) across all plants. The BOW is the first leading indicator tracked by Campari at the global level and is designed to raise safety awareness and culture in our manufacturing sites. The BOW is a health and safety inspection and observation programme that is driven by plant leadership. The programme is focused on raising safety awareness, identifying safe behaviors and fostering communication between hourly employees and senior management. This program has led to increased and improved communication between senior plant leader and employees. BOW outputs are recorded and used as leading indicators and as opportunities for continuous improvement.

Safety Leadership Programme

The global programme, aimed at improving the safety culture and behavior, is one of the main tools that 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 focused on 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.

In 2020, implementation of the Safety Leadership Programme was affected by Covid-19, however site-specific activities (i.e. Safety Area Leader) were initiated in Canale and Aubevoye. Safety Leadership Programme trainings courses will continue virtually in 2021 until it is safe to resume group training sessions.

#WeToastTo #Safety

The global communication campaign was launched in 2018 to mark the World Day for Health and Safety at Work. In 2020 communication activities continued with the publication of additional video clips on 'take care of yourself and others. Every day! Everywhere!', with specific messages related to safety awareness to prevent and reduce risk at home, due to the Covid pandemic scenario that put all of us in smart working. Campari operations in Jamaica launched their safety communication campaign, 'Safe you, Safe me'.

• HSE Programme standardization and best practice sharing

In 2020, Campari held its first Global Safety Community call involving members of Health, Safety and Environment (HSE), Maintenance, Operations and Engineering across the group to share the SHE (Safety, Health and Environment) Strategy used during the Crodino line expansion at the Novi Ligure facility. This project involved the installation of tanks, bottling and packaging machinery and took place over 22 weeks. More than 70 external partners and contractors were utilized in the projects and zero accidents occurred.

Employee injuries	2018	2019	2020
Total accidents involving Camparistas [number]	136	103	83
Frequency index for Camparistas ²³	20.41	16.03	13.06
Accidents involving male Camparistas [number]	84	58	49
Accidents involving female Camparistas [number]	33	27	23
Injuries without absence from work for Camparistas [number]	103	85	62
Injuries with absence from work for Camparistas [number]	33	18	21
Lost days due to accidents for Camparistas [number]	1,009	907	424
Severity index for Camparistas ²⁴	0.15	0.14	0.07
Occupational diseases involving Camparistas [number]	2	2	0
Mortality at work for Camparistas [number]	0	0	0

Frequency and severity indexes for Camparistas by region:

	Europe			North America			South America			Asia-Pacific		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Frequency index for Camparistas	25.84	10.42	6.28	21.20	21.25	17.47	6.89	4.56	8.28	35.18	29.83	33.94
Severity index for Camparistas	0.10	0.15	0.12	0.26	0.10	0.04	0.03	0.005	0.2	0.01	0.51	0.005

Accidents involving contractors	2018	2019	2020
Total accidents involving contractors [number]	52	39	35
Contractor accident frequency rate	41.98	27.20	26.23
Lost days due to accidents for contractors [number]	57	311	170
Contractor accident severity rate	0.046	0.22	0.13
Mortality at work for contractors [number]	0	0	0

Frequency and severity indexes for contractors by region:

	Europe			North America			South America			Asia-Pacific		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Frequency index for contractors	26.47	16.56	18.69	52.77	23.20	27.24	0	44.93	36.64	110.90	205.05	59.84
Severity index for contractors	0.11	0.65	0.29	0.03	0.08	0.05	0	0	0.22	0	0	0

²³ The frequency index for any category is calculated applying the following formula: (Total injuries x 1,000,000)/worked hours

²⁴ The severity index for any category is calculated applying the following formula: (Lost days due to accidents x 1,000)/ worked hours

Occupational diseases for male Camparistas [number]	0	0	0	0	0	0	0	0	0	0	0	0	0
Occupational diseases for female Camparistas [number]	2	2	0	0	0	0	0	0	0	0	0	0	0

In 2020 there were no high-consequence work-related injuries²⁵, the number of lost days due to accidents decreased and no occupational diseases were reported.

Near misses

The attention of each Camparista is increasingly being focused on proactivity, prevention and mitigation of potential risks. The company continues to focus on near misses to improve its reporting system regarding unsafe situations with new activities to be implemented in 2021.

Near misses	2018	2019	2020
Health near-misses for Camparistas [number]	12	3	1
Safety near-misses for Camparistas [number]	121	82	64
Health near-misses for contractors [number]	1	2	0
Safety near-misses for contractors [number]	10	33	15
Health near-misses for suppliers [number]	0	0	0
Safety near-misses for suppliers [number]	1	3	3
Health near-misses for visitors [number]	0	0	0
Safety near-misses for visitors [number]	1	0	1

Health, Safety & Environment committees

All the Group's production units have company-worker committees that represent all workers on health and safety issues and 75% of workers on environmental issues. The dialogue between the parties is always open and constructive.

Penalties and fines

The Group incurred a health and safety fine in Novi Ligure, which were referred to an injury occurred in 2019.

Penalties, litigation and compliants	2018	2019	2020
Monetary fines - Health and safety [number]	2	1	1
Monetary fines - Environment [number]	1	0	0
Non-monetary penalties - Health and safety [number]	0	0	0
Non-monetary penalties - Environment [number]	0	6	0
Litigation settled - Health and safety [number]	0	0	0
Litigation settled - Environment [number]	0	0	0
Complaints - Health and safety [number]	1	0	0
Complaints - Environment [number]	1	0	0

Certifications

The performance of Health and Safety Certification rate (%), as bottles produced in production units certified according to international standards for health and safety, was slightly impacted by the pandemic in 2020 but it remained in line with the previous years.

Health and Safety certifications	2018	2019	2020
Bottles produced in production units certified in accordance with international occupational health and safety standards (BS OHSAS18001/ISO45001) [%]	62%	62%	54%

ii. 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.

²⁵ High-consequence work-related injuries are work-related injuries that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months (source: GRI 403 Occupational health and safety 2018).

• **Sustainability compliance**

Campari Group continues to drive sustainability compliance through the implementation of the Supplier Code and Sedex (Supplier Ethical Data Exchange) in all geographies. Responsible and transparent sourcing from commercial partners with similar values is, in fact, prerequisite 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:

- Integrity, loyalty and honesty;
- Objectiveness and immediate communication of real or potential conflicts of interest;
- Confidentiality;
- Transparency and completeness of information;
- Rejection and condemnation of any type of discrimination;
- Ban on forced or child labour;
- Health and safety in the workplace;
- Compliance with environmental law and ecological standards;
- Prevention and reduction of environmental pollution;
- Ban on unfair competition;
- Compliance with Campari Group’s Code of Ethics and its Quality, Health, Safety&Environment Policy.

Campari Group’s membership of Sedex 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.

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.

Region	Product-related suppliers (%)
Asia-Pacific	4%
North America	21%
South America	10%
Europe	65%
Total	100%

Campari Group developed and implemented a global sourcing approach for sanitizers, masks and other Personal Protective Equipment (PPE) materials to ensure business continuity in our plants and offices in accordance with local Covid-19 regulations, balancing availability with an increasingly strong local supply base.

• **Business continuity and enhanced supplier collaboration**

The unprecedented challenges of Covid-19 created a strong driver for enhanced collaboration across the supply base in general and led to a strengthening of strategic partnerships. The priorities in 2020 shifted to securing supply and maintaining the economic sustainability of our supply base.

With enhanced supplier collaboration, Campari Group was able to support suppliers in mitigating the impacts of Covid-19 in a highly volatile environment.

Below are some examples of the efforts undertaken by Campari Group during 2020:

- supporting suppliers by giving them more visibility of volume needs in the short-term and mid-term, enabling suppliers to take targeted action to make adjustments to the normal operation of their manufacturing units;
- continuing to purchase goods and services, and continuing to honour commitments;
- in specific cases, additional local suppliers were activated, either within the Campari network or by suppliers activating their own business continuity plans with their suppliers.

In the second quarter of 2020, Campari Group launched its first Supplier Reverse Factoring Programme in cooperation with an external banking provider. The pilot programme kicked off by involving a first wave of strategic partners based in Italy with the aim of allowing participating suppliers to receive early payments on their invoices. Additional benefits such as an improved cash forecasting accuracy and access to lower cost funding, made the Campari Reverse factoring pilot scheme a success, leading to the start of a second wave in September 2020 and consideration of a potential geographical expansion of the programme given that it ensures working capital optimization for both parties, impacting DSO (Days Sales Outstanding) for suppliers and an increase in DPO (Days Payable Outstanding) on Campari Group side.

- **Growing agave in partnerships with local farmers**

Since 2019, Campari Group has engaged local Farmers in a co-investment model to grow agave in its lands of origin.

The model enables farmers to grow agave with long-term predictability of commercial conditions and volume requirements and fosters continuous improvement of field operations. This testifies to Campari Group's increasing commitment to supporting local agricultural businesses and communities while developing long term relationship with selected partners.

- **Main product-related materials**

- Raw materials:

- agave;
- alcohol;
- sugar;
- grapes;
- grains.

- Packaging:

- glass bottles;
- cans;
- caps;
- labels;
- external cardboard packaging.

Quality and food safety of brands

Campari Group ensures the quality and food safety of its brands by meeting all applicable Food Safety and Quality standards and checks their consistency through rigorous inspection controls.

Maintaining the trust of Campari Group's Consumers and Customers is the main goal behind establishing proactive and preventive processes that mitigate risks across our operational activities, from raw materials and packaging material supply to finished products reaching consumers.

In order to meet the above commitment Campari Group's Quality Programme is based on the following principles:

- standardization of quality and food safety management programmes across the business;
- robust audit compliance programmes for suppliers and manufacturing operations;
- Introduction of meaningful and actionable metrics, such as Right First Time (RFT) for internal operations;
- continuous improvement programmes, such as Supplier Quality Assurance and Global Traceability.

- **Certifications**

Campari Group Food Safety External Certification journey started with its own manufacturing sites in 2013 and has been extended to all Campari's third-party manufacturing sites. The Group's progress is being tracked through the Food Safety Certification rate (%), bottles produced in production units certified in accordance with international standards for food safety (ISO22000/BRC/IFS/FSSC22000). The full 2020 performance rate was 84.4%.

- **Complaints**

Consumers' and customers' experience is measured in complaints per million (CPM), i.e. the number of complaints received per million bottles produced. The Group tracks its performance daily and acts immediately on any claim by taking the appropriate actions to avoid reoccurrences. Performance in 2020 was impacted by the pandemic and the CPM index was 1.001.

Complaints ²⁶	2018	2019	2020
CPM (complaints received per million bottles produced)	0.776	0.587	1.001

No withdrawals or recalls from the market were recorded in 2020.

As was the case in the previous year, there were no fines or disputes relating to Food Safety in 2020.

Global Strategy on Responsible Drinking

During the year a new Global Strategy on Responsible Drinking has been formalized, setting a position and short-term commitments from which to derive internal and external initiatives in the responsible drinking area, which is of paramount importance. Education will be the primary focus on which the strategy will be articulated, involving all Camparistas through virtual sessions on responsible drinking, being them the first ambassadors in promoting a responsible style of consumption of alcoholic beverages. Specific training on responsible drinking will be also part of the induction process for new Camparistas hired. Following the Campari Group's commitment to the responsible sale and marketing of its products, a specific training of the global marketing community will be delivered, with a deep dive in digital communication thus ensuring that the Group's online presence and web communication through digital platforms would be based on a common path of main responsible standards which are at the core of the external communication of the Group's brands. On top of these activities, a distinct project on responsible serving for bartenders will be deployed globally. The goal with this project is to educate and sensitize bartenders, one of the most important stakeholders' category for the Group, on principles of responsibility as well as quality of products and service, underlying the importance of quality over quantity and the role of bartenders as representatives and chaperons of a proper drinking etiquette. With regard to the external communication, the Group commits to promote digital brands' campaigns on responsible drinking, thus reaching a greater audience of final consumers.

Responsible communications

Marketing and communications are an important tool through which Campari Group conveys messages and models of behavior 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.

In 2020, all members' of the Group's teams and external agencies had signed the Commercial Communications Code. Furthermore, the marketing teams of all the Group companies took 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 responsible drinking 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.

²⁶ 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.

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 Code.

In line with the provisions of the Code, ATL (above the line) and BTL (below the line)²⁷ 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 non-alcoholic products (i.e.: Crodino, Crodino Twist, Crodino Spritz):

	2018			2019			2020		
	ATL	BTL	Social profiles	ATL	BTL	Social profiles	ATL	BTL	Social profiles
Existence of an RDM (%)	100%	99%	99%	100%	99%	100%	100%	100%	100%

To further increase its effectiveness, the Code 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. In Switzerland we did receive two fines due to alcohol regulation communication breach, one because a sales outlet contravened local advertising laws by improperly displaying some POS materials of Aperol, the other due the sponsoring of Locarno Film Festival made from an alcoholic brand rather than from Campari Schweiz; and a legal warning since an influencer published a post that included an image of Aperol which has been considered to be a form of lifestyle advertisement contravening local advertising laws.

In 2020, 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.

During 2020, Campari Group began a process aimed at promoting a digital labelling solution to help consumers in their purchasing decisions. To respond to consumers’ detailed expectations and their rapid shift to digital information sources, the Group voluntarily took part in the development of the ‘Duty Free Label’ pilot project led by the European Travel Retail Confederation (ETRC) to create a digital platform on which to inform consumers of label content for European duty free products, one of Campari Group’s main sales channels. From 2021, the information on the Group’s products that are sold in European airports will therefore be accessible to consumers in a range of languages and they will be able to scan bar codes using their smartphones or physical scanners to access full, accurate and transparent information.

During 2021, Campari Group will continue to work to create a digital labelling solution to help consumers within their purchasing decisions, thus taking up the opportunities and potential offered by digitalisation.

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 is active not only in Italy but also in Spain, the United States, Jamaica 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

²⁷ 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).

offering bartenders six essential recommendations for responsible serving of alcoholic drinks. The guidelines are shared with 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.

Responsible Serving Guidelines:

- 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;
- 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;
- be able to recognise the first signs of alcohol abuse and refrain from serving further drinks;
- always adopt responsible behaviour (e.g. do not consume alcohol at the workplace);
- do not promote, publicise or carry out your work in such a way as to encourage excessive or irresponsible consumption or discourage responsible behaviour;
- maintain friendly behaviour towards customers and always promote the consumption of alcoholic drinks with food.

Most of the events planned for the year did not take place due to repeated lock-down periods imposed by different governments around the world in order to limit the risk of Covid-19 infection. Nevertheless, the Responsible Serving Guidelines were shared with bartenders who worked for the Group in all the events held during 2020.

In 2020, Campari Academy has been able to directly involve more than 1,500 bartenders through masterclasses, guest bartending, consultancy and visits to the point of sales (PoS), to approach and deepen, in an always responsible manner, the art of bartending, aiming for excellence. Since the very first wave period of the pandemic, in fact, Campari Academy moved several of its activities online, first of all through the 'Reopening Guide', a useful tool for bartenders and bar owners to reorganize their activities and environments in line with the new health legislation enacted to reduce the risk of Covid-19 infection, and through digital masterclasses on brands and new trends, online meetings with the Wild Turkey Family (a constantly growing community of bartenders united by the love for a bold, genuine and true bourbon), private masterclasses for PoS and companies. In addition, the zero-waste trend - avoiding waste and using raw materials while producing as little waste as possible - was a particular focus of several training activities.

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 43 trade associations and social aspect organisations in 21 countries, and its managers play a key role in some of these. One of the bodies of which Campari Group is also member of SpiritsEurope, the European association of alcoholic beverage producers, which represents 31 national associations of 24 countries and 8 main players in the spirits sector, and 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 with the key trade associations and major industry leaders, and thus addressing a wider audience, Campari Group helps to promote and disseminate responsible behavior and lifestyles. In 2020 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.

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 has been 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 will receive a certificate of participation, 'The 10 Golden Rules for the Responsible Service' and 'The 10 Golden Rules to limit the risk of contagion'. Also, each user 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. Due to the pandemic and its evolution that will postpone the possibility for winners to travel to Milan and London, alternative physical prizes consisting in personal online masterclass held by a Campari Academy bartender and in kits with pos bartender materials have been set.

United Kingdom-Pro-active responses on Wray social channels

In 2020 the marketing team in UK has actively got involved in the conversations on social media among consumers misusing our products. After having posted a reactive comment as soon as possible, the profile admin is requested for a responsible drinking message to be pinned to the top of the comments for extra visibility. This activity allowed us to promote responsible drinking messages and behaviours in a tone that would best resonate with our audience. We have seen that this approach is well received by the community and often the brand is commended for speaking up.

Spain-Menores ni una gota

In Spain, since 2013, in collaboration with the country's Ministry of Health and industry association FEBE (Federación Española de Bebidas Espirituosas), Campari Group promotes the 'Menores ni una gota' (Minors: not a single drop) initiative, to counter the consumption of alcohol among minors. The campaign aims to inform and raise public awareness, through various communication channels, about the risks to health and development related to underage alcohol consumption. During the years, the campaign became bigger and bigger, being supported by many Institutions and local celebrities, leading to the creation of a collaborative network of more than 300 public and private institutions with the support of more than 200 well-known people from the world of television, music and sport. Bloggers and influencers have also been involved, who have helped to spread the message of responsibility through their social networks, providing parents and children with advice and motivation to tackle alcohol abuse.

Brazil-Sem Excesso

Campari do Brasil continues to partner with ABRABE (the Brazilian Beverage Association) supporting the Comemore com Sucesso, Sem Excesso (Celebrate with Success, No Excess) campaign, and in particular by sponsoring the Sem Excesso platform, thus educating and informing our consumers on responsible alcohol consumption through our social medias and digital communication.

Peru-Destiladores Unidos del Perú

The coalition Destiladores Unidos del Perú was born with the purpose of to promote responsible alcohol consumption. Multinational corporations involved in the distribution and import of spirits in Peru come together with the aim to raising awareness about the harmful consumption of alcoholic beverages, to encourage responsible responsibility and create the conditions for a constructive debate on the issue. The first activity promoted was developed through different media channels (both social networks and traditional channels) with the aim to promote a proper education on moderate and responsible alcohol consumption, dispelling false myths about alcohol that are widespread among the population.

Marketing and product innovation

The brand portfolio represents a strategic asset for Campari Group. One of the main pillars of the Group's 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. The Group is developing its strategies with an increasing focus on new communications tools, especially the digital media channel, which is seen as strategic thanks to its interactive, customisable and measurable properties.

The main marketing initiatives undertaken in full year 2020 focused on global and regional priority brands, are set out below. Since the outbreak of the Covid-19 pandemic the brand-building investments, particularly brand-activation initiatives aimed at consumers and commercial partners in the on-premise and Global Travel Retail channels, have been reshaped and mainly refocused into digital activations. With the gradual reopening of the on-premise channel and relaxing of emergency containment, initiatives previously suspended during lockdown have been resumed on a selected basis, while remaining managed in a very flexible manner in light of the changing initiatives aimed at the continuous containment of the pandemic.

As a result of the restrictive measures gradually introduced to fight the pandemic, the Group's visitor centres around the world were temporarily closed. Some of them gradually reopened in June 2020, although with reduced opening hours, limited tours and experiences and rigorous compliance with the emergency health measures in force to protect the health of both Camparistas and guests.

Aperol

Overall, throughout 2020 in the context of the Covid-19 outbreak, several successful charity initiatives were promoted by Aperol under 'Together we Can', involving donations to good causes in Italy while maintaining an active involvement of the audience and strengthening the concept of Togetherness. Moreover, Aperol digital experiences were implemented across markets to entertain people with the positive and light-hearted mood of Aperol Spritz.

Within the initiatives aimed at reinforcing home consumption of Aperol Spritz, educating on its perfect serve and strengthening the link with food, in November 2020 Together We Can Cook initiative was launched in Italy, supported by renowned Italian chefs and prompting users to test their creative cooking skills and show they can make a perfect aperitif with Aperol Spritz. Same kind of initiative were launch in parallel in various geographies: in the US with #AperolLovesPizza campaign, Germany, with the activity Indulgence @Home Activation, Argentina with the #brunchearspritz, France through traditional media, such as out-of-home placements and radio, in UK with the Aperol Spritz O Meter campaign to celebrate the national Prosecco Day. An edutainment content, the #AperolSpritzChallenge, was launched in Italy to teach the consumers about Aperol Spritz perfect serve.

The Aperol digital campaign 'The sound of togetherness' was launched in 20 countries. The campaign features a series of scenes of consumers at home, showing their moments of 'conviviality' during the lockdown period while enhancing the positive mood that people have in common. Similarly, in the United States, Aperol launched the digital campaign 'Elevate summer moments with Aperol Spritz at home' on social media and partnered with Spotify to drive awareness and consideration by focusing on Aperol Spritz as the perfect summer cocktail for at home responsible consumption. At the same time Aperol kicked off a social media initiative #TogetherWeToast, encouraging consumers to spread positivity by posting a virtual toast to a friend and in turn support US hospitality workers. From the end of first quarter 2020, in the United Kingdom, Australia, Spain and Germany, Aperol virtual toast events were carried out to enhance virtual connection and promoting at home consumption, in some cases with the collaboration of chefs, influencers, DJ sets and concerts.

In January 2020, for the fourth year in a row, Aperol was the official aperitif of the Australian Tennis Open, renewing its official partnership. In February 2020, Aperol was the official sponsor of the Venice Carnival, one of the most famous public celebrations in Italy.

Campari

In October 2020, an inspirational new digital campaign was launched globally, bringing to life the brand's newly evolved ethos of Red Passion. The campaign features hero video content and impactful visuals through a group of protagonists like Monica Berg, awarded as the most influential person in the spirits industry in 2020, together with Bendik Giske, artist and saxophonist, Margot Bowman, avant-garde and energetic director, and MJ Harper, artist and choreographer.

During 2020, Campari confirmed and further strengthened its longstanding legacy with the brilliant world of Cinema, made up of creativity and passion. In Italy #PerIlCinema initiative was launched in December 2020, aimed at offering tangible help to the Italian Cinema industry and professionals. In September 2020, for the third consecutive year, Campari sponsored the Venice International Film Festival, celebrating the values of passion and creativity. In September 2020, for the second year in a row, Campari was the exclusive spirits partner of the New York Film Festival, the premier US showcase of the best-in-world cinema that is presented by the Film Society of Lincoln Center. These sponsorship confirmed Campari's long-standing commitment to the world of film and art.

For the 8th consecutive year, the Negroni Week was held thanks to the partnership with Imbibe magazine. During this special year, the Negroni week invited everyone to Raise a Negroni to your bar in order to raise funds to charities supporting the hospitality industry directly.

From June 2020, Campari Negroni RTE (ready-to-enjoy), the Negroni being the second most consumed and renowned classic cocktail in the world (according to Drinks 2019), was gradually launched globally with a 50 cl bottle offering.

At the end of first quarter 2020, after the outbreak of Covid-19, Campari launched a series of local digital initiatives:

- as the official partners of the 22nd Biennale of Sydney, the biggest cultural event in Australia, Campari switched from an offline to an online event, and invited visitors to live an experience from home, visiting the exhibition online and attending virtual workshops;
- in Italy and Germany, Campari organized Drink delivery experiences at home, collaborating with delivery companies. A perfect serve kit was created to educate consumers on how to make cocktails at home;
- in the United Kingdom, Campari launched the initiative Campari reopens. Some of the world-best bars, such as the Dante in New York, Drink Kong in Rome, and Three Sheets in London, were virtually reopened, allowing consumers to experience a top-end bar, creating their own cocktails in a Campari masterclass with a world-class bartender.

In February 2020, Campari sponsored the Vienna Opera Ball, one of the biggest cultural events in Austria and which also attracts significant media coverage in Europe, Japan and the United States.

Wild Turkey

In November 2020, the Wild Turkey annual global initiative With thanks kicked off in multiple markets, including the United States, Australia, the United Kingdom and Italy, to celebrate remarkable individuals in local communities who have given charity support during the trying times through the pandemic, and reward them with a personalised token of appreciation.

In September 2020, the digital campaign for the super premium expression of Wild Turkey, Longbranch, was launched in the United States. The slogan 'Wonder What If' highlights the rich storytelling that Matthew McConaughey has brought to the brand as Creative Director, building a campaign that is blend of the culturally curious and the artistic in equal parts.

Wild Turkey Rare Breed Rye was launched in July 2020 as a blend of 4-6 and 8-year-old non-chill filtered rye, crafted in one of the few distilleries dedicated to the art of rye whiskey.

In June 2020, the 6th release in the award-winning Wild Turkey Master's Keep series, Master's Keep Bottled in Bond, was launched globally. It is a 17-year-old Kentucky straight bourbon whiskey with the bottled-in-bond label, a certification that guarantees a strict production process and ensures incomparable flavour and consistency.

SKYY

The SKYY Infusions Coconut was launched in Argentina, while in China the SKYY San Francisco Limited Edition was launched.

A digital and social campaign We Are The Pride was launched in the United States in June 2020 in support of the LGBTQ+ Community.

Jamaican rums

Starting from October 2020, the new global communication campaign 'Crafted with Joy' was live in the brands' key markets, Canada, the United States and Jamaica, as well as in other geographies. The activation was mainly at digital level, featuring a series of scenes exemplifying joyful excellence and showcasing the key brand attributes of provenance, ageing, terroir, as well as the master blender, Joy Spence.

The prestigious Appleton Estate Hearts Collection was launched. It is a rare, limited-edition series of three single marque pot-still rums distilled in a Forsyth Pot Still and aged between 21-26 years, hand-selected from Appleton Estate's legendary inventory, marking the collaboration of the brand's master blender with the Italian connoisseur Luca Gargano, one of the greatest rum collectors in the world.

Starting from February 2020, the Appleton Estate brand was relaunched in its key markets with a new packaging design which emphasizes the brand's premium characteristics and the minimum aging statement.

In addition, a new range of aged rum, Kingston 62, was launched in the Jamaican market, in Peru and the United Kingdom.

