

## Remuneration Policy

Element of pay	Objective	Award level	Performance criteria	Performance period
Fixed salary	Attract and retain high-performing individuals by reflecting market value of role and executive's skills and experience. Reward day-to-day performance. Set at a level to prevent over-reliance on variable pay.	Takes into account the market rate for similar roles in comparable international companies as well as executive's skills and experience.	No performance criteria per se, but the performance of the individual is taken into account when fixed salary levels are reviewed.	Financial year.
Benefits	Operate a competitive benefits suite to aid recruitment and retention.	Perquisites and other benefits corresponding to market practices.	N/A	N/A
Pension	Executives make their own provision for retirement.	N/A	N/A	N/A
Annual bonus plan	Drive and reward delivery of short-term business objectives.	Maximum bonus opportunity is 100% of fixed salary. