



Massimo Zanetti Beverage Group S.p.A.
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share capital € 34,300,000.00 wholly paid up. Treviso Companies Register, Tax ID
code and VAT code No. 02120510371 - REA No. TV- 300188.

REMUNERATION REPORT
Pursuant to Article 123-ter of the Consolidated Law on Finance
and Art. 84-quater of the Issuer Regulation

Approved by the Board of Directors on 10 March 2016

GLOSSARY

Corporate Governance Code or Code	The Corporate Governance Code of listed companies as most recently approved in July 2015 by the Corporate Governance Committee promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.
Nominating and Remuneration Committee or Committee	The Nominating and Remuneration Committee established by the Board of Directors of Massimo Zanetti Beverage Group S.p.A. in accordance with the Code
Board of Directors or Board	The Board of Directors of Massimo Zanetti Beverage Group S.p.A.
Managers with strategic responsibilities	The managers pursuant to Art. 65, paragraph 1-quater of the Issuer Regulation, identified by the Board of Directors
Group	Massimo Zanetti Beverage Group S.p.A. and the companies controlled by it as per Art. 93 of the Consolidated Law on Finance.
Massimo Zanetti Beverage Group or MZBG	Massimo Zanetti Beverage Group S.p.A.
MTA	The "Mercato Telematico Azionario", which is the Italian Electronic Stock Exchange managed by Borsa Italiana S.p.A.
Remuneration Policy or Policy	The remuneration policy for Directors, the General Manager and managers with strategic responsibilities of MZBG, as approved from time to time by the Board of Directors.
Prospectus	The prospectus relating to the Public Offering for Sale and Subscription and for the admission to trading on the Italian Electronic Stock Exchange - STAR Segment, organised and managed by Borsa Italiana S.p.A. of ordinary Massimo Zanetti Beverage Group S.p.A. shares
Committee Regulation	The Regulation of the Nominating and Remuneration Committee
Issuer Regulation	The CONSOB Regulation adopted with Resolution No. 11971 of 14 May 1999 on issuers, as subsequently amended and supplemented.
Remuneration Report or Report	This Remuneration Report issued pursuant to Art. 123-ter of the Consolidated Law on Finance and Art. 84- quater of the Issuer Regulation.
Company	Massimo Zanetti Beverage Group

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INTRODUCTION

This Report was approved on 10 March 2016 by the Board of Directors of Massimo Zanetti Beverage Group, a company listed on the STAR Segment of the Italian Electronic Stock Exchange since 03 June 2015. In accordance with applicable legislation and regulations, it details the Remuneration Policy adopted by the Company in relation to the 2016 financial year ("**2016 Remuneration Policy** "). The second section of the Report outlines the remuneration paid in the year ended 31 December 2015 to members of the management and control bodies, to the General Manager and managers with strategic responsibilities.

At the date of this Report:

- the Board of Directors appointed by the Shareholders' Meeting held on 15 July 2014, consists of nine members who will be in office until the Shareholders' Meeting approving the financial statements at 31 December 2016, namely: Massimo Zanetti (Chairman and Managing Director), Matteo Zanetti, Laura Zanetti, Massimo Mambelli, Lawrence L. Quier, Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta, Jose Fernando Pinto dos Santos, Roberto H. Tentori and Annapaola Tonelli
- the Board of Statutory Auditors appointed by the Shareholders' Meeting held on 15 July 2014, consists of the following Standing Auditors: Pier Paolo Pascucci (Chairman), Ermanno Era and Maria Augusta Scagliarini
- Pascal Heritier holds the position of General Manager
- starting from the 2016 financial year, the Board member Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta also covers the role of manager with strategic responsibilities for MZBG. In 2015, no managers with strategic responsibilities were identified having regard to the corporate structure and powers and mandates conferred.

Pursuant to Art. 123-*ter*, paragraph 6 of the Consolidated Law on Finance, the 2016 Remuneration Policy 2016 under Section I of this Report, shall be subject to the non-binding resolution of the Company's ordinary Shareholders' Meeting, convened in accordance with Art. 2364, paragraph two of the Italian Civil Code, to approve the 2015 financial statements.

SECTION I REMUNERATION POLICY 2016

A) Bodies and parties involved in the drafting, approval and implementation of the Remuneration Policy

The Remuneration Policy is approved annually by the Board of Directors based on a proposal of the Nominating and Remuneration Committee (see point B below).

Pursuant to Art. 123-ter, paragraph 6 of the Consolidated Law on Finance, the 2016 Remuneration Policy under Section I of this Report, is subject to the non-binding resolution of the Company's ordinary Shareholders' Meeting, convened in accordance with Art. 2364, paragraph two of the Italian Civil Code, to approve the 2015 financial statements.

The Board of Directors and the Nominating and Remuneration Committee, as recommended by the Corporate Governance Code and Committee Regulation, are responsible for correctly implementing the Policy.

B) Composition, operational procedures and duties of the Nominating and Remuneration Committee

In accordance with the Committee Regulation, the Nominating and Remuneration Committee is established by way of resolution of the Board of Directors, and consists of at least three independent Directors; alternatively, the Committee may consist of Non-executive directors, the majority of whom independent. At least one member must possess adequate knowledge and experience in accounting and financial matters and/or in remuneration policies, which was assessed by the Board at the time of the appointment. The Chairman is chosen from the independent members.

At the date of this Report, the Nominating and Remuneration Committee consists of three non-executive and independent Directors, more specifically Annapaola Tonelli, acting as Chairwoman, Jose Fernando Pinto dos Santos and Roberto H. Tentori. The latter was identified as a member with adequate experience in financial and remuneration policy matters at the time of his appointment.

Pursuant to the Regulation, the Nominating and Remuneration Committee meets on a periodic basis, with the frequency necessary to carry out its activities, usually on the dates scheduled on the annual calendar of meetings approved by the Committee itself. Meetings are convened by the Chairwoman of the Committee or following a written request of a single member.

For Committee's meetings to be valid, a majority of its members must be in attendance. The Committee's resolutions are duly passed with the favourable vote of the majority of those in attendance. In the case of a tie, the Chair of the meeting shall have determining vote.

Committee's meetings are attended by the Chairman of the Board of Statutory Auditors, or other Statutory Auditor designated by the former, and the other Statutory Auditors may also attend. Persons that are not members may also attend the meetings upon invitation of the Chairwoman and in relation to single items on the agenda. Invited subjects are not eligible to vote.

Directors must refrain from participating in Committee's meetings where the proposals to the Board of Directors referring to their own remunerations are being formulated.

The Committee has the duty to assist and support the Board of Directors, with adequate preliminary work in its assessments and decisions relating to remunerations of Directors and managers with strategic responsibilities.

Specifically, the Committee is assigned the following functions referring to remuneration:

- (i) periodically assesses the adequacy, overall consistency and material application of the policy adopted for the remuneration of executive Directors, other Directors entrusted with specific duties and ,managers with strategic responsibilities; in this regard, making use of the information provided by the Managing Director and the Group's Head of Human Resources, and drawing up proposals for the Board on the subject;
- (ii) submits proposals and delivers opinions to the Board of Directors concerning the remuneration of the executive Directors and of the other Directors entrusted with specific duties, as well as concerning the setting of performance objectives linked to the variable component of said remuneration by monitoring the application of the decisions adopted by the Board, and verifying, in particular, the actual achievement of the performance objectives.

The Committee prepares an annual Report at 31 December, which is submitted to the Board of Directors. During the annual Shareholders' Meeting to approve the financial statements, the Chairwoman presents a report on the activities carried out by the Committee during the reference period.

The Committee is entitled to have access to the information and corporate functions as it is necessary to carry out its tasks, as well as to make use of external consultants.

C) Independent experts that assisted with the preparation of the 2016 Remuneration Policy

No independent experts were involved in the preparation of the 2016 Remuneration Policy.

D) Objectives pursued with the 2016 Remuneration Policy, basic principles and changes compared to the Policy adopted for the 2015 financial year

The goal of the 2016 Remuneration Policy is to attract, retain and motivate individuals with the professional qualities required to successfully manage the Company. It is formulated so as to align management and shareholders' interests, and foster creation of value for shareholders over the medium-long term.

As noted in the Prospectus, the Company did not formally adopt a Remuneration Policy for 2015. Nonetheless, on 04 May 2015, the Board of Directors set the guidelines referring to incentive mechanisms for executive directors, the General Manager and other managers with strategic responsibilities, which aimed at linking a portion of their remuneration to the achievement of multi-year economic-financial and operational targets, working towards medium and long term strategic objectives. These resulted in the adoption of a long-term cash incentive plan on 28 August 2015, referred to as the "2015-2017 three-year Incentive Plan" (the "**2015-2017 Incentive Plan**"). The objectives of such plan are as follows:

- to reward the Company's short and long-term performance, as well as consolidate the alignment between management and shareholders' interests;
- to develop retention policies, focusing on making key corporate resources loyal and incentivising their stay with the Company;
- to develop attraction policies in respect of talented managerial and professional people.

By resolution of 02 March 2016, upon proposal of the Nominating and Remuneration Committee, and following consultations with the Board of Statutory Auditors, the Board of Directors adopted the 2016 Remuneration Policy, which essentially incorporates the Remuneration Policy that had in fact been implemented in 2015 (even though not formalised), and fully integrates the 2015-2017 Incentive Plan.

The 2016 Remuneration Policy adheres to the principles under Art. 6.C.1 of the Corporate Governance Code. Specifically:

- a) the fixed and variable components are adequately balanced depending on the Issuer's strategic objectives and risk management policy, also taking into account the business sector in which it operates and the nature of business it actually performs;
- b) maximum limits are set for the variable components;
- c) the fixed component is adequate to remunerate the office of the Director where the variable component is not paid as a consequence of the non-achievement of the performance objectives specified by the Board of Directors;
- d) the performance objectives - i.e. the economic results and any other specific objectives linked to the payment of variable components - are predetermined, measurable and linked to creation of value for the shareholders in the medium/long-term;
- e) the payment of a significant portion of the variable component of remuneration is deferred for an appropriate period of time with respect to the moment of its accrual; the amount of that portion and the period of deferral are consistent with the characteristics of the business carried out and the associated risk profiles;
- f) contractual arrangements are provided for that allow the Company to request the return, in whole or in part, of the variable components of remuneration paid (or to withhold sums that have been deferred), which were calculated on the basis of data that later turned out to be manifestly erroneous;
- g) any indemnity, provided for termination of the directorship, is defined in such a way that its total amount does not exceed a certain amount or a certain number of years of remuneration. This indemnity is not paid if the termination of the relationship is due to the achievement of objectively inadequate results;
- h) the remuneration of non-Executive Directors is commensurate with the commitment required of each of them, also taking into consideration their participation in one or more committees. Except for a non-significant portion thereof, this remuneration is not linked to the financial results achieved by the Company. Non-executive Directors are not eligible for share-based remuneration plans, unless upon grounded decision of the Shareholders' Meeting.