Grand Marnier

In June 2020, Grand Marnier launched a new global social media campaign aimed at enabling consumers to find their own Grand Moment in everyday life by taking good care of themselves and finding their own new normality. International bartenders hosted live sessions on Instagram with social clips by master blender Patrick Raguenaud, the brand ambassador for Grand Marnier.

In January 2020, the new Cuvée du Centenaire, which was created in 1927 to celebrate the first century of the House of Marnier Lapostolle, was rolled out worldwide with premium packaging inspired by the *art nouveau* movement.

Regional and local priority brands

Concerning the regional priority brands, the first global campaign of Averna Open Sicily was launched, celebrating the vibrant world of Sicily and the modern expressions of the island with a new brand visual identity, packaging and communication.

In addition, the new packaging of Bisquit&Dubouché VS and VSOP was launched in Belgium.

With respect to Espolón, the brand received the Impact Hot Brand 2019 award for the fourth year in a row, and a national digital campaign around Mexican independence day week named 'Choose your own adventure' was launched in the United States. A strong brand activation was done as well in Italy to celebrate the 'Dia de los Muertos' in November 2020, by bringing Espolón's unique game changer spirit to life through Influencer activations, media partnerships, Mexican heritage murals and street art operas in key lifestyle and urban bars and venues.

Concerning the local priority brands, Crodino was relaunched with an adult and premium offering in the European markets and a new designed transparent 17.5cl bottle was launched, celebrating its authentic Italian heritage. Lastly, Campari Soda launched the digital campaign 'Design Connection': a collection of three design objects made with the iconic Campari Soda bottle and produced with the collaboration of three young and talented

designers; the campaign was aimed at strengthening the brand linkage with design, given the iconic bottle, a design masterpiece, conceived in the early 30s by futurist Fortunato Depero.

iii. The environment

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.

- **Global supply chain medium-long term environmental targets**

We have set ourselves challenging targets to be reached by 2025 and are committed to measuring and reporting our performance in a transparent way. Our targets are aligned with the UN Sustainable Development Goals to protect the planet.

Our goals cover energy, water and waste and represent the way we measure, monitor and improve our environmental efforts, focusing on impact, within our own operations.

- **Energy and GHG emissions**

- ❖ Reduce Green House Gases (GHG) emissions from direct operations²⁸ by 20% in 2025, by 30% in 2030, and from the total Supply Chain by 25% in 2030, using 2019 as a baseline.
- ❖ 100% renewable electricity for European production sites by 2025.

- **Water**

- ❖ Reduce water usage (L/L) by 20% in 2025 and by 25% in 2030, using 2019 as a baseline.
- ❖ Return 100% of wastewater from our operations to the environment safely.

- **Waste**

- ❖ Zero waste to landfill by 2025

The key environmental information for the Group's production units and headquarters is shown below.

- **Energy efficiency and decarbonization**

In 2020, Campari Group launched a global project to develop energy saving programmes. We use sustainable integrated solutions to improve our energy consumption, reduce costs, move to renewable energy sources and decarbonize our production activities. A series of innovative mid and long-term improvement interventions have been put in place to support the above programme across all our production plants.

As part of the global project, on-site energy audits were performed at the most energy-intensive Campari production sites, including the distilleries located in Arandas (Mexico) and Lawrenceburg (Kentucky, USA). The project will continue in 2021, covering the Jamaican distilleries. The outcome of the energy audits - including energy recovery and decarbonization solutions, process and equipment interventions, efficiency improvement investments - will be extended to all Campari production sites. In this way, we are creating a shared and integrated energy efficiency and decarbonization path for our operations.

One of the key environmental targets set by Campari Global Supply Chain is the use of 100% renewable electricity at our European production sites by 2025. As first step, the renewable origin of all the electricity being purchased and used by Italian production plants and headquarters in Sesto San Giovanni has been certified through the attainment of a Guarantee of Origin. This activity has already enabled us to meet 76% of the related Global Environmental target in 2020.

The Group's energy efficiency programme included the installation of a multi-column distillation system in the rum distillery located in New Yarmouth (Jamaica).

Differing from many of the existing columns in Jamaica, which use direct steam injection, the newly implemented multi-column system uses indirect heating through reboilers. The main benefits are a reduction in the fuel used and the recovery of the condensate, resulting in a less water consumption.

²⁸ Scopes 1 and 2.

The termination of the sugar manufacturing activities in Jamaica and the improved efficiency in the distillation processes at the Campari production sites in the Americas region, resulted in a total reduction of the Group's energy consumption of -3% as compared with 2019.

The energy source switch to natural gas at the distilleries in Jamaica and in the US in 2019, led to a total elimination of wood combustion in 2020 and a further important reduction in the consumption of oil-based fuels (-47%), both in favour of natural gas usage (+33%).

In 2020 the energy consumption per liter manufactured was reduced to 2.57 MJ, an overall -4.4% compared with the previous year (2.69 MJ).

Energy consumption	2018	2019	2020
Total energy consumption [GJ]	2,276,813	1,636,878	1,584,580
Performance of energy consumption [MJ/L manufactured]	3.92	2.69	2.57

Consumption of energy by renewable/non-renewable sources	2018	2019	2020
Consumption of energy from renewable sources [GJ]	705,250	229,740	281,440
Consumption of energy from non-renewable sources [GJ]	1,571,563	1,407,139	1,303,140

Consumption of energy by source	2018	2019	2020
Consumption of electricity drawn from the grid [GJ]	178,251	154,051	157,361
Total heating consumption [GJ]	3,253	2,031	2,123
Total cooling consumption [GJ]	0	0	0
Total steam consumption [GJ]	0	0	0
Petroleum distillate fuels [GJ]	678,712	565,495	295,838
Purchased natural gas [GJ]	496,736	593,660	887,570
Fuels from natural gas processing and oil refining [GJ]	4,641	4,796	3,543
Purchased wood [GJ]	210,963	87,216	0
Energy produced from renewable sources [GJ]	704,258	229,629	238,145

• Emissions

As in the previous years, the Group continued to decrease the Greenhouse Gas (GHG) emissions released during its production activities, with a significant reduction in both scope 1²⁹ (-6%) and scope 2³⁰ (-33%) emissions compared to 2019.

The switch from wood and hydrocarbons to natural gas in Kentucky and Jamaica, combined with the reduction of the use of oil-based fuels for sugar processing in Jamaica, brought about a considerable reduction in carbon dioxide-equivalent atmospheric emissions.

As an important contribution to the reduction of scope 2 emissions, the renewable origin of all the electricity being purchased and used by the Italian production plants and the headquarters in Sesto San Giovanni (Milan – Italy) was certified through the attainment of a Guarantee of Origin.

With regard to methodology, as in 2019, we applied the conversion factors provided for under the GHG Protocol³¹.

GHG emissions, scopes 1 and 2	2018	2019	2020
GHG emissions, scope 1 [t of CO ₂ e.]	78,659	76,765	71,979
GHG emissions, scope 2 [t of CO ₂ e.]	22,514	19,900	13,289
GHG emissions, scope 1 and 2 [t of CO ₂ e.]	101,173	96,665	85,268

GHG emissions by type	2018	2019	2020
Combustion in thermal plants [t of CO ₂ e.]	78,310	75,385	70,843
Refrigerants [t of CO ₂ e.]	349	1,380	1,136
Purchased electricity [t of CO ₂ e.]	22,514	19,900	13,289

• Water management

Water is a precious and shared natural resource, increasingly a point of interest for many stakeholders and an essential component in our production processes.

Despite the fact of our production sites are not located in geographical areas exposed to an extremely high-water risk, as confirmed by the Aqueduct Water Risk Atlas (World Resources Institute)³², we recognize the importance

²⁹ Scope 1: greenhouse gas emissions from owned or controlled sources.

³⁰ Scope 2: greenhouse gas emissions from purchased or acquired electricity, steam, heat and cooling.

³¹ 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.

³² www.wri.org/resources/maps/aqueduct-water-risk-atlas

of water and we are committed to preventing and reducing use of this primary resource through a proper and more sustainable water management programme.

In 2020, the Group created a Water Assessment Model aimed at analysing and identifying, throughout the main production processes in our factories, the key information related to water withdrawal and consumption areas, recycled and reused water, water discharge types and destinations, and water treatment methods and analysis. The goal is to optimize water use, reduce costs and improve the Group's environmental impact in terms of water usage. An application of this model will be undertaken in 2021, starting with the most water-intensive Campari production sites.

For all our production sites, we continue to guarantee the safe return to the environment of 100% of our wastewater from operations. We achieve this through efficient water treatment plants in order to minimize our impact on shared water reserves.

As an example of its commitment, Campari Group is the first rum producer in Jamaica to make a commitment to invest over US\$25 million in the implementation of a wastewater treatment plant for its rum distillery in New Yarmouth. The outcome of this process is to ensure the safe return of the treated wastewater to the environment and the full recover and rescue of solid residues as animal feed and natural fertilizer.

