



Massimo Zanetti Beverage Group S.p.A.
Company offices in Viale Gian Giacomo Felissent, 53, 31020 Villorba - Treviso -
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REMUNERATION REPORT
issued pursuant to Art. 123-ter of the
Consolidated Law on Finance and Art. 84-
quater of the Issuer Regulation.

Approved by the Board of Directors on 28 February 2019

GLOSSARY

Corporate Governance Code or Code	The Corporate Governance Code of listed companies as most recently approved in July 2018 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, Par. 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 or Company	Massimo Zanetti Beverage Group S.p.A.
MTA	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 the managers with strategic responsibilities of MZBG, as approved each time by the Board of Directors.
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.

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INTRODUCTION

This Report was approved on 28 February 2019 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 with respect to the 2019 financial year ("**2019 Remuneration Policy**"). The second section of the Report outlines the remuneration paid and/or accrued (even if not yet paid) in the year ended 31 December 2018 to members of the management and control bodies, to the General Manager and to the managers with strategic responsibilities.

Therefore, at the date of this Report:

- the Board of Directors consists of nine members: Massimo Zanetti (Chairman and Managing Director), Matteo Zanetti, Laura Zanetti, Massimo Mambelli, Leonardo Rossi, Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta, Mara Vanzetta, Sabrina Delle Curti and Giorgio Valerio. The Board of Directors was appointed with resolution of the Shareholders' Meeting held on 11 April 2017, with the exception of Director Leonardo Rossi, appointed by co-optation by the Board of Directors on 18 June 2018, to replace Director Lawrence L. Quier, who resigned from his position on that same day. The Board of Directors shall remain in office until the Shareholders' Meeting called to approve the financial statements as at 31 December 2019, with the exception of Director Leonardo Rossi, whose mandate, as coopted Director, expires at the time of the Shareholders' Meeting called to approve the financial statements as at 31 December 2019;
- the Board of Statutory Auditors – appointed by the Shareholders' Meeting held on 11 April 2017 – consists of the following Standing Auditors: Fabio Facchini (Chairman), Simona Gnudi and Franco Squizzato;
- Pascal Héritier holds the position of General Manager;
- the Company's Managers with strategic responsibilities are Leonardo Rossi, Giorgio Boggero and Francesco Cantini.

Pursuant to Art. 123-ter, Par. 6 of the Consolidated Law on Finance, the 2019 Remuneration Policy, as described in Section I of this Report, shall be subject to the not-binding resolution of the ordinary Shareholders' Meeting of the Company, called in accordance with Art. 2364, Par. 2 of the Italian Civil Code, to approve the 2018 financial statements.

SECTION I

2019 REMUNERATION POLICY

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, Par. 6 of the Consolidated Law on Finance, the Remuneration Policy under Section I of this Report, is subject to the not-binding resolution of the Company's ordinary Shareholders' Meeting, convened in accordance with Art. 2364, Par. 2 of the Italian Civil Code, to approve the 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. It consists of three non-executive Directors, the majority of whom independent; its Chairman is chosen among the independent Directors. If the Board of Directors consists of no more than eight members, the Committee may include only two Directors, both 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.

At the date of this Report, the Nominating and Remuneration Committee consists of three non-executive and independent Directors, notably, Giorgio Valerio, acting as Chairman, Sabrina Delle Curti and Mara Vanzetta. The latter was identified as a member with adequate experience in accounting and financial matters at the time of her appointment.

Pursuant to the Regulation, the Nominating and Remuneration Committee meets regularly, 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 Chairman of the Committee or following a written request by one or more members.

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.

The Chairperson of the Board of Statutory Auditors, or another statutory auditor designated by this, may participate in the committee meetings; other members of the Board of Statutory Auditors can also participate. The Chairperson can invite one or more members of the Board of Directors, managers of the Auditing Firm and/or any other collaborator, and/or consultant and/or employee of the Company or any of its subsidiaries, to participate in Committee meetings in relation to one or more items on the agenda and in all cases without voting right.

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 assists and supports the Board of Directors, with preliminary work aimed at submitting proposals and providing advice, in its assessments and decisions relating to composition of the Board of Directors and remunerations of Directors and managers with strategic responsibilities.

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

- (i) submit proposals to the Board of Directors for the definition of a policy for the remuneration of Directors and managers with strategic responsibilities;
- (ii) periodically assess the adequacy, overall consistency and material application of the policy adopted for the remuneration of Directors and managers with strategic responsibilities, in this regard making use of the information provided by the Managing Directors, and submit proposals to the Board of Directors on the subject;
- (iii) submit proposals and deliver opinions to the Board of Directors on the remuneration of Executive Directors and other Directors entrusted with specific duties, as well as on 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 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 one or more independent consultants or experts.

The Committee prepares an annual report at 31 December, which is submitted to the Board of Directors by the date of approval of the draft financial statements. Where necessary the Chairperson of the Committee also reports to the Shareholders in their meeting called to approve the financial statements on the tasks carried out by the Committee.

C) Independent experts that assisted with the preparation of the Remuneration Policy 2019

No independent experts were involved in the preparation of the 2019 Remuneration Policy.

D) Objectives pursued with the 2019 Remuneration Policy, basic principles and changes compared to the Policy adopted for the 2018 FY

In line with the 2018 remuneration policy, the 2019 Remuneration Policy continue to pursue the aim of attracting, retaining and motivating 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.

In particular, the 2019 Remuneration Policy provides the guidelines concerning the incentive mechanisms for executive directors, the General Manager and the other managers with strategic responsibilities, 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 guidelines have been the basis for the drafting of a long-term cash incentive plan adopted by the Board of Directors on 28 February 2018 and referred to as the "2018-2020 three-year Incentive Plan" ("**2018-2020 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 on 28 February 2019, upon proposal of the Nominating and Remuneration Committee, and following consultations with the Board of Statutory Auditors, the Board of Directors adopted the 2019 Remuneration Policy, which essentially incorporates the Remuneration Policy implemented in 2018.

The 2019 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 not-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 proportional to the commitment requested from each of them, also taking into account their participation in one or more committees. Except for an insignificant 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 remuneration components, particularly with regard to the relative weight within the overall remuneration, with distinction between short and medium-to-long term variable components

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

(I) Fixed component

- (I.1) for the Chairman and Managing Director and for the individual executive and non-executive Directors, the fixed component is made up of the remuneration decided by the Board of Directors, following consultations with the Board of Statutory Auditors, taking

also into account the commitment required of each of them and any participation in one or more committees, in any event, within the total amount resolved by the ordinary Shareholders' Meeting, pursuant to Art. 2389, Par. 3 of the Italian Civil Code and the by-laws;

- (I.2) for the General Manager and the managers with strategic responsibilities, the fixed component is made up of the fixed gross annual remuneration specified in the individual agreements concluded, in accordance with the applicable collective contract regulations.

(II) Variable component

- (II.1) 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 2018-2020 Incentive Plan and linked to the achievement of specific performance objectives, and more specifically:

- (II.1.1) the consolidated Ebitda attained by the Company in each financial year included in the three-year reference period of the Plan, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**"),

- (II.1.2) the consolidated Free Cash Flow attained by the Company in the three-year reference period of the Plan (cumulative over three years) with respect to the three-year Consolidated FCF Target ("**Component B**").

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

- (a) correctives are provided for, and in particular:
 - (a.1) Component A may be revised (upwards or downwards) based on the percentage change (%) between the consolidated Ebitda/Gross Margin ratio of MZBG during the reference year and the corresponding target figures;
 - (a.2) the Component B may be revised (upwards or downwards) based on the difference between the Total Shareholder Return ("**TSR**") of MZBG in the period between 2 January 2018 and 31 December 2020 and the TSR achieved in the same reference period by comparable companies included in a reference index used as a comparison. Calculations shall take place at the end of the three-year cycle specified for the accrual of the results;
- (b) 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 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, with respect to the time it is accrued.

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 for the last financial year of the reference three-year period;

A cap has been set for the incentive that can be paid, even when the maximum level for the relative Performance Objective has been exceeded.

Furthermore, the Board of Directors may unilaterally and in good faith amend the value of the Performance Objectives that were already accepted by the beneficiaries of the 2018-2020 Incentive Plan, when

- (1) this should become necessary from a management perspective to make the Performance Objectives consistent with annual objectives approved after the original definition of the Performance Objectives; or
 - (2) when structural changes occur in the Company and/or the Group and/or the business or when extraordinary and/or unexpected events occur that may affect the markets where the Company and/or the Group operates.
- (II.2) for the managers with strategic responsibilities, an additional variable short-term incentive may also be specified, conditional on the achievement of corporate performance objectives specified on an annual basis ("**MBO**"), such as, for example increased profitability, increased cash generation, higher sales volume, increased Gross Profit per kg.

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 2018 Remuneration Policy, the executive directors, the general manager and the 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 may include the use of a company car, notebook and cell phone, as well as a third-party liability insurance policy.

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 2018-2020 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 during the review of the multi-year plan and may be reviewed annually, based on the profitability and cash generation targets at the consolidated level; these objectives are set in such a way so as to avoid that their achievement may result in short-sighted management decisions. Since the variable payment is linked to the above objectives and adjusted on the basis of the Company's share value (and therefore indirectly of the corporate results), both the variable short-term and the medium-long term components are strictly related to the business performance 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 periods, deferred payment systems, with indications of deferral periods 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 2018-2020 Incentive Plan, the Company may withhold amounts subject to deferred payments or to request the refund, in whole or in part, of variable remuneration components already paid, and calculated on the basis of data later found to be manifestly erroneous (*Malus Condition* and clawback clauses).

K) Policy on the compensation due in the event of termination of office or termination of the employment relationship, specifying in which circumstances the right arises and any link between this compensation and the performance of the Company

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 required by the respective employment contracts in the case of directors, the general manager and the other managers with strategic responsibilities, in accordance with applicable collective regulations.

M) Remuneration policy, if any, with regard to (i) independent directors; (ii) committee membership; and (iii) the performance 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, Par. 3 of the Italian Civil Code and the By-laws.

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 2019 Remuneration Policy was drafted 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 2018 FINANCIAL YEAR BY MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS, THE GENERAL MANAGER AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

This Section of the Report details, by name, the payments made to individuals who during the 2018 financial year or a portion thereof held the position of member of the Board of Directors, member of the Board of Statutory Auditors, General Manager or Manager with strategic responsibilities.

Part I – Items of the Remuneration

This Part provides an adequate representation of each item composing the remuneration of the individuals who during the 2018 financial year held the position of member of the Board of Directors, member of the Board of Statutory Auditors, General Manager or Manager with strategic responsibilities.

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 2018 FY for the Chairman and Managing Director Massimo Zanetti was as follows:

1.1.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 650,000.00, as remuneration for the office of Chairman of the Board of Directors, resolved by the Board of Directors' Meeting held on 13 April 2017;

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 114,406.00;
- ii) Variable remuneration (LTI): subject to achievement of the Performance Objective set out in the 2018-2020 Incentive Plan corresponding to: (i) the consolidated Ebitda attained by the Company in the 2018 FY, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**") and (ii) the consolidated Free Cash Flow attained by the Company in the three-year 2018-2020 period with respect to the corresponding Cumulative Consolidated FCF Target ("**Component B**"). The assessment of the achievement of the personal objectives was performed by the Board of Directors on 28 February 2019, after hearing the Nominating and Remuneration Committee, based on the 2018 Consolidated financial statements approved by the Board itself. As a result of this assessment, with regard to the 2018 FY, an additional remuneration linked to the LTI has been accrued for a total of Euro 1,246,086.00, of which Euro 760,931.00 with regard to Component A and Euro 485,155.00 with regard to Component B. In compliance with the provisions of the 2018-2020 Incentive Plan, this additional remuneration shall be paid as follows:

- a) as for Component A, Euro 304,372.00 (equal to 40% of the amount accrued) by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2018 and Euro 456,559.00 (equal to residual 60% of the amount accrued) in two tranches of equal amount, in the FY 2020 and 2021, by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the corresponding consolidated financial statements, subject to fulfilment of the relevant conditions set out in the 2018-2020 Incentive Plan;
- b) as for Component B, in one single payment by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2020.

Non-monetary benefits: use of company cell phone, third party liability insurance policy.

No remuneration is provided for in the case of termination of the office.

1.1.2 *Remuneration from subsidiaries*

In addition, Massimo Zanetti received:

- a fixed remuneration of Euro 85,281.00 as a Board member and Chairman of Massimo Zanetti Beverage USA Inc,
- a fixed remuneration of Euro 850,000.00 as Board member and Chairman of Massimo Zanetti Beverage SA;
- a fixed remuneration of Euro 150,000.00 as Board member and Chairman of Meira Oy Ltd..

1.2 **Executive Directors**

1.2.1 Massimo Mambelli (Executive director until 17 June 2018)

The remuneration of Massimo Mambelli for the 2018 financial year was as follows.

1.2.1.1 *Remuneration from the Massimo Zanetti Beverage Group*

Fixed remuneration: Euro 53,029.00, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 13 April 2017;

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 29,845.00.

Non-monetary benefits: use of company cell phone, third party liability insurance policy.

No remuneration is provided for in the case of termination of the office.

1.2.1.2 *Remuneration from subsidiaries*

Massimo Mambelli also received:

- a fixed remuneration of Euro 17,056.00 as Board member of Massimo Zanetti Beverage USA Inc.,

- a fixed remuneration of Euro 10,000.00 as Board member of Massimo Zanetti Beverage SA;
- a fixed remuneration of Euro 100,000.00 as delegated Director of Segafredo Zanetti S.p.A.;
- a fixed remuneration of Euro 16,451.00 as Board member of La San Marco S.p.A. for the period 1 January 2018 – 18 July 2018;
- a fixed remuneration of Euro 22,581.00 as Chairman of the Board of Directors of La San Marco S.p.A., for the period 19 July 2018 – 31 December 2018;
- a fixed remuneration of Euro 20,000.00 as delegated Director of Segafredo Zanetti Coffee System S.p.A.,
- a fixed remuneration of Euro 10,000.00 as Board member of Tiktak Segafredo Zanetti Nederland BV;
- a fixed remuneration of Euro 10,000.00 as Board member of Segafredo Zanetti France S.A.S.;
- a fixed remuneration of Euro 10,000.00 as Board member of Segafredo Zanetti Australia Pty Ltd;
- a fixed remuneration of Euro 165,705.00 corresponding to the annual gross remuneration specified in the personal contract signed as Manager of Segafredo Zanetti S.p.A.

1.2.2 Lawrence L. Quier (director in office until 17 June 2018):

The remuneration of Lawrence L. Quier, for the 2018 financial year (*), was as follows:

1.2.2.1 *Remuneration from the Massimo Zanetti Beverage Group*

Fixed remuneration: Euro 13,890.00, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 13 April 2017;

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 24,871.00.

Non-monetary benefits: third party liability insurance policy.

No remuneration is provided for in the case of termination of the office.

1.2.2.2 *Remuneration from subsidiaries*

Lawrence L. Quier also received from Massimo Zanetti Beverage USA Inc:

Fixed remuneration: Euro 180,948.00 corresponding to the annual gross remuneration provided for in his individual employment contract as Chief Operating Manager and Chief Strategy Manager;

Additional variable remuneration (MBO): subject to the achievement of performance objectives set on an annual basis. The assessment of the achievement of the performance objectives on the basis of which the additional variable remuneration is awarded (MBO) - carried out by the Board of Directors of Massimo Zanetti Beverage USA Inc. on the basis of the 2018 financial statements – is equal to Euro 42,598.00 and shall be paid in 2019.

(*) period 01 January 2018 – 17 June 2018.

1.2.3 Leonardo Rossi

1.2.3.1 *Remuneration from the Massimo Zanetti Beverage Group (**)*

Fixed remuneration: Euro 26,644.00 as remuneration for the office of Director, as resolved by the Board of Directors on 18 June 2018 and Euro 179,286.00, as remuneration for the position of manager of the Company (Chief Financial Officer), corresponding to the gross annual remuneration provided for in the individual employment contract, in compliance with the collective regulations for food industry managers, which also includes a severance indemnity;

Variable remuneration (LTI): subject to achievement of the Performance Objective corresponding to: (i) the consolidated Ebitda attained by the Company in the 2018 FY, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**") and (ii) the consolidated Free Cash Flow attained by the Company in the three-year 2018-2020 period with respect to the corresponding Cumulative Consolidated FCF Target ("**Component B**"). The assessment of the achievement of the personal objectives was performed by the Board of Directors on 28 February 2019, after hearing the Nominating and Remuneration Committee, based on the 2018 Consolidated financial statements approved by the Board itself. As a result of this assessment, with regard to the 2018 FY, an additional remuneration linked to the LTI has been accrued for a total of Euro 78,157.00, of which Euro 47,727.00 with regard to Component A and Euro 30,430.00 with regard to Component B. In compliance with the provisions of the 2018-2020 Incentive Plan, this additional remuneration shall be paid as follows:

- a) as for Component A, Euro 19,091.00 (equal to 40% of the amount accrued) by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2018 and Euro 28,636.00 (equal to residual 60% of the amount accrued) in two tranches of equal amount, in the FY 2020 and 2021, by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the corresponding consolidated financial statements, subject to fulfilment of the relevant conditions set out in the 2018-2020 Incentive Plan;
- b) as for Component B, in one single payment by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2020.

Non-monetary benefits: use of notebook and company cell phone, use of company car, third party liability insurance policy.

(**) period 18 June 2018 – 31 December 2018.

1.3 **Non-Executive Directors**

The remuneration of other members of the Board of Directors, all of whom non-executive, for the 2018 FY, was as follows.

1.3.1 Laura Zanetti

1.3.1.1 *Remuneration from Massimo Zanetti Beverage Group*

Fixed remuneration: Euro 30,000.00, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 13 April 2017.

1.3.1.2 Remuneration from subsidiaries

- a fixed remuneration of Euro 15,000.00 as Board member of Massimo Zanetti Beverage SA;
- a fixed remuneration of Euro 100,000.00 as Board member of Segafredo Zanetti S.p.A.;
- a fixed remuneration of Euro 30,000.00 as Board member of La San Marco S.p.A.;
- a fixed remuneration of Euro 100,000.00 corresponding to the annual gross remuneration specified in the personal contract signed as Manager of Segafredo Zanetti S.p.A.

1.3.2 Matteo Zanetti

1.3.2.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 30,000.00, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 13 April 2017.

1.3.2.2 Remuneration from subsidiaries

- a fixed remuneration of Euro 15,000.00 as Board member of Massimo Zanetti Beverage SA;
- a fixed remuneration of Euro 100,000.00 as Board member of Segafredo Zanetti S.p.A.;
- a fixed remuneration of Euro 30,000.00 as Board member of La San Marco S.p.A.;
- a fixed remuneration of Euro 50,000.00 as Chairman of Segafredo Zanetti Coffee System S.p.A.;
- a fixed remuneration of Euro 152,857.00 corresponding to the annual gross remuneration specified in the personal contract signed as Manager of Segafredo Zanetti Coffee System S.p.A.

1.3.3 Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta

1.3.3.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 30,000.00, as remuneration for the office of Director, resolved by the Board of Directors' Meeting held on 13 April 2017.

1.3.3.2 Remuneration from subsidiaries

- a fixed remuneration of Euro 115,510.00 as Managing Director of Brodies Melrose Drysdale & Co Ltd..

1.3.4 Mara Vanzetta

1.3.4.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 55,000.00 of which Euro 30,000.00 as remuneration for the office of Director; Euro 10,000.00 as remuneration for the office of member and Chairperson of the Audit and Risk Committee; Euro 10,000.00 as remuneration for the office of member and Chairman of the Related Parties Committee; Euro 5,000.00 as remuneration for the office of member of the

Nominating and Remuneration Committee, all this resolved by the Board of Directors on 13 April 2017.

1.3.5 Giorgio Valerio

1.3.5.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 50,000.00, of which Euro 30,000.00 as remuneration for the office of Director; Euro 10,000.00 as remuneration for the office of member and Chairman of the Nominating and Remuneration Committee; Euro 5,000.00 as remuneration for the office of member of the Related Parties Committee; Euro 5,000.00 as remuneration for the office of member of the Audit and Risk Committee, all this resolved by the Board of Directors on 13 April 2017.

1.3.6 Sabrina Delle Curti

1.3.6.1 Remuneration from the Massimo Zanetti Beverage Group

Fixed remuneration: Euro 45,000.00, of which Euro 30,000.00 as remuneration for the office of Director; Euro 5,000.00 as remuneration for the office of member of the Nominating and Remuneration Committee; Euro 5,000.00 as remuneration for the office of member of the Related Party Committee; Euro 5,000.00 as remuneration for the office of member of the Audit and Risk Committee, all this resolved by the Board of Directors on 13 April 2017.

All directors mentioned benefit (or, for the directors who have left their office in the 2018 FY, have benefited) of a third party liability insurance policy, for the period in office.

No remuneration is provided for these directors (including those who have left office in the 2018 FY) 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 2018 financial year, was as follows:

1.4.1 Fabio Facchini

1.4.1.1 Remuneration from the Massimo Zanetti Beverage Group

Euro 37,500.00, as remuneration for the office of Chairman of the Board of Statutory Auditors, as resolved by the Shareholders' Meeting held on 11 April 2017.

1.4.2 Simona Gnudi

1.4.2.1 Remuneration from the Massimo Zanetti Beverage Group

Euro 25,000.00, as remuneration for the office of member of the Board of Statutory Auditors, resolved by the Shareholders' Meeting held on 11 April 2017.

1.4.2.2 *Remuneration from subsidiaries*

- a remuneration of Euro 6,000.00 as member of the Board of Statutory Auditors of Segafredo Zanetti Coffee System S.p.A.;
- a remuneration of Euro 9,000.00 as member of the Board of Statutory Auditors of La San Marco S.p.A.

1.4.3 Franco Squizzato

1.4.3.1 *Remuneration from the Massimo Zanetti Beverage Group*

Euro 25,000.00, as remuneration for the office of member of the Board of Statutory Auditors, resolved by the Shareholders' Meeting held on 11 April 2017.

1.4.3.2 *Remuneration from subsidiaries*

- a remuneration of Euro 9,000.00 as Chairman of the Board of Statutory Auditors of Segafredo Zanetti Coffee System S.p.A.

1.5 GENERAL MANAGER

The remuneration for the General Manager Pascal Héritier for the 2018 FY is as follows.

1.5.1 *Remuneration from the Massimo Zanetti Beverage Group*

Fixed Remuneration: Euro 200,000.00, corresponding to the gross annual remuneration provided for in his individual employment contract, in compliance with the collective regulations for food industry managers, which also includes a severance indemnity;

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 27,358.00;
- ii) Variable remuneration (LTI): subject to achievement of the Performance Objective set out in the 2018-2020 Incentive Plan corresponding to: (i) the consolidated Ebitda attained by the Company in the 2018 FY, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**") and (ii) the consolidated Free Cash Flow attained by the Company in the three-year 2018-2020 period with respect to the corresponding Cumulative Consolidated FCF Target ("**Component B**"). The assessment of the achievement of the personal objectives was performed by the Board of Directors on 28 February 2019, after hearing the Nominating and Remuneration Committee, based on the 2018 Consolidated financial statements approved by the Board itself. As a result of this assessment, with regard to the 2018 FY, an additional remuneration linked to the LTI has been accrued for a total of Euro 201,285.00, of which Euro 122,916.00 with regard to Component A and Euro 78,369.00 with regard to Component B. In compliance with the provisions of the 2018-2020 Incentive Plan, this additional remuneration shall be paid as follows:
 - a) as for Component A, Euro 49,166.00 (equal to 40% of the amount accrued) by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2018 and Euro 73,750.00 (equal to residual 60%

of the amount accrued) in two tranches of equal amount, in the FY 2020 and 2021, by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the corresponding consolidated financial statements, subject to fulfilment of the relevant conditions set out in the 2018-2020 Incentive Plan;

- b) as for Component B, in one single payment by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2020.

Non-monetary benefits: use of notebook and company cell phone, third party liability insurance policy.

1.5.2 *Remuneration from subsidiaries*

Pascal Héritier also received the following remuneration:

- Euro 52,200.00, for the office of Managing Director of Massimo Zanetti Beverage S.A.;
- Euro 25,000.00, for the office of Managing Director of Segafredo Zanetti Espresso Worldwide Ltd;
- Euro 15,000.00, for the office of Board member of La San Marco S.p.A. for the period 1 January 2018 – 21 June 2018;
- Euro 12,567.00 for the office of President of Segafredo Zanetti Espresso Worldwide Japan Inc.;
- Euro 10,890.00 for the office of President of Boncafe International Ltd;
- Euro 5,000.00 for the office of General Manager of Segafredo Zanetti Austria GmbH;
- Euro 5,000.00 for the office of Board member of Massimo Zanetti Beverage (Thailand) Ltd;
- Euro 5,000.00 for the office of Board member of Segafredo Zanetti (Thailand) Ltd.

1.6 **MANAGERS WITH STRATEGIC RESPONSIBILITIES**

1.6.1 Giorgio Boggero

The remuneration of Giorgio Boggero, Managing Director South Europe for the 2018 FY is as follows.

1.6.1.1 *Remuneration from the Massimo Zanetti Beverage Group*

Fixed Remuneration: Euro 300,000.00, corresponding to the gross annual remuneration provided for in his individual employment contract, in compliance with the collective regulations for food industry managers, which also includes a severance indemnity.

Additional variable remuneration (MBO): subject to the achievement of performance objectives set on an annual basis, at both the corporate and the individual level, and specified according to the position held. The assessment of the achievement of the performance objectives to award the additional variable remuneration (MBO) was performed by the Managing Director and the Chief Financial Officer, based on (i) the 2018 consolidated financial statements approved by the Board of Directors on 28 February 2019 and (ii) the 2018 financial statements for the companies within the area of competence. In view of the failure to reach the pre-set performance targets, the MBO for the current financial year will not be paid.

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 9,440.00;
- ii) *Variable remuneration (LTI):* subject to achievement of the Performance Objective corresponding to: (i) the consolidated Ebitda attained by the Company in the 2018 FY, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**") and (ii) the consolidated Free Cash Flow attained by the Company in the three-year 2018-2020 period with respect to the corresponding Cumulative Consolidated FCF Target ("**Component B**"). The assessment of the achievement of the personal objectives was performed by the Board of Directors on 28 February 2019, after hearing the Nominating and Remuneration Committee, based on the 2018 Consolidated financial statements approved by the Board itself. As a result of this assessment, with regard to the 2018 FY, an additional remuneration linked to the LTI has been accrued for a total of Euro 108,607.00, of which Euro 66,322.00 with regard to Component A and Euro 42,285.00 with regard to Component B. In compliance with the provisions of the 2018-2020 Incentive Plan, this additional remuneration shall be paid as follows:
 - a) as for Component A, Euro 26,529.00 (equal to 40% of the amount accrued) by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2018 and Euro 39,793.00 (equal to residual 60% of the amount accrued) in two tranches of equal amount, in the FY 2020 and 2021, by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the corresponding consolidated financial statements, subject to fulfilment of the relevant conditions set out in the 2018-2020 Incentive Plan;
 - b) as for Component B, in one single payment by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2020.

Non-monetary benefits: use of notebook and company cell phone, third party liability insurance policy.

1.6.1.2 Remuneration from subsidiaries

Giorgio Boggero also received the following remuneration:

- Euro 25,000.00 for the office of Chairman of the Board of Directors of Massimo Zanetti Beverage Iberia S.A.
- Euro 500,00 for the position of Director of Segafredo Zanetti Hellas S.A., for the period 1 July 2018 – 31 December 2018.

1.6.2 Francesco Cantini

The remuneration of Francesco Cantini, Managing Director North Europe, for the 2018 FY is as follows.

1.6.2.1 *Remuneration from the Massimo Zanetti Beverage Group*

Fixed Remuneration: Euro 260,000.00, corresponding to the gross annual remuneration provided for in his individual employment contract, in compliance with the collective regulations for food industry managers, which also includes a severance indemnity;

Additional variable remuneration (MBO): subject to the achievement of performance objectives set on an annual basis, at both the corporate and the individual level, and established according to the office held. The assessment of the achievement of the performance objectives to award the additional variable remuneration (MBO) was performed by the Managing Director and the Chief Financial Officer, based on (i) the 2018 consolidated financial statements approved by the Board of Directors on 28 February 2019 and (ii) the 2018 financial statements for the companies within the area of competence. In view of the failure to reach the pre-set performance targets, the MBO for the current financial year will not be paid.

Additional variable remuneration (LTI):

- i) Disbursement of the share of the 2015-2017 Incentive Plan (expired on 28 February 2018 and as at the date of this Report replaced by 2018-2020 Incentive Plan) component A ("**Component A**") accrued in 2018, for Euro 4,740.00;
- ii) *Variable remuneration (LTI)*: subject to achievement of the Performance Objective corresponding to: (i) the consolidated Ebitda attained by the Company in the 2018 FY, with respect to the corresponding Annual Consolidated Ebitda Target ("**Component A**") and (ii) the consolidated Free Cash Flow attained by the Company in the three-year 2018-2020 period with respect to the corresponding Cumulative Consolidated FCF Target ("**Component B**"). The assessment of the achievement of the personal objectives was performed by the Board of Directors on 28 February 2019, after hearing the Nominating and Remuneration Committee, based on the 2018 Consolidated financial statements approved by the Board itself. As a result of this assessment, with regard to the 2018 FY, an additional remuneration linked to the LTI has been accrued for a total of Euro 38,375.00, of which Euro 23,434.00 with regard to Component A and Euro 14,941.00 with regard to Component B. In compliance with the provisions of the 2018-2020 Incentive Plan, this additional remuneration shall be paid as follows:
 - a) as for Component A, Euro 9,373.00 (equal to 40% of the amount accrued) by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2018 and Euro 14,060.00 (equal to residual 60% of the amount accrued) in two tranches of equal amount, in the FY 2020 and 2021, by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the corresponding consolidated financial statements, subject to fulfilment of the relevant conditions set out in the 2018-2020 Incentive Plan;
 - b) as for Component B, in one single payment by and not after 90 days from the submission to the ordinary Shareholders' Meeting of the Company of the consolidated financial statements for the year ended 31 December 2020.

Non-monetary benefits: use of notebook and company cell phone, third party liability insurance policy.

Non-monetary benefits: use of notebook and company cell phone, use of company car, third party liability insurance policy.

1.6.2.2 *Remuneration from subsidiaries*

Francesco Cantini also received the following remuneration:

- Euro 15,000.00 for the office of Board member of Meira Oy Ltd.
- Euro 11.667,00, for the office of Board member of Segafredo Zanetti Poland Sp.z.o.o., for the period 1 June 2018 – 31 December 2018.

1.6.3 Leonardo Rossi

For the remuneration received by Leonardo Rossi as manager with strategic responsibilities (Chief Financial Officer) for the 2018 financial year, reference is made to paragraph 1.2.3 above.

1.7 AGREEMENTS PROVIDING FOR INDEMNITIES IN THE EVENT OF EARLY TERMINATION

During 2018 no agreement 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 and Leonardo Rossi, where the relevant collective regulations find application.

1.8 CASH LONG-TERM INCENTIVE

On 28 February 2018, after consultations with the Nominating and Remuneration Committee, the Board of Directors approved the 2018-2020 Incentive Plan.

Reference is made to point E) for more information on the 2018-2020 Incentive Plan.

The 2018-2020 Incentive Plan regulations are available on the Company's website www.mzb-group.com under the section "IR/Corporate Governance/Procedures and Regulations".

* * * * *

Villorba (TV), 28 February 2019

For the Board of Directors
The Chairman
(Massimo Zanetti)

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 2018 FY, to members of the Board of Directors and Board of Statutory Auditors, the General Manager and the managers with strategic responsibilities.

TABLE
Remuneration paid and/or accrued to members of the management and control bodies,
the general manager and the managers with strategic responsibilities
(remuneration 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-termination of employment
							Bonuses and other incentives (*)	Profits sharing					
Massimo Zanetti	Chairman BoD Managing Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	650,000	-	1,246,086	-	-	-	1,896,086	-	-
				Remuneration from subsidiaries and associates ⁽¹⁾	1,085,281	-	-	-	-	1,085,281	-	-	
				Total	1,735,281	-	1,246,086	-	-	2,981,367	-	-	
Matteo Zanetti	Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	-	-	-	-	-	30,000	-	-
				Remuneration from subsidiaries and associates ⁽²⁾	347,857	-	-	-	-	347,857	-	-	
				Total	377,857	-	-	-	-	377,857	-	-	
Laura Zanetti	Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	-	-	-	-	-	30,000	-	-
				Remuneration from subsidiaries and associates ⁽³⁾	245,000	-	-	-	-	245,000	-	-	
				Total	275,000	-	-	-	-	275,000	-	-	

(*) Variable remuneration accrued (but not yet paid) for objectives achieved in 2018.

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-termination of employment
							Bonuses and other incentives (*)	Profits sharing					
Massimo Mambelli	Director (**)	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	53,029	-	-	-	-	-	53,029	-	-
				Remuneration from subsidiaries and associates ⁽⁴⁾	381,793	-	-	-	-	-	381,793	-	-
				Total	434,822	-	-	-	-	-	434,822	-	-
Lawrence L. Quier	Executive Director	1.1.2018-17.6.2018	Resigned on 18.6.2018	MZBG remuneration	13,890	-	-	-	-	-	13,890	-	-
				Remuneration from subsidiaries and associates ⁽⁵⁾	180,948	-	42,598	-	-	-	223,546	-	-
				Total	194,838	-	42,598	-	-	-	237,436	-	-
Maria Pilar Arbona Palmeiro Goncalves Braga Pimenta	Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	-	-	-	-	-	30,000	-	-
				Remuneration from subsidiaries and associates ⁽⁶⁾	115,510	-	-	-	-	-	115,510	-	-
				Total	145,510	-	-	-	-	-	145,510	-	-

(*) Variable remuneration accrued (but not yet paid) for objectives achieved in 2018.

(**) Executive Director until 17 June 2018.

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-termination of employment	
							Bonuses and other incentives	Profits sharing						
Leonardo Rossi	Executive Director	18.6.2018-31.12.2018	Shareholders' Meeting to approve 2018 Financial Statements	MZBG remuneration	26,644	-	-	-	-	-	26,644	-	-	
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	-	-
				Total	26,644	-	-	-	-	-	26,644	-	-	
Sabrina Delle Curti	Independent Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	15,000 ⁽⁷⁾	-	-	-	-	45,000	-	-	
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	-	
				Total	30,000	15,000	-	-	-	-	45,000	-	-	
Mara Vanzetta	Independent Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	25,000 ⁽⁸⁾	-	-	-	-	55,000	-	-	
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	-	
				Total	30,000	25,000	-	-	-	-	55,000	-	-	

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-termination of employment	
							Bonuses and other incentives	Profits sharing						
Giorgio Valerio	Independent Director	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	30,000	20,000 ⁽⁹⁾	-	-	-	-	50,000	-	-	
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	-	-
				Total	30,000	20,000	-	-	-	-	50,000	-	-	
Fabio Facchini	Chairman of the Board of the Statutory Auditors	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	37,500	-	-	-	-	-	37,500	-	-	
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	-	
				Total	37,500	-	-	-	-	-	37,500	-	-	
Simona Gnudi	Standing Auditor	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	25,000	-	-	-	-	-	25,000	-	-	
				Remuneration from subsidiaries and associates ⁽¹⁰⁾	15,000	-	-	-	-	-	-	15,000	-	-
				Total	40,000	-	-	-	-	-	40,000	-	-	

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-termination of employment
							Bonuses and other incentives (*)	Profits sharing					
Franco Squizzato	Standing Auditor	1.1.2018-31.12.2018	Shareholders' Meeting to approve 2019 Financial Statements	MZBG remuneration	25,000	-	-	-	-	-	25,000	-	-
				Remuneration from subsidiaries and associates ⁽¹¹⁾	9,000	-	-	-	-	9,000	-	-	
				Total	34,000	-	-	-	-	34,000	-	-	
Pascal Héritier	General Manager	1.1.2018-31.12.2018	N.A.	MZBG remuneration	200,000	-	201,285	-	-	-	401,285	-	-
				Remuneration from subsidiaries and associates ⁽¹²⁾	130,657	-	-	-	-	130,657	-	-	
				Total	330,657	-	201,285	-	-	531,942	-	-	
Giorgio Boggero	Manager with Strategic Responsibilities	1.1.2018-31.12.2018	N.A.	MZBG remuneration	300,000	-	108,607	-	-	-	408,607	-	-
				Remuneration from subsidiaries and associates ⁽¹³⁾	25,500	-	-	-	-	25,500	-	-	
				Total	325,500	-	108,607	-	-	434,107	-	-	

(*) variable remuneration accrued (but not yet paid) for objectives achieved in 2018.