E) Description of the policies regarding fixed and variable components of remuneration, particularly with regard to the relative weightings within the overall remuneration, with distinction between short and medium-to-long term variable components

Consistently with point D) above, the remuneration of Directors, the General Manager and managers with strategic responsibilities consists of the components referred to below.

i. Fixed component

- pursuant to Art. 2389, paragraph 3 of the Italian Civil Code and the Bylaws, the fixed component for the Chairman and the Managing Director is made up by the remuneration decided by the ordinary Shareholders' Meeting;
- for the other executive and non-executive Directors, the fixed component is made up of the remuneration decided by the Board of Directors as proposed by the Nominating and Remuneration Committee, and following consultations with the Board of Statutory Auditors, taking into account the commitment required of each of them and their possible participation in one or more committees, which in any event, falls within the total amount resolved by the ordinary Shareholders' Meeting, pursuant to Art. 2389, paragraph 3 of the Italian Civil Code and the Bylaws;

- for the General Manager and managers with strategic responsibilities, the fixed component is made up of the fixed gross annual remuneration stated in the signed individual contract, in accordance with the applicable collective regulations.

ii: Variable component

- for the Chairman and Managing Director and the other executive directors, the General Manager and the managers with strategic responsibilities, the variable component is made up of a medium-long term cash incentive ("**Cash Long Term Incentive**" or "**LTI**" or "**Incentive**") based on the 2015-2017 Incentive Plan and linked to the achievement of specific performance objectives, and more specifically:
 - A. the consolidated Ebitda figure effectively attained by the Company during each financial year included in the three-year reference period of the Plan, in relation to the corresponding Target Annual Consolidated Ebitda ("Component A"), with application of a corrective linked to the change in the percentage of the consolidated Ebitda/Gross Margin ratio;
 - B. the consolidated Free Cash Flow figure effectively attained by the Company during each financial year included in the three-year reference period of the Plan (figure accumulated over three years) in relation to the Target Consolidated Three-year FCF ("Component B"), with application of a corrective linked to the change in the percentage of the Company's share price in relation to the placement price)

The following applies to both Components (A and B):

- (i) correctives are provided for, and in particular:
 - (a) Component A may undergo changes (increasing or decreasing) based on the percentage change (%) between the consolidated Ebitda/Gross Margin ratio of MZBG during the reference year and the corresponding target figure specified for each of the Plan's beneficiaries;
 - (b) Component B may undergo changes based on the share price, which could result in changes (increasing or decreasing) based on the percentage change (%) between the placement price for the MZBG shares and the average share price in the last 30 days prior to the final determination of results to be made at the end of the three-year cycle required for the accrual of such results;
- (ii) three achievement levels for the relevant Performance Objective (Minimum, Target and Maximum), to which to specific value of the relevant Incentive are linked; no Incentive will be paid for results falling below the Minimum level.

According to the Corporate Governance Code recommendations, the payment of a significant portion of the Incentive is deferred for an appropriate period of time, having regard to the time of accrual thereof.

Specifically:

- (i) the Incentive relating to Component A is paid 40% up front, and the remaining 60% in the next two financial years, on condition that no "*malus condition*" arise;

- (ii) the Incentive relating to Component B is paid in full after approval of the consolidated financial statements relating to the last financial year of the reference three-year period);

A cap has been set for the incentive payable, even when the maximum level for the relative Performance Objective has been exceeded.

Furthermore, the Board of Directors is entitled to unilaterally and in good faith amend the value of the Performance Objectives that were already accepted by the beneficiaries of the 2015-2017 Incentive Plan - when (i) this should become necessary from a management perspective in order to make the Performance Objectives consistent with annual objectives approved subsequently to the original determination of the Performance Objectives; or (ii) when structural changes occur in the Company and/or Group belonging to it and/or of the business or when extraordinary and/or unexpected events occur that may affect the markets where the Company and/or the Group operates.

- for the General Manager and the managers with strategic responsibilities, there is in addition a variable short term incentive, subject to achievement of performance objectives set on an annual basis ("MBO"), having regard to corporate achievements (for example: growth in the reference market share, increase of business profitability and cash generating capacity, achievement of budget objectives and implementation of the reporting system), as well as individual achievements, determined on the basis of the role covered (for example: professional growth, team building and communication skills).

The MBO must be structured in such a way that the maximum amount thereof cannot in any case exceed 40% of the Gross Annual Remuneration.