The significant reduction in the Group's water consumption (-15%), compared to the previous year, is mainly due to the termination of the sugar manufacturing activities in Jamaica and and to the local water efficiency activities implemented by the production sites of the Group. Consequently, the volume of water used per liter manufactured decreased to 18 liters.

Water discharges and intensity	2018	2019	2020
Total volume of water discharged [m ³]	5,841,677	5,564,158	3,873,770
Performance of water discharged [L/L manufactured]	10.9	9.1	6.3

Water withdrawal	2018	2019	2020
Total volume of water withdrawn [m³]	13,168,625	13,007,137	11,073,051
Performance of water use [L/L manufactured]	22.7	21.4	18.0

Water withdrawal by source	2018	2019	2020
Surface water-rivers [m ³]	7,418,367	6,689,587	4,184,933
Groundwater [m ³]	4,695,098	5,551,922	6,207,046
Rainwater [m ³]	0	3,640	2,756
Municipal water supply [m ³]	953,487	760,619	678,196

Water discharges by destination	2018	2019	2020
Wastewater discharged in bodies of surface water [m ³]	1,292,026	350,727	956,432
Wastewater discharged into groundwater [m ³]	3,861,768	4,420,019	2,169,852
Wastewater discharged into consortium plants [m ³]	244,740	249,872	237,624
Wastewater discharged into municipal or other facilities [m ³]	310,065	424,469	341,471
Wastewater reused by/sent to another organisation [m ³]	133,079	119,071	168,391

Campari Group is highly committed to the safe return of 100% of wastewater from its operations to the environment. In order to fulfil its commitment, a robust chemical, physical and biological testing programme has been put in place across all its manufacturing locations.

Analysis of water and treatment	2018	2019	2020
Volume of physically treated water [m ³]	48,157	43,040	36,879
Volume of chemically treated water [m ³]	67,233	82,144	82,047
Volume of biologically treated water [m ³]	275,252	315,242	244,263
Volume of chemically/biologically treated water [m ³]	6,696	5,589	6,816
Volume of chemically/physically treated water [m ³]	53,666	29,876	28,851

• Waste management

Campari Group is committed to reduce total waste from its production sites, through different local initiatives aimed at optimizing the use and disposal of materials, improving efficiency, increasing recycling, recovery and reuse processes. To reach this goal, the company is moving from a linear to circular approach by improving the supply of raw materials and packaging products, maximizing the use of materials and reducing or eliminating them, where possible.

The Group aims to achieve zero waste to landfill across our production sites by 2025. In order to accomplish the target, a series of activities to increase recycling and recovering of materials used will be implemented.

Regarding organic waste, production sites aim to increase the recovery and reuse rate of by-products generated in our production cycle, by using them as animal feed, biomass or compost.

The percentage of hazardous waste produced during manufacturing activities is very low. Despite this, the Group seeks to prevent and eliminate any environmental impact through the application of appropriate and specific treatment processes to its hazardous waste.

In 2020, the Group experienced a significant reduction in total waste produced, mainly due to the termination of the cane harvesting and sugar processing activities in Jamaica.

The ratio of hazardous waste produced remained extremely low (0.31%) and decreased by -32,6% compared to the previous year.

As a result of the above initiatives the amount of waste produced per liter manufactured was 0,08 kg and decreased by -20% compared to 2019.

Waste produced and intensity	2018	2019	2020
Total waste produced [t]	105,426	61,639	46,829
Performance of waste produced [kg/L manufactured]	0.18	0.10	0.08

Hazardous and non-hazardous waste	2018	2019	2020
Hazardous waste produced [t]	261	281	143
Non-hazardous waste produced [t]	105,165	61,358	46,686
Hazardous waste produced [%]	0.25	0.46	0.31

Destination of waste produced	2018	2019	2020
Internal reuse [t]	0	0	0
External reuse [t]	13,220	8,934 ³³	10,150
Recovery, including energy recovery [t]	4,844	5,110	8,953
Composting [t]	5,561	4,773	4,352
Incineration [t]	31	20	4
Landfill [t]	7,928	8,159	11,108
On-site storage [t]	51	82	67
Fertilisation in agriculture [t]	25,320	10,546	8,149
Recycling [t]	2,223	2,001	1,944
Other destinations [t]	474	5,860	1,417

• Spills

The total number of environmental spills was the same as the previous year. All issues were treated accordingly, eliminating the impact on the environment.

Total spills	2018	2019	2020
Total spills [number]	25	13	13

Spills by destination	2018	2019	2020
Ground spills [number]	10	2	8
Surface water spills [number]	5	3	2
Groundwater spills [number]	2	0	0
Industrial consortium wastewater spills [number]	0	1	0
Spills in municipal water supplies or other utilities [number]	2	1	0

³³ 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.

Air spills [number]

6

6

3

• **Penalties and fines**

In 2020 there was no environmental penalties or fines received, as proof of the Group’s continuous attention to compliance.

• **Certifications**

The performance of Environmental Certification rate (%), as bottles produced in production units certified according to international standards for environment, was slightly impacted by the pandemic in 2020 but it remained in line with the previous years.

Environmental certifications	2018	2019	2020
Bottles produced in production units certified in accordance with international environmental standards (ISO14001/EMAS/ISO50001) [%]	73%	72%	67%

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 thus continued in 2020 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.

In 2020, due to the two waves of the pandemic (the first in February/March, the second in September/October) and the cyber-attack in early November, there was an increase in the percentage use of road travel as compared to previous years; the increased use of road travel was necessary to make up for the delays accumulated in order to minimize the negative impact on the level of service to the end customer.

• **Europe-Intermodal transport**

Intermodal transport represents a significant opportunity in freight transport thanks to the use of multiple integrated modes of transport. In 2020, intermodal journeys accounted for 58% of journeys in Europe.

	2018			2019			2020		
	Total journeys	Road travel	Intermodal travel	Total journeys	Road travel	Intermodal travel	Total journeys	Road travel	Intermodal travel
Total	3,110	1,375	1,735	3,246	1,245	2,001	4,473	1,898	2,575
%		44%	56%		38%	62%		42%	58%

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

Countries	2018			2019			2020		
	Road transport	Intermodal transport	Total transfers	Road transport	Intermodal transport	Total transfers	Road transport	Intermodal transport	Total transfers
Austria	100%	0%	263	99%	1%	284	94%	6%	310
Belgium	19%	81%	242	6%	94%	251	8%	92%	292
France	-	-	-	-	-	-	100%	0%	333
Germany	16%	84%	1,284	23%	77%	1,321	15%	85%	1,410
Latvia	64%	36%	479	31%	69%	483	59%	41%	632
The Netherlands	0%	100%	90	0%	100%	102	0%	100%	106
Spain	72%	28%	234	39%	61%	229	39%	61%	127
Switzerland	100%	0%	259	100%	0%	283	94%	6%	316
Ukraine	100%	0%	103	100%	0%	115	100%	0%	131
United Kingdom	15%	85%	156	5%	95%	178	8%	92%	222
Total							44%	56%	3,879

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

Countries	Outward journeys from Greece					
	2018		2019		2020	
	Road transport	Intermodal transport	Road transport	Intermodal transport	Road transport	Intermodal transport
Austria	25%	75%	0%	100%	100%	0%
Belgium	29%	71%	37.5%	62.5%	100%	0%
Germany	2%	98%	29.5%	70.5%	24%	76%
Italy	0%	100%	43%	57%	0%	100%
Switzerland	0%	100%	0%	100%	0%	100%
United Kingdom	0%	100%	0%	100%	0%	100%

Total	3%	97%	28%	72%	26%	74%
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Outward journeys from the UK						
2018		2019		2020		
Countries	Road transport	Intermodal transport	Road transport	Intermodal transport	Road transport	Intermodal transport
Belgium	-	-	29%	71%	0%	100%
Germany	0%	100%	0%	100%	10%	90%
Italy	2%	98%	3%	97%	1%	99%
Spain	0%	100%	21%	79%	100%	0%
Total	2%	98%	5%	95%	6%	94%

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 performance in line with that of last year. In fact, of the 3,575 freight transfers, more than 13% were carried out on an intermodal basis.

Italy-transfers	2018	2019	2020
By road/ship	377	375	357
Intermodal road/rail	121	117	119
Total transfers	4,085	4,249	3,575
Trend	12%	11.6%	13.3%

Despite the obvious decrease in total transfers in 2020, intermodal transfers are in line with last year, thanks to a new agreement with an operator that has allowed us to switch part of the transfers to road-rail mode, thus exploiting its eco-sustainable potential.

• Europe-Sustainable pallet management

In 2020, the Group continued its collaboration with the supplier PAKi, a company operating in the pallet handling sector. 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 2020, the number of pallets managed using the 'PAKi recovery and reused method' remained essentially in line with previous years.