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-termination of employment
							Bonuses and other incentives (*)	Profits sharing					
Francesco Cantini	Manager with Strategic Responsibilities	1.1.2018-31.12.2018	N.A.	MZBG remuneration	260,000	-	38,375	-	-	-	298,375	-	-
				Remuneration from subsidiaries and associates ⁽¹⁴⁾	26,667	-	-	-	-	26,667	-	-	
				Total	286,667	-	38,375	-	-	325,042	-	-	
Leonardo Rossi	Manager with Strategic Responsibilities (Chief Financial Officer)	18.6.2018-31.12.2018	N.A.	MZBG remuneration	179,286	-	78,157	-	-	-	257,443	-	-
				Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-	
				Total	179,286	-	78,157	-	-	257,443	-	-	

(*) variable remuneration accrued (but not yet paid) for objectives achieved in 2018.

⁽¹⁾ Of which: Euro 85,281 as Board member and Chairman of Massimo Zanetti Beverage USA Inc., Euro 850,000 as Board member and Chairman of Massimo Zanetti Beverage SA and Euro 150,000 as Board member and Chairman of Meira OY Ltd..

⁽²⁾ Of which: Euro 15,000 as Board member of Massimo Zanetti Beverage S.A., Euro 100,000 as Board member of Segafredo Zanetti S.p.A., Euro 30,000 as Board member of La San Marco S.p.A., Euro 50,000 as Chairman of Segafredo Zanetti Coffee System S.p.A. and Euro 152,857 as Manager of Segafredo Zanetti Coffee System S.p.A.

⁽³⁾ Of which: Euro 15,000 as Board member of Massimo Zanetti Beverage SA, Euro 100,000 as Board member of Segafredo Zanetti S.p.A., Euro 30,000 as Board member of La San Marco S.p.A. and Euro 100,000 as Manager of Segafredo Zanetti S.p.A.

⁽⁴⁾ Of which: Euro 17,056 as Board member of Massimo Zanetti Beverage USA Inc., Euro 10,000 as Board member of Massimo Zanetti Beverage SA, Euro 100,000 as delegated Director of Segafredo Zanetti S.p.A. and Euro 16,451 as Board member of La San Marco S.p.A. (for the period 1 January 2018 – 18 July 2018), Euro 22,581 as Board member and Chairman of the Board of Directors of La San Marco S.p.A. (for the period 19



- July 2018 – 31 December 2018), Euro 20,000 as delegated Director of Segafredo Zanetti Coffee System S.p.A., Euro 10,000 as Board member of the Tiktak/Segafredo Zanetti Nederland BV, Euro 10,000 as Board member of Segafredo Zanetti France S.A.S., Euro 10,000 as Board member of Segafredo Zanetti Australia Pty Ltd. and Euro 165,705 as Manager of Segafredo Zanetti S.p.A.
- ⁽⁵⁾ As Chief Operating Officer and Chief Strategy Officer of Massimo Zanetti Beverage USA Inc.
- ⁽⁶⁾ As Managing Director of Brodies Melrose Drysdale & Co Ltd.
- ⁽⁷⁾ Of which: Euro 5,000 as fixed remuneration as a member of the Audit and Risk Committee, Euro 5,000 as fixed remuneration as a member of the Nominating and Remuneration Committee and Euro 5,000 as fixed remuneration as a member of the Related Parties Committee.
- ⁽⁸⁾ Of which: Euro 10,000 as fixed remuneration as a member and Chairman of the Audit and Risk Committee, Euro 5,000 as fixed remuneration as a member of the Nominating and Remuneration Committee and Euro 10,000 as fixed remuneration as a member and Chairman of the Related Parties Committee.
- ⁽⁹⁾ Of which: Euro 5,000 as fixed remuneration as a member of the Audit and Risk Committee, Euro 10,000 as fixed remuneration as a member and Chairman of the Nominating and Remuneration Committee and Euro 5,000 as fixed remuneration as a member of the Related Parties Committee.
- ⁽¹⁰⁾ Of which Euro 6,000 as member of the Board of Statutory Auditors of Segafredo Zanetti Coffee System S.p.A. and Euro 9,000 as member of the Board of Statutory Auditors of La San Marco S.p.A.
- ⁽¹¹⁾ As Chairman of the Board of Statutory Auditors of Segafredo Zanetti Coffee System S.p.A.
- ⁽¹²⁾ Of which: Euro 52,200 as Managing Director of Massimo Zanetti Beverage S.A.; Euro 25,000 as Managing Director of Segafredo Zanetti Espresso Worldwide Ltd.; Euro 15,000 as Board member of La San Marco S.p.A. (period 1 January 2018 – 18 July 2018); Euro 12,567 as President of Segafredo Zanetti Espresso Worldwide Japan Inc.; Euro 10,890 as President of Boncafe International Pte Ltd; Euro 5,000 as General Manager of Segafredo Zanetti Austria GmbH; Euro 5,000 as Board member of Massimo Zanetti Beverage (Thailand) Ltd; Euro 5,000 as Board member of Segafredo Zanetti (Thailand) Ltd.
- ⁽¹³⁾ Of which Euro 25,000 as Chairman of the Board of Directors of Massimo Zanetti Beverage Ibérica S.A. and Euro 500 as Board member of Segafredo Zanetti Hellas S.A. (period 1 July 2018 – 31 December 2018).
- ⁽¹⁴⁾ Of which Euro 15,000 as Board member of Meira Oy Ltd. and Euro 11,667 as Board member of Segafredo Zanetti Poland Sp.z.o.o. (period 01 June 2018 – 31 December 2018).