F) Policy applied to non-monetary benefits

Based on the 2016 Remuneration Policy, the executive directors, the general manager and other managers with strategic responsibilities are granted non-monetary benefits, on the basis of common practices, and the office and the role covered. These benefits generally include the use of a company car and cellphone.

G) In relation to the variable components, a description of performance objectives in basis of which they are assigned, distinguishing between short and medium-to-long term variable components, and information on the connection between changes in results and changes in the remuneration

In line with the provisions of the 2015-2017 Incentive Plan, the performance objectives for the payment of the variable component of the remuneration are set by the Board of Directors taking into account the specific business carried out by the Company and the related risk profiles.

With reference to the LTI, these objectives are set in a multi-year plan and may be reviewed annually, based on the profitability target and cash generation at consolidated level; these objectives are set in such a way so as to avoid that achievement thereof may influence short-term management decisions. Since the variable payment is linked to the above objectives and is adjusted on the basis of the Company's share value (and therefore indirectly to the corporate results), both the variable short-term components and the medium-long term components are strictly related to the business trend, and aim at creating value for shareholders over a medium-long time horizon.

H) Criteria used to evaluate performance objectives forming the basis of the allocation of shares, options, other financial instruments or other variable components of remuneration

Reference is made to point E) regarding the criteria used to evaluate performance objectives.

The achievement of performance objectives for the vesting of the annual variable payment and/or annual component thereof is evaluated by the Board of Directors on the basis of the information contained in the reference consolidated financial statements.

I) Information intended to demonstrate that the remuneration policy is consistent with pursuing the company's long-term interests and with the risk management policy

Reference is made to points E) and G).

J) Vesting period, deferred payment systems, with indications of deferral period and criteria used to determine these periods and ex-post correction mechanisms

As indicated under point E), with regard to the Chairman and Managing Director, the executive directors, the general manager and the other managers with strategic responsibilities of MZBG, the payment of a significant portion of the variable component of remuneration (LTI) is deferred for an appropriate period of time with respect to time of its accrual, so as to align management interests to creating value for shareholders over the medium-long term.

Based on the 2015-2017 Incentive Plan, the Company is entitled to withhold amounts subject to deferred payments or to request the return, in whole or in part, of variable remuneration components already paid, and calculated on the basis of data that later turned out to be manifestly erroneous (*Malus Condition - Claw back clauses*).

K) Policy on the treatment applicable in the the event of termination of office or termination of the employment relationship, specifying the circumstances determining the right and any link between these procedures and the company's performance

The Company has not entered into nor does it envisage to enter into agreements with Directors for severance pay indemnities or other reasons, in the case of termination of the relevant office.

The above is without prejudice, as far as the general manager and the other managers with strategic responsibilities are concerned, to the provisions under their respective individual employment contracts, in accordance with the collective regulations for sector managers , which stipulate, *inter alia*, a severance indemnity.

L) Information on any insurance, social security or pension plans, other than obligatory schemes;

The Company has entered into and envisages entering into insurance, social security and pension plans other than those that are mandatorily required by the respective employment contracts in the case of directors, the general manager and other managers with strategic responsibilities, in accordance with applicable collective regulations.

M) Remuneration policy applied with reference: (i) to independent directors; (ii) to committee membership; and (iii) to the carrying out of specific duties

The remuneration policy for independent directors does not differ from what is applicable to non-executive directors. It consists exclusively of the fixed component, resolved by the Board of Directors, within the maximum amounts approved by the ordinary Shareholders' Meeting pursuant to Art. 2389, paragraph 3 of the Italian Civil Code and the Bylaws.

The remuneration paid to Directors that are part to committees established by the Board of Directors is set by the Board of Directors after due consultation with the Board of Statutory Auditors, taking into consideration the additional commitment required.

Non-executive directors are not entitled to any long-term cash incentive benefit.

N) Use of remuneration policies of other companies as a reference and, if so, the criteria used for the selection of these companies.

The 2016 Remuneration Policy was prepared by the Company without making reference to the policies of other companies. It is nonetheless in line with the policy of other companies of comparable size and financial results.

SECTION II

PAYMENTS RECEIVED DURING THE 2015 FINANCIAL YEAR BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGERS AND THE MANAGERS WITH STRATEGIC RESPONSIBILITIES

This Section of the Report details, on an individual basis, payments made to subjects that during the 2015 financial year or a portion thereof, were a member of the Board of Directors and the Board of Statutory Auditors, and the General Manager.

There were no additional managers with strategic responsibilities identified during the 2015 financial year.

Part I – Items of the Remuneration

This Part provides an adequate representation of each item composing the remuneration of the individuals, who during the 2015 financial year were members of the Board of Directors, the Board of Statutory Auditors or the General Manager.

The items composing the remuneration are shown analytically in Table 1 of Annex 3A, Schedule 7-bis of the Issuer Regulation reflected under Part II of this Section.