PAKi method	2018	2019	2020
Exports-Germany, Austria, Belgium, the Netherlands and Switzerland	61,123	51,804	80,322
Italy	91,393	93,761	76,746
Greece	5,610	5,610	7,854
France	0	2,445	3,035
Total	160,126	153,620	167,957

• Italy-Eco-mobility

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 vehicles complying with the EU Euro 6 regulations on harmful exhaust gases that are 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, 1,212 extra pallets were loaded using Berger *ecotrail* lightweight semi-trailer vehicles, thus avoiding the need for the movement of 40 vehicles which would have occurred if a *standard* transporter had been used.

LNG (Liquefied Natural Gas)-2020 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 (PM_x) 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 2020, LNG accounted for 6% of 3,575 total travel. Consequently, the transfers carried out by Davide Campari-Milano using various transport means that have a low environmental impact (LNG and intermodal transport) accounted for 19.3% of total transfers in Italy (+1.7% as compared with 2019).

Transport type	2018	2019	2020
LNG	2.3%	6%	6%
Road	85.4%	82.4%	80.7%
Road/ship	9.2%	8.8%	10%
Road/rail	2.9%	2.8%	3.3%
Total	100%	100%	100%

In environmental terms, the use of LNG instead of a Euro 5 diesel vehicle and road-rail transports have allowed us to cut emissions of CO₂ and PMx particulates by the following amounts.

- 24,376.7 kg of CO₂ not emitted;
- 27.99 kg of PMx not emitted.

Furthermore, the LNG best practice for the Italy-Spain line reached an absorption percentage of 10% of a total of 127 journeys from Italy to Spain.

CityLogin-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, 2,246 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 zero-emissions vehicle, i.e. a 3.5 ton Euro 4 diesel, we estimate that we have achieved the following performance³⁴:

- 18,253 kg of CO₂ not emitted;
- 20.96 kg of PMx not emitted;
- 110.77 kg of NOx + other pollutants not emitted.

iv. Community involvement

In 2020 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. Work, education and culture will continue to be key areas on which the Group has decided will concentrate its efforts, identifying local best practices to be exported in other geographies across the world. The Group is, indeed, 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.

Campari Gallery

The Campari Gallery 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 and Campari Soda brand and their communication through art and design.

The Gallery exhibits a selection from the Historical Archives, made of over 4,000 sketches on paper, photographs, original Belle Époque posters, posters and advertising graphics from the 1920s to the 1990s by artists such as Marcello Dudovich, Leonetto Cappiello, Marcello Nizzoli, Fortunato Depero, Bruno Munari, Guido Crepax and Ugo Nespolo; *caroselli* (advertising short films dated 1950s-1970s) 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.

³⁴ Source: Inemar 2013 (ARPA Lombardia).

The Campari Gallery tells-in a tangible way, starting with advertising material-the story of the brands, of entrepreneurship, of a territory and society, with a particular focus on the world of creativity art and the city of Milan.

Following its core values and mission, the Gallery responded to the unexpected closure in March 2020, due to the global health situation, by continuing to share and enhance its historical and artistic heritage through a vast offer of online activities in order to narrate its contents, and preserve and diffuse its heritage.

- **Promotion of the cultural heritage: Campari Gallery online activities**

The Gallery remained closed from March 2020 until December 2020, nonetheless it was made accessible through a system of free online guided tours, led by the Gallery Team. Visitor numbers, in 2020, were around 3,000.

- *Online Guided Tours*

The free online guided tours were offered using a 3D high resolution tool reproducing the museum's spaces and contents and were presented live by the Campari Gallery team members. It is an opportunity to enjoy the Campari heritage in an innovative and safe way. In 75 minutes-tours, visitors could discover the Gallery online but while maintaining a significant human touch. In fact, during the tour, visitors could interact with the guide. Thanks to this activity the Gallery was able to entertain its community and share its heritage in a safe way while reaching out to a diverse and broader public, including audience abroad.

These tours were also presented into two additional formats: 1) Art & Mixology: virtual tours in a tandem format, guided by the Gallery Team and a trainer of Campari Academy. The tour focuses both on the history of the brand and its communication through art, as well as on the history of mixology. 2) Art & Restoration: virtual tours in a tandem format, guided by the Gallery Team and an art historian and conservator. The tour focuses on the restoration techniques behind dome Campari's historical posters, such as 'Lo Spiritello' by Leonetto Cappiello, restored in 2018, or 'Declinazione Grafica del nome Campari' by Bruno Munari, restored in 2014. Art Journal-A series of free multidisciplinary online publications focusing on different aspects of the history of Campari. So far, 6 numbers have been released on, with the following themes: Architecture; Street Art; Restoration; Campari Seltz; Campari Soda; Negroni Cocktail.

- *Art Journal*

In June 2020, a new digital project that was introduced: 'The Art Journal' a series of free multidisciplinary online publications focusing on different aspects of the history of Campari. So far, 6 numbers were released, with the following themes: Architecture; Street Art; Restoration; Campari Seltz; Campari Soda; Negroni Cocktail.

The added value of these publications lays in the deep analysis of the topic treated and the important contribution that is given by the different authors of the publications, as some of them are written in collaboration with experts in the field.

- *Digital Pills*

Via its social media channels, Instagram and Facebook, the Gallery started in March 2020 an ongoing story telling activity of in depth focuses on the materials in the Historical Archive. The aim is sharing the history of the company and its heritage with the community, even with the museum being closed. Every Wednesday, a dedicated content is published: an overview on artists who collaborated with the brand, historical venues, projects developed by the Group over the past years, contemporary artistic projects developed by Campari and Campari Soda. It is a way to keep contact and continue to enrich the community by sharing the cultural heritage creating an extraordinary collection of contents.

- **Activities in partnership with other Institutions**

In 2020, Campari Gallery participated in online events as part of national and local initiatives promoted at national level and by the City of Milan. These included: *Archivissima*, in June, devoted to the promotion of the historical corporate archives and their stories to the general public; *Museo City* in July, organized by the City of Milan; and *The Corporate Culture Week* (as part of the national Museimpresa circuit), organized by Confindustria in November.

For these initiatives Campari Gallery promoted its heritage by offering virtual guided tours and creating two dedicated podcasts on the history of the brand and the Company.

Moreover, in October 2020, Campari Gallery collaborated with Corriere della Sera Foundation (one of Milan's most important cultural institutions) promoting '*Lezioni d'Arte (Contemporanea)*' a series of online art lectures held by Professor Vincenzo Trione on different contemporary artists: Anselm Kiefer, Marina Abramović, Damien Hirst, Maurizio Cattelan, Banksy.

In December 2020 Campari Gallery collaborated with Scuola Holden (a school of storytelling, communication and performing arts founded in 1994 in Turin, where it is still based). The Gallery Team supported and trained 16 students in developing a project for this year's Corporate Storytelling workshop: an interpretation of the concept of 'Red passion' and of the *Cantastorie di Campari* books (publications issued between 1927 and 1932) in a contemporary way.

Cinzano Archive

The *Archivio Cinzano* (Cinzano Archive) preserves over 260 years of history of a brand which has managed to intertwine its company development with the change in customs and traditions in our country. The collection is made up of more than 20,000 items, including family documents, posters designed by the most important artists of the past century (e.g. Adolf Hohenstein, Leonetto Cappiello, Raymond Savignac), vintage bottles & labels, diplomas, advertising objects and mixology tools from the beginning of the 19th century to today.

Since 2017 the Cinzano Archive has been able to bring the brand heritage to life through a series of activations (exhibitions and panel discussions) in close collaboration with the local business units around the world.

In 2020, in line with the digitalization of the Company:

- the Cinzano Digital Archive was launched, a user-friendly tool aimed not only at preserving all the brand precious materials collected through years but also to inspire the markets for their present initiatives. The digital Archive collects the most relevant items of the whole Archive, divided per thematic sessions: Company History, Marketing&Communication, Product&Production, Architecture&Places, Cinzano culture;
- the brand started an ongoing storytelling activity through Cinzano's global social media channels to celebrate Cinzano's heritage and honour its legacy. Once a month, a post is dedicated to one of the most iconic posters from the Archive. In this way, the community is able to discover the story and some interesting facts behind every content. A tool with all these artistic contents has been provided to our key markets to use the contents in their local social media accounts;
- a 45-minute e-learning session dedicated to the Archive was offered to all Camparistas. Thanks to live videos from the historical places of Cinzano and an in-depth storytelling, internal audience from all over the world had the possibility to go through a virtual journey to discover the history of the company and its heritage.

Campari and the cinema

• **Venice Film Festival and Campari Lab**

A strong bond has been established between Campari and cinema 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 77th edition of the Mostra Internazionale d'Arte Cinematografica della Biennale di Venezia (Venice International Film Festival), the most important international festival for the promotion of cinema in all its forms.