TABLE
Cash incentive plans for members of the management body,
general managers and other managers with strategic responsibilities
(remuneration expressed in Euro)

Name and surname	Office		Plan	Bonus for the year			Bonuses for previous years			Other bonuses
				Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Massimo Zanetti	Chairman BoD Managing Director	MZBG remuneration	LTI 2018-2020	1,246,086 ⁽¹⁵⁾	-	-	-	-	-	-
			LTI 2015-2017	-	-	-	-	114,406	142,889 ⁽¹⁶⁾	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	1,246,086	-	-	-	114,406	142,889	-	
Massimo Mambelli	Director (**)	MZBG remuneration	LTI 2015-2017	-	-	-	-	29,845	37,276 ⁽¹⁷⁾	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	-	-	-	-	29,845	37,276	-	
Lawrence L. Quier	Executive Director (**)	MZBG remuneration	LTI 2015-2017	-	-	-	-	24,871	31,062 ⁽¹⁸⁾	-
		Remuneration from subsidiaries and associates	MBO 2018	42,598 ⁽¹⁹⁾	-	-	-	-	-	-
		Total	42,598	-	-	-	24,871	31,062	-	

(**) Executive Director until 17 June 2018.

Name and surname	Office		Plan	Bonus for the year			Bonuses for previous years			Other bonuses
				Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Pascal Héritier	General Manager	MZBG remuneration	LTI 2018-2020	201,285 ⁽²⁰⁾	-	-	-	-	-	-
			LTI 2015-2017	-	-	-	-	27,358	34,169 ⁽²¹⁾	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	201,285	-	-	-	27,358	34,169	-	
Leonardo Rossi	Manager with Strategic Responsibilities (Chief Financial Officer)	MZBG remuneration	LTI 2018-2020	78,157 ⁽²²⁾	-	-	-	-	-	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	78,157	-	-	-	-	-	-	

Name and surname	Office		Plan	Bonus for the year			Bonuses for previous years			Other bonuses
				Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Giorgio Boggero	Manager with Strategic Responsibilities	MZBG remuneration	LTI 2018-2020	108,607 ⁽²³⁾	-	-	-	-	-	-
			LTI 2015-2017	-	-	-	-	9,440	12,412 ⁽²⁴⁾	-
			MBO 2018	-	-	-	-	-	-	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	108,607	-	-	-	9,440	12,412	-	
Francesco Cantini	Manager with Strategic Responsibilities	MZBG remuneration	LTI 2018-2020	38,375 ⁽²⁵⁾	-	-	-	-	-	-
			LTI 2015-2017	-	-	-	-	4,740	6,028 ⁽²⁶⁾	-
			MBO 2018	-	-	-	-	-	-	-
		Remuneration from subsidiaries and associates	-	-	-	-	-	-	-	-
		Total	38,375	-	-	-	4,740	6,028	-	

⁽¹⁵⁾ Of which Euro 304,372, equal to 40% of Component A, payable in 2019 and Euro 941,713, equal to (i) 60% of Component A (Euro 456,559, payable in two tranches of equal amount in 2020 and in 2021) and (ii) 100% 2018 share of Component B (Euro 485,155, payable on the achievement of the Cumulative Consolidated FCF Target for the three-year period).

⁽¹⁶⁾ LTI 2015-2017 payable in two tranches of Euro 100,165 and Euro 42,724 respectively in 2019 and 2020.

⁽¹⁷⁾ LTI 2015-2017 payable in two tranches of Euro 26,130 and Euro 11,146 respectively in 2019 and 2020.

⁽¹⁸⁾ LTI 2015-2017 payable in two tranches of Euro 21,774 and Euro 9,288 respectively in 2019 and 2020.

⁽¹⁹⁾ To be paid in 2019 by Massimo Zanetti Beverage USA Inc.

- ⁽²⁰⁾ Of which Euro 49,166, equal to 40% of Component A, payable in 2019 and Euro 152,119, equal to (i) 60% of Component A (Euro 73,750, payable in two tranches of equal amount in 2020 and in 2021) and (ii) 100% 2018 share of Component B (Euro 78,369, payable on the achievement of the Cumulative Consolidated FCF Target for the three-year period).
- ⁽²¹⁾ LTI 2015-2017 payable in two tranches of Euro 23,952 and Euro 10,217 respectively in 2019 and 2020.
- ⁽²²⁾ Of which Euro 19,091, equal to 40% of Component A, payable in 2019 and Euro 59,066, equal to (i) 60% of Component A (Euro 28,636, payable in two tranches of equal amount in 2020 and in 2021) and (ii) 100% 2018 share of Component B (Euro 30,430, payable on the achievement of the Cumulative Consolidated FCF Target for the three-year period).
- ⁽²³⁾ Of which Euro 26,529, equal to 40% of Component A, payable in 2019 and Euro 82,078, equal to (i) 60% of Component A (Euro 39,793, payable in two tranches of equal amount in 2020 and in 2021) and (ii) 100% 2018 share of Component B (Euro 42,285, payable on the achievement of the Cumulative Consolidated FCF Target for the three-year period).
- ⁽²⁴⁾ LTI 2015-2017 payable in two tranches of Euro 7,954 and Euro 4,458 respectively in 2019 and 2020.
- ⁽²⁵⁾ Of which Euro 9,373, equal to 40% of Component A, payable in 2019 and Euro 29,001, equal to (i) 60% of Component A (Euro 14,060, payable in two tranches of equal amount in 2020 and in 2021) and (ii) 100% 2018 share of Component B (Euro 14,941, payable on the achievement of the Cumulative Consolidated FCF Target for the three-year period).
- ⁽²⁶⁾ LTI 2015-2017 payable in two tranches of Euro 4,096 and Euro 1,932 respectively in 2019 and 2020.

SECTION III

INFORMATION ON SHAREHOLDINGS HELD BY THE MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS, 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	No. shares held at the end of the 2017 financial year	Number of shares purchased	Number of shares sold	No. shares held at the end of the 2018 financial year
Massimo Zanetti	Chairman BoD and MD	1.1.2018-31.12.2018	Massimo Zanetti Beverage Group S.p.A. ⁽¹⁾	23,339,963	0	0	23,339,963
Lawrence L. Quier	Executive Director	1.1.2018-17.6.2018	Massimo Zanetti Beverage Group S.p.A.	12,000	0	0	12,000
Pascal Héritier	General Manager	1.1.2018-31.12.2018	Massimo Zanetti Beverage Group S.p.A.	400	1,000	0	1,400
Managers with strategic responsibilities				0	0	0	0

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