1. Board of Directors

1.1. Chairman and Managing Director

The remuneration for the 2015 financial year for the Chairman and Managing Director Massimo Zanetti was as follows:

Remuneration from Massimo Zanetti Beverage Group

- Fixed remuneration: Euro 600,000, as remuneration for the office of Chairman of the Board of Directors, resolved by the Shareholders' Meeting held on 05 February 2015;
- Variable remuneration (LTI): subject to achievement of the Performance objective corresponding to the consolidated Ebitda reached by the Company during the 2015 financial year, in relation to the corresponding Target Annual Consolidated Ebitda ("Component A"). Assessment of the achievement of the personal objectives was conducted by the Board of Directors on 10 March 2015, with the prior opinion of the Remuneration Committee meeting held on the same date, based on the 2015 Consolidated financial statements approved by the Board itself. No incentive was paid in view of the fact that the minimum Performance Objective was not reached in respect of the 2015 financial year.
- Non-monetary benefits: use of company cellphone, third party liability insurance policy.

No economic treatment is provided for in the case of termination of the office.

Remuneration from subsidiaries

In addition, Massimo Zanetti also received: i) a fixed remuneration of Euro 91,853 as a Board member and Chairman of Massimo Zanetti Beverage USA Inc, ii) a fixed remuneration of Euro 15,352 as a Board member and Chairman of Massimo Zanetti Beverage SA, iii) a fixed remuneration of Euro 862,500 as a Board member and Chairman of Segafredo Zanetti S.p.A. and iv) a fixed remuneration of Euro 150,000 as a Board member and Chairman of Meira OY.

1.2. Executive Directors

The remuneration of **Massimo Mambelli** for the 2015 financial year was as follows.

Remuneration from the Massimo Zanetti Beverage Group

- Fixed remuneration: Euro 60,000, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 05 February 2015; and
- Variable remuneration (LTI): subject to achievement of the Performance objective corresponding to the consolidated Ebitda reached by the Company during the 2015 financial year, in relation to the corresponding Target Annual Consolidated Ebitda ("Component A"). Assessment of the achievement of the personal objectives was conducted by the Board of Directors on 10 March 2015, with the prior opinion of the Remuneration Committee meeting held on the same date, based on the 2015 Consolidated financial statements approved by the Board itself. No incentive was paid in view of the fact that the minimum Performance Objective was not reached in respect of the 2015 financial year.
- Non-monetary benefits: use of company cellphone, third party liability insurance policy.

No economic treatment is provided for in the case of termination of the office

Remuneration from subsidiaries

In addition, Massimo Mambelli also received: i) a fixed remuneration of Euro 18,128 as a Board member of Massimo Zanetti Beverage USA Inc, ii) a fixed remuneration of Euro 10,000 as a Board member of Massimo Zanetti Beverage SA, iii) a fixed remuneration of Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., iv) a fixed remuneration of Euro 25,000 as a Board member of La San Marco S.p.A., v) a fixed remuneration of Euro 10,000 as a Board member of Segafredo Zanetti Coffee System S.p.A., vi) a fixed remuneration of Euro 10,000 as a Board member of TikTak Segafredo Zanetti Nederland B.V., vii) a fixed remuneration of Euro 10,000 as a Board member of Segafredo Zanetti France SA, viii) a fixed remuneration of Euro 10,000 as a Board member of Segafredo Zanetti Australia Pty Ltd and xi) a fixed remuneration of Euro 165,705 corresponding to the annual gross remuneration stipulated by the personal contract signed as a Senior Executive of Segafredo Zanetti S.p.A..

The remuneration of **Larry Quier** relating to the 2015 financial year is as follows.

Remuneration from the Massimo Zanetti Beverage Group

- Fixed remuneration: Euro 20,000, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 05 February 2015;
- Variable remuneration (LTI): subject to achievement of the Performance objective corresponding to the consolidated Ebitda reached by the Company during the 2015 financial year, in relation to the corresponding Target Annual Consolidated Ebitda ("Component A"). Assessment of the achievement of the personal objectives was conducted by the Board of Directors on 10 March 2015, with the prior opinion of the Remuneration Committee meeting held on the same date, based on the 2015 Consolidated financial statements approved by the Board itself. No incentive was paid in view of the fact that the minimum Performance Objective was not reached in respect of the 2015 financial year.
- Non-monetary benefits: use of company cellphone, third party liability insurance policy.

No economic treatment is provided for in the case of termination of the office

Remuneration from subsidiaries

Larry Quier also received a fixed remuneration of Euro 598,904 corresponding to the annual gross remuneration provided for in his individual employment contract as Chief Operating Officer of Massimo Zanetti Beverage USA Inc.

1.3. Non-Executive Directors

The remuneration of other members of the Board of Directors, all of whom are non-executive, for the 2015 financial year is as follows.

- **Laura Zanetti**: as Board member of Massimo Zanetti Beverage Group, a fixed remuneration of Euro 20,000, as resolved by the Board of Directors on 05 February 2015.

Remuneration from subsidiaries: i) a fixed remuneration of Euro 15,000 as a Board member of Massimo Zanetti Beverage SA, ii) a fixed remuneration of Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., iii) a fixed remuneration of Euro 25,000 as a Board member of La San Marco S.p.A. and iv) a fixed remuneration of Euro 100,000 corresponding to the annual gross remuneration stipulated by the personal contract signed as Senior Executive of Segafredo Zanetti S.p.A.

- **Massimo Zanetti**: as Board member of Massimo Zanetti Beverage Group, a fixed remuneration of Euro 20,000, as resolved by the Board of Directors on 05 February 2015.