For the 11 days of the festival, Campari was a point of reference for celebrities, influencers, directors and new talents, through a wide range of activities. In front of the Palazzo del Casinò, the Campari space was, indeed, the centrepiece of these initiatives, the venue for meetings with actors, directors and operators in the sector, including Campari's guests Carolina Crescentini, Marco D'Amore and Edoardo Leo, as well as emerging talents, to share an innovative vision of the art of filmmaking, with an eye to the future. The Campari space also hosted meetings with the protagonists of 'Orizzonti', the Biennale Cinema 2020 international competition dedicated to films that represent new aesthetic and expressive trends in world cinema, with particular attention to debut films, emerging authors and works with innovative and original creative intentions.

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 Terence Blanchard, musician, composer and author of numerous US soundtracks.

At its second edition, Campari LAB is 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 is 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-are discovered and trained. It is 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 collaboration in 2020 was 'Beyond Passion', an anthological series developed in 5 self-contained

short films, all united by the common thread of Red Passion, that irresistible impulse within each of us that transforms passion into extraordinary creation. The shorts were previewed within 'Alice nella Città' (Alice in the City) - the autonomous and parallel section of the Rome Film Festival dedicated to the younger generations.

- **Campari #PerIlCinema (#ForTheCinema)**

The difficult situation experienced in 2020 has severely tested the world of Italian cinema and the entire industry associated with it, a source of national pride and excellence. The repercussions, in turn, have not been long in coming and have affected all the fundamental related professions.

This is why Campari - together with other prestigious partners - has decided to further strengthen its historic link with the Big Screen with the special Campari #PerIlCinema initiative aimed at offering concrete help to this world and to the extraordinary contribution of women and men who, through their talent and passion, make it possible.

Users, in fact, have been able to buy on a dedicated platform dedicated one ticket and for every cinema voucher purchased, Campari gave for free a second cinema voucher to the first 20,000 purchasers. Both vouchers will be usable throughout the year 2021, while the amount have been immediately paid to the participating cinemas: an excellent incentive to give concrete and timely help to the economy of the sector.

Negroni Week

For the 8th consecutive year, Campari Group, along with Imbibe Magazine, promoted Negroni Week, an international charity initiative which celebrates the over 100 years of Negroni Cocktail. The aim of this one-week initiative, which has been taking place internationally since 2015, is to raise funds for charities and non-governmental organisations (NGOs). With the pandemic's global spread resulting in bar and restaurant closures and with countries implementing different sets of rules for reopening, Negroni Week shifted its focus, supporting the industry that has made such a difference to this initiative over the years and that raised almost US\$3 million in over 70 countries.

Therefore, charitable efforts for Negroni Week 2020 concentrated on raising funds to support the industry directly, with donations going to hospitality charities via the Negroni Week website. Donations were encouraged throughout the entire month of September through engaging digital initiatives in collaboration with some international renown bartenders. In 2020, Negroni Week events and happenings all lived digitally, enabling Negroni cocktail lovers to support the cause safely by enjoying a Negroni at home and engaging in a number of unique online activities. Partnering solely with organisations providing assistance and support to hospitality workers, Negroni Week 2020 reached out directly to Negroni lovers, for the first time, to call for donations in order to serve those who have for so long enabled memorable moments of enjoyment in their favourite bars.

Negroni Week 2020 raised US\$292,150 for hospitality workers affected by Covid-19.

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 made 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, in fact, continued 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 2020, Campari Group continued to promote 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. Because of the spread of the pandemic, in 2020 Camparista volunteers virtually 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

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.

Wild Turkey-With Thanks US

With the increasing spread of the pandemic, everyday heroes stepped up in a significant way to support family, friends, neighbours, and strangers. These 'Local Legends' have provided unity, comfort, nourishment and relief during these unprecedented health and economic challenges. In 2020, Matthew McConaughey and Wild Turkey® give thanks and celebrate four selfless individuals from Austin, Chicago, Dallas, and New Orleans who've demonstrated unwavering conviction in serving their communities. These small but profound heroic acts were recognized, as part of the Bourbon brand's 'With Thanks' annual global give back campaign. Wild Turkey Creative Director McConaughey surprised these 'Local Legends' with a virtual chat and rewarded them with a personalized token of appreciation to thank them for their efforts.

Cynar-Graphic artists contest Argentina

With the aim of supporting the community of local artists, Cynar carried out a call for graphic artists, visual artists, designers, illustrators, and photographers during May and June 2020. This call was promoted together with Centro Cultural Konex and a group of well-known influencers in the artistic world. The assignment was to be inspired by the hard moment the society was going through.

More than 2,700 people from 23 different provinces participated, and 50 winning posters were selected by the selector committee. The winners got prizes in cash, in addition to the visibility given to their works of art through the social networks of Cynar, Centro Cultural Recoleta and the before mentioned influencers.

APPENDIX

GRI CONTENT INDEX

GRI Standard	Disclosure	Chapter and paragraph and/or reference to external sources	Direct reference	Omission
GRI 102 - GENERAL STANDARD DISCLOSURES				
ORGANIZATIONAL PROFILE				
<u>102-1</u>	Name of the organization	Note on methodology; chapter 'Governance model'	http://www.camparigroup.com/en/our-group	
<u>102-2</u>	Activities, brands, products and services	Chapter 'Our brands'	http://www.camparigroup.com/en/brands	
<u>102-3</u>	Location of headquarters	Chapter 'Campari Group worldwide'	http://www.camparigroup.com/en/our-group/worldwide-presence	
<u>102-4</u>	Location of operations	Chapter 'Campari Group worldwide'	http://www.camparigroup.com/en/our-group/worldwide-presence	
<u>102-5</u>	Ownership and legal form	Chapters 'About us'; 'Governance model'; 'Corporate Governance' section of the Campari Group consolidated financial statements at 31 December 2020	http://www.camparigroup.com/en/governance	
<u>102-6</u>	Market served	Chapter 'Campari Group worldwide'	http://www.camparigroup.com/en/our-group/worldwide-presence	
<u>102-7</u>	Scale of the organization	Chapters 'Creating value for stakeholders'; 'Our people'; Sociogram; Annual report. The number of bottles produced by the Group in 2020 was about 834.500.000 bottles (bottles produced by the companies Rhumantilles SAS, Licorera Ancho Reyes y CIA S.A.P.I. de C.V., Casa Montelobos S.A.P.I. de C.V. and SARL Champagne Lallier are not included)	http://www.camparigroup.com/en/our-group/our-group/campari-group-glance ; http://www.camparigroup.com/en/investor/results-centre	
<u>102-8</u>	Number of employees by employment contract and type, region and gender	Chapter 'Our people'.		

<u>102-9</u>	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'		
<u>102-10</u>	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	http://www.camparigroup.com/en/investorstrategy/acquisitions-and-disposals	
<u>102-11</u>	Precautionary Principle or approach	Chapter 'Risk management'	http://www.camparigroup.com/en/governance/risk-management	
<u>102-12</u>	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)	http://www.camparigroup.com/sites/default/files/downloadspage/campari_group_employees_and_human_rights_policy_-_en.pdf	
<u>102-13</u>	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				
<u>102-14</u>	Statement from senior decision-maker	Letter from the Chairman 'Building more value together'		
ETHICS AND INTEGRITY				
<u>102-16</u>	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'	http://www.camparigroup.com/en/governance/%20http://www.camparigroup.com/sites/default/files/downloadspage/codeoncomercialcommunication_0.pdf ; http://www.camparigroup.com/it/sostenibilita/qhse-qualita-salute-sicurezza-ambiente/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'; 'Corporate Governance' section of the Campari Group consolidated financial statements at 31 December 2020	http://www.campari.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'		
102-43	Approach to stakeholder engagement	Chapter 'Our stakeholders'		
102-44	Key topics and concerns that have been raised through stakeholder engagement	Chapter 'Our stakeholders'		
REPORTING PRACTICE				
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		
102-46	Process for defining the report content and the topic boundaries	Note on methodology. For the preparation of the Sustainability Report, the Reporting Principles for defining report content and quality have been applied, as defined by the GRI Standards 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	18 February 2020		
102-52	Reporting cycle	Annual		
102-53	Contact point for questions regarding the sustainability report	csr@campari.com		