Remuneration from subsidiaries: i) a fixed remuneration of Euro 15,000 as a Board member of Massimo Zanetti Beverage SA, ii) a fixed remuneration of Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., iii) a fixed remuneration of Euro 25,000 as a Board member of La San Marco S.p.A., iv) a fixed remuneration of Euro 30,000 as a Board member of Segafredo Zanetti Coffee System S.p.A. and v) a fixed remuneration of Euro 145,000 corresponding to the annual gross remuneration stipulated by the personal contract signed as Senior Executive of Segafredo Zanetti Coffee System S.p.A.

- **Annapaola Tonelli**: as a Board member of Massimo Zanetti Beverage Group a fixed remuneration of Euro 20,000, as member and Chairwoman of the Nominating and Remuneration Committee a fixed remuneration of Euro 10,000, as member of the Audit and Risk Committee a fixed remuneration of Euro 5,000 and as a member of the Related-Parties Committee a fixed remuneration of Euro 5,000, as resolved by the Board of Directors on 05 February 2015.

- **Roberto H. Tentori**: as a Board member of Massimo Zanetti Beverage Group a fixed remuneration of Euro 20,000, as a member and Chairman of the Audit and Risk Committee, a fixed remuneration of Euro 10,000, as a member and Chairman of the Related-Parties Committee, a fixed remuneration of Euro 10,000 and as a member of the Nominating and Remuneration Committee a fixed remuneration of Euro 5,000, as resolved by the Board of Directors on 05 February 2015.

- **Josè Fernando Pinto dos Santos**: as a Board member of Massimo Zanetti Beverage Group a fixed remuneration of Euro 20,000, as a member of the Nominating and Remuneration Committee a fixed remuneration of Euro 5,000, as a member of the Audit and Risk Committee a fixed remuneration of Euro 5,000 and as a member of the Related-Parties Committee, a fixed remuneration of Euro 5,000, as resolved by the Board of Directors on 05 February 2015.

- **Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta**: as a Board member of Massimo Zanetti Beverage Group a fixed remuneration of Euro 20,000, as resolved by the Board of Directors on 05 February 2015, as manager of the Company a fixed remuneration of Euro 37,143, corresponding to the gross annual remuneration provided for in her individual employment contract, in compliance with the collective regulations for managers in the food industry, which also includes, *inter alia*, a severance indemnity.

Remunerations from subsidiaries: a fixed remuneration of Euro 80,831 as Managing Director of Segafredo Zanetti Australia Pty Ltd. (until 30 June 2015).

All Board members referred to above benefit from third party civil liability insurance.

No economic treatment is provided for in the case of termination of their office as Directors of the Massimo Zanetti Beverage Group.

1.4. Board of Statutory Auditors

The remuneration for the members of the Board of Statutory Auditors for the 2015 financial year, as resolved by the Shareholders' Meeting held on 15 July 2014, is as follows:

- for the Chairman of the Board of Statutory Auditors **Pier Paolo Pascucci** a gross all-inclusive annual remuneration of Euro 37,500;
- for the Standing Auditor **Ermanno Era** a gross all-inclusive annual remuneration of Euro 25,000;
- for the Standing Auditor **Maria Augusta Scagliarini** a gross all-inclusive annual remuneration of Euro 25,000.

1.5. General Manager

The remuneration for the General Manager **Pascal Heritier** relating to the 2015 financial year is as follows.

Remuneration for the Massimo Zanetti Beverage Group

- Fixed remuneration: Euro 199,999, corresponding to the gross annual remuneration provided for in his individual employment contract, in compliance with the collective regulations for managers in the food industry, which also includes, *inter alia*, a severance indemnity;
- Variable remuneration (LTI): subject to achievement of the Performance objective corresponding to the consolidated Ebitda reached by the Company during the 2015 financial year, in relation to the corresponding Target Annual Consolidated Ebitda ("Component A"). Assessment of the achievement of the personal objectives was conducted by the Board of Directors on 10 March 2015, with the prior opinion of the Remuneration Committee meeting held on the same date, based on the 2015 Consolidated financial statements approved by the Board itself. No incentive was paid in view of the fact that the minimum Performance Objective was not reached in respect of the 2015 financial year..
- Non-monetary benefits: use of company cellphone, third party liability insurance policy.

Remuneration from subsidiaries

In addition, Pascal Heritier also received the following remuneration (for a total of Euro 127,201):
Euro 52,200, for the office as managing director of Massimo Zanetti Beverage SA
Euro 25,000, for the office as managing director of Segafredo Zanetti Espresso Worldwide Ltd;
Euro 25,000, for the office as Board member of La San Marco S.p.A.;
Euro 10,000 for the office as President of Segafredo Zanetti Espresso Worldwide Japan;
Euro 10,000 for the office as President of Boncafe International;
Euro 5,000 for the office as Board member of Segafredo Zanetti Portugal SA;
Euro 5,000 for the office as general manager of Segafredo Zanetti Austria GmbH.

1.6. Managers with strategic responsibilities

There were no managers with strategic responsibilities identified during the 2015 financial year.

1.7. Agreements providing for indemnities in the event of early termination

During 2015 no agreements was signed providing for indemnities in the case of early termination of the working relationship between the Company and its Directors, the Statutory Auditors and General Manager, except in the case of the latter, where the relevant collective regulations find application.

1.8. Cash Long Term Incentive

On 28 August 2015, upon on consultations with the Nominating and Remuneration Committee, the Board of Directors approved the 2015-2017 Incentive Plan.

Reference is made to point E) for more information on the 2015-2017 Incentive Plan.

The 2015-2017 Incentive Plan regulations are available on the Company internet site www.mzb-group.com under the section "*IR/Corporate Governance/Procedures and Regulations*".

Part II - Tables

The tables below detail the remunerations paid for any reason and in any form by MZBG and its subsidiaries and associated companies for the 2015 financial year, to members of the Board of Directors and Board of Statutory Auditors, the General Manager and managers with strategic responsibilities.

It is noted that with the sole exception of the General Manager, no managers with strategic responsibilities was identified for the 2015 financial year.

Treviso, 10 March 2016

On behalf of the Board of Directors
The Chairman
(Massimo Zanetti)

TABLE - Remuneration paid to members of administration and control bodies, to the general manager and to other managers with strategic responsibilities

(Remuneration is expressed in Euro)

Name and surname	Office	Period in which office was held	Expiration of office		Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value remuneration	Severance indemnities for end of office or termination of employment
							Bonuses and other incentives	Stake in profits					
Massimo Zanetti	Chairman BoD Managing Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	600,000	-	-	-	-	-	600,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	1.119.705 ⁽¹⁾	-	-	-	-	-	1,119,705	-	-
				<i>Total</i>	1,719,705	-	-	-	-	-	1,719,705	-	-
Matteo Zanetti	Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	-	-	-	-	-	20,000	-	-
				<i>Remuneration subsidiaries and affiliated companies</i>	295,000 ⁽²⁾	-	-	-	-	-	295,000	-	-
				<i>Total</i>	315,000	-	-	-	-	-	315,000	-	-
Laura Zanetti	Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	-	-	-	-	-	20,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	220,000 ⁽³⁾	-	-	-	-	-	220,000	-	-
				<i>Total</i>	240,000	-	-	-	-	-	240,000	-	-

Name and surname	Office	Period in which office was held	Expiration of office		Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value remuneration	Severance indemnities for end of office or termination of employment
							Bonuses and other incentives	Stake in profits					
Massimo Mambelli	Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	60,000	-	-	-	-	-	60,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	328,833 ⁽⁴⁾	-	-	-	-	-	328,833	-	-
				<i>Total</i>	398,833	-	-	-	-	-	398,833	-	-
Lawrence L. Quier	Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	-	-	-	-	-	20,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	598,904 ⁽⁵⁾	-	-	-	-	-	598,904	-	-
				<i>Total</i>	618,904	-	-	-	-	-	618,904	-	-
Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta	Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	57,143 ⁽⁶⁾	-	-	-	-	-	57,143	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	80,831 ⁽⁷⁾	-	-	-	-	-	80,831	-	-
				<i>Total</i>	137,974	-	-	-	-	-	137,974	-	-
José Fernando Pinto dos Santos	Independent Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	15,000 ⁽⁸⁾	-	-	-	-	35,000	-	-
				<i>Remuneration from subsidiaries</i>	-	-	-	-	-	-	-	-	-

Name and surname	Office	Period in which office was held	Expiration of office		Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value remuneration	Severance indemnities for end of office or termination of employment
							Bonuses and other incentives	Stake in profits					
				<i>and affiliated companies</i>									
				<i>Total</i>	20,000	15,000	-	-	-	-	35,000	-	-
Roberto H. Tentori	Independent Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	25,000 ⁽⁹⁾	-	-	-	-	45,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-	-
				<i>Total</i>	20,000	25,000	-	-	-	-	45,000	-	-
Annapaola Tonelli	Independent Director	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	20,000	20,000 ⁽¹⁰⁾	-	-	-	-	40,000	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	20,000	20,000	-	-	-	-	40,000	-	-
Pier Paolo Pascucci	Chairman Board of Statutory Auditors	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	37,500	-	-	-	-	-	37,500	-	-
				<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-	
				<i>Total</i>	37,500	-	-	-	-	-	37,500	-	-

Name and surname	Office	Period in which office was held	Expiration of office		Fixed remuneration	Remuneration for participation in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value remuneration	Severance indemnities for end of office or termination of employment	
							Bonuses and other incentives	Stake in profits						
Ermanno Era	Standing Auditor	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	25,000	-	-	-	-	-	25,000	-	-	
				<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-		
				<i>Total</i>	25,000	-	-	-	-	25,000	-	-		
Maria Augusta Scagliarini	Standing Auditor	1.1.2015-31.12.2015	Shareholders' Meeting to approve 2016 Financial Statements	<i>MZBG remuneration</i>	25,000	-	-	-	-	-	25,000	-	-	
				<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-		
				<i>Total</i>	25,000	-	-	-	-	25,000	-	-		
Pascal Heritier	General Manager	1.1.2015-31.12.2015	-	<i>MZBG remuneration</i>	199,999	-	-	-	-	-	199,999	-	-	
				<i>Remuneration from subsidiaries and affiliated companies</i>	127,201	-	-	-	-	-	-	127,201	-	-
				<i>Total</i>	327,200	-	-	-	-	327,200	-	-		

⁽¹⁾ Of which: Euro 91,853 as a Board member and Chairman of Massimo Zanetti Beverage USA Inc, Euro 15,352 as a Board member and Chairman of Massimo Zanetti Beverage SA, Euro 862,500 as a Board member and Chairman of Segafredo Zanetti S.p.A. and Euro 150,000 as a Board member and Chairman of Meira OY.