<u>102-54</u>	Claims of reporting in accordance with the GRI Standards	Note on methodology		
<u>102-55</u>	GRI Content Index	Contained in the Appendix to this report		
<u>102-56</u>	External assurance	Note on methodology; independent auditor's report		
-				
SPECIFIC STANDARD DISCLOSURES				
CATEGORY: ECONOMIC PERFORMANCE				
ASPECT: ECONOMIC PERFORMANCE				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Annual report; Chapter 'Creating value for stakeholders'; Chapter 'Materiality analysis'	http://www.campari.com/en/investor/results-centre	
<u>201-1</u>	Direct economic value generated and distributed	Chapter 'Creating value for stakeholders'		
ASPECT: MARKET PRESENCE				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Our people', paragraph 'Remuneration system'		
<u>202-1</u>	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		
<u>202-2</u>	Proportion of senior management hired from the local community	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'		
ASPECT: ANTI-CORRUPTION				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Paragraph 'Risk management'; The organisational, management and control model (ex D.Lgs 231-01); 'Risk management' section of the Campari Group consolidated financial statements at 31 December 2020	http://www.campari.com/en/governance/rules-and-procedures/model-231	
<u>205-1</u>	Total number and percentage of operations assessed for risks related to corruption and significant risks related to corruption identified	Paragraph 'Risk management'		
<u>205-3</u>	Confirmed incidents of corruption and actions taken	In 2020, there were no reports of corruption incidents		
CATEGORY: PERFORMANCE ENVIRONMENTAL				
ASPECT: MATERIALS				
<u>103-1 / 103-2 / 103-3</u>	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		
302-1	Energy consumption within the organization	Chapter 'Environment' paragraph 'Energy'		
302-3	Energy intensity	Chapter 'Environment' paragraph 'Energy'		
ASPECT: WATER AND EFFLUENTS				
303-1	Interactions with water as a shared resource	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 'Risk Management'; chapter 'Environment' paragraphs 'Management of resources and environmental impact', 'Water management'.		
303-2	Management of water discharge-related impacts	Chapter 'Environment' paragraphs 'Management of resources and environmental impact', 'Water management'.		

<u>303-3</u>	Water withdrawal	Chapter 'Environment' paragraph 'Water management'		
<u>303-4</u>	Water discharge	Chapter 'Environment' paragraph 'Water management'		
<u>303-5</u>	Water consumption	Chapter 'Environment' paragraph 'Water management'		
ASPECT: EMISSIONS				
<u>103-1 / 103-2 / 103-3</u>	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		
<u>305-1</u>	Direct (Scope 1) GHG emissions	Chapter 'Environment' paragraph 'Emissions'		
ASPECT: EFFLUENTS AND WASTE				
<u>103-1 / 103-2 / 103-3</u>	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		
<u>306-2</u>	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				
<u>103-1 / 103-2 / 103-3</u>	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).		
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				
In Accordance to GRI Standards 2018				
403-1	Occupational health and safety management system	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		
403-2	Hazard identification, risk assessment, and incident investigation	Chapter 'Our people', paragraph 'Certifications', chapter 'Risk management', The organisational, management and control model (ex D.Lgs 231-01)		
403-3	Occupational health services	Chapter 'Our people'		
403-4	Worker participation, consultation, and communication on occupational health and safety	Chapter 'Our people' paragraph 'Health and safety-HSE committees'. All the workers in production units are represented by the HSE committees		
403-5	Worker training on occupational health and safety	Chapter 'Our people', paragraphs 'Accidents', 'HSE Programme standardization and best practice sharing', 'Learning and professional development in the workplace'		
403-6	Promotion of worker health	Chapter 'Our people', paragraph 'Health and safety in the workplace'		

<u>403-7</u>	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 'Our people', paragraph 'Health and safety in the workplace'; chapter 'Responsible practices', paragraphs 'Responsible sourcing', 'Quality and food safety of brands'		
<u>403-8</u>	Workers covered by an occupational health and safety management system	Occupational health and safety management system apply to all employees, contractors and visitors		
<u>403-9</u>	Work-related injuries	Chapter 'Our people', paragraph 'Health and safety in the workplace'		
ASPECT: TRAINING AND EDUCATION				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Our people', paragraph 'Learning and professional development in the workplace'		
<u>404-1</u>	Average hours of training per year per employee, by gender and employee category	Chapter 'Our people', paragraph 'Learning and professional development in the workplace'		
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Our people', paragraph 'Diversity and inclusion in the workplace'		
<u>405-1</u>	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		
<u>405-2</u>	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				

<p><u>103-1 / 103-2 / 103-3</u></p>	<p>Management approach disclosures</p>	<p>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</p>		
<p><u>407-1</u></p>	<p>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</p>	<p>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)</p>	<p>http://www.camparigroup.com/en/governance</p>	
<p>ASPECTO: CHILD LABOR</p>				
<p><u>103-1 / 103-2 / 103-3</u></p>	<p>Management approach disclosures</p>	<p>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</p>		
<p><u>408-1</u></p>	<p>Operations and suppliers at significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor</p>	<p>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</p>	<p>http://www.camparigroup.com/en/governance</p>	
<p>ASPECT: FORCED OR COMPULSORY LABOR</p>				

<u>103-1 / 103-2 / 103-3</u>	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		
<u>409-1</u>	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)	http://www.camparigroup.com/en/governance	
ASPECT: HUMAN RIGHTS ASSESSMENT				
<u>103-1 / 103-2 / 103-3</u>	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		
<u>412-1</u>	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		
ASPECT: LOCAL COMMUNITIES				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Employees and human rights policy, paragraph 9. Chapter 'Community Involvement'		
<u>413-1</u>	Operations with local community engagement, impact assessments, and development programs	Chapters 'The Foundations' and 'Community Involvement'		
ASPECT: SUPPLIER SOCIAL ASSESSMENT				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Responsible practices' paragraph 'Responsible sourcing'		

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).		
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		
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'		
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-Compliance'		

<u>417-3</u>	Incidents of non-compliance concerning marketing communications, including advertising, promotion, and sponsorship	Chapter 'Responsible practices', paragraph 'Responsible communications'		
ASPECT: CUSTOMER PRIVACY				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Risk management', paragraph 'Main risks for the Group-Cyber-security risks'		
<u>418-1</u>	Substantiated complaints concerning breaches of customer privacy and losses of customer data	In November 2020, Campari Group that it has been the victim of a targeted ransomware attack following unauthorized access to its network. After technical investigations, Campari Group is able to report that some personal and business data has been compromised. For more information see the section 'Malware attack' of the corporate website	www.camparigroup.com/en/page/news-media/malware-attack	

NON GRI ASPECTS				
Protection of the artistic and cultural heritage				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Materiality analysis'		
Customer satisfaction				
<u>103-1 / 103-2 / 103-3</u>	Management approach disclosures	Chapter 'Materiality analysis'		
-	CPM Complaints received per million bottles produced	Chapter 'Responsible practices', paragraph 'Quality-Complaints'		

Independent auditor's report



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Independent Accountant's Assurance Report

To the Board of Directors of
Davide Campari-Milano N.V.

Scope

We have been engaged by Davide Campari-Milano N.V. to perform a "limited assurance engagement", as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Davide Campari-Milano N.V.'s Sustainability Report (the "Sustainability Report") for the year ended on 31 December 2020.

Criteria applied by Davide Campari-Milano N.V.

In preparing the Sustainability Report, Davide Campari-Milano N.V. applied the "Global Reporting Initiative Sustainability Reporting Standards" ("GRI Standards"), as described in the paragraph "Note on methodology" of the Sustainability Report ("Criteria").

Davide Campari-Milano N.V.'s responsibilities

Davide Campari-Milano N.V.'s management is responsible for selecting the Criteria, and for presenting the Sustainability Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Sustainability Report, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Sustainability Report based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ("ISAE 3000"). Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Sustainability Report is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

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EY's Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Analysis of the process relating to the definition of material aspects included in the Report, with reference to the criteria applied to identify priorities for the different stakeholders categories and to the internal validation of the process outcomes;
- Comparison of economic and financial data and information included in the Report with those included in the Group's consolidated Annual Report as of December 31st, 2020 on which we issued our audit report on February 25th, 2021;
- Understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Report.

In particular, we have conducted interviews and discussions with the management of Davide Campari-Milano N.V. and with the personnel of Campari do Brasil Ltda, Société des Produits Marnier Lapostolle S.A. and Campari Australia PTY 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 data and information to the department responsible for the preparation of the Report.

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

- at Group level
 - with reference to the qualitative information included in the Report we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - 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 Suape plant (Brasil) of the subsidiary Campari do Brasil Ltda, for Aubevoye plant (France) of the subsidiary Société des Produits Marnier Lapostolle S.A. and for Derrimut plant (Australia) of the subsidiary Campari Australia PTY Ltd., which we have selected, within a multi-year cyclical plan of component analysis, based on their activity, relevance to the consolidated performance indicators and location, we have carried out virtual meetings 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 our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Sustainability Report for the year ended on 31 December 2020, in order for it to be in accordance with the Criteria.

Other information

The consolidated non-financial declaration for the year ended on 31 December 2018, whose data are presented for comparative purposes, has been subject to limited assurance procedures by another auditor, who expressed an unqualified conclusion on 21 March 2019.

Milan, 25 February 2021

EY S.p.A.

Alberto Romeo
(Auditor)