⁽²⁾ Of which: Euro 15,000 as a Board member of Massimo Zanetti Beverage SA, Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., Euro 25,000 as a Board member of La San Marco S.p.A., Euro 30,000 as a Board member of Segafredo Zanetti Coffee System S.p.A. and Euro 145,000 as Senior Executive of Segafredo Zanetti Coffee System S.p.A.



- ⁽³⁾ Of which Euro 15,000 as a Board member of Massimo Zanetti Beverage SA, Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., Euro 25,000 as a Board member of La San Marco S.p.A. and Euro 100,000 as Senior Executive of Segafredo Zanetti S.p.A.
- ⁽⁴⁾ Of which: Euro 18,128 as a Board member of Massimo Zanetti Beverage USA Inc, Euro 10,000 as a Board member of Massimo Zanetti Beverage SA, Euro 80,000 as a Board member of Segafredo Zanetti S.p.A., Euro 25,000 as a Board member of La San Marco S.p.A., Euro 10,000 as a Board member of Segafredo Zanetti Coffee System S.p.A., Euro 10,000 as a Board member of TikTak Segafredo Zanetti Nederland B.V., Euro 10,000 as a Board member of Segafredo Zanetti France SA, Euro 10,000 as a Board member of Segafredo Zanetti Australia Pty Ltd and Euro 165,705 as a Senior Executive of Segafredo Zanetti S.p.A..
- ⁽⁵⁾ As Chief Operating Officer of Massimo Zanetti Beverage USA Inc
- ⁽⁶⁾ Of which Euro 20,000 as a Board member of Massimo Zanetti Beverage Group and Euro 37,143 as Senior executive of the Company.
- ⁽⁷⁾ As the Managing Director of Segafredo Zanetti Australia Pty Ltd. (until 30 June 2015).
- ⁽⁸⁾ Of which: Euro 5,000 as the fixed remuneration as a member of the Audit and Risk Committee, Euro 5,000 as the fixed remuneration as a member of the Nominating and Remuneration Committee and Euro 5,000 as the fixed remuneration as a member of the Related-Party Transactions Committee.
- ⁽⁹⁾ Of which: Euro 10,000 as the fixed remuneration as Chairman of the Audit and Risk Committee, Euro 5,000 as the fixed remuneration as a member of the Nominating and Remuneration Committee and Euro 5,000 as the fixed remuneration as a member of the Related-Party Transactions Committee.
- ⁽¹⁰⁾ Of which: Euro 5,000 as the fixed remuneration as a member of the Audit and Risk Committee, Euro 10,000 as the fixed remuneration as Chairwoman of the Nominating and Remuneration Committee and Euro 5,000 as the fixed remuneration as a member of the Related-Party Transactions Committee.

**TABLE - Cash incentive plans for members of the administration body, for general managers and for other managers with strategic responsibilities
(Remuneration is expressed in Euro)**

Name and surname	Office		Bonus for the year				Bonuses for previous years			Other bonuses
			Plan	Payable/paid	Deferred	Deferral period	No longer payable	Payable/paid	Still deferred	
Massimo Zanetti	Chairman BoD	<i>MZBG remuneration</i>	CLTI 2015-2017 (BoD 28/8/2015)	-	-	-	-	-	-	-
	Managing Director	<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-
	<i>Total</i>			-	-	-	-	-	-	-
Massimo Mambelli	Director	<i>MZBG remuneration</i>	CLTI 2015-2017 (BoD 28/8/2015)	-	-	-	-	-	-	-
		<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-
		<i>Total</i>			-	-	-	-	-	-
Larry Quier	Director	<i>MZBG remuneration</i>	CLTI 2015-2017 (BoD 28/8/2015)	-	-	-	-	-	-	-
		<i>Remuneration from subsidiaries and affiliated companies</i>	-	-	-	-	-	-	-	-
		<i>Total</i>								

SECTION III

INFORMATION ON SHAREHOLDINGS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGERS AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

In accordance with Art. 84-*quater* of the Issuer Regulation, the table below provides the names of the members of the Board of Directors and Board of Statutory Auditors, the General Manager and, on an aggregate basis, of the Managers with Strategic Responsibilities holding shareholdings in MZBG and its subsidiaries.

Name and surname	Office	Period in which office was held	Shareholding in company	Number of shares held at the end of the 2014 financial year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the 2015 financial year
Massimo Zanetti	Chairman BoD Managing Director	01.01.2015- 31.12.2015	Massimo Zanetti Beverage Group S.p.A. ⁽¹⁾	28,000,000	-	5,355,117	22,644,883
Pascal Heritier	General Manager	01.01.2015- 31.12.2015	Massimo Zanetti Beverage Group S.p.A.	0	400	0	400

(¹) Indirect shareholding held through the subsidiary MZ.Industries S.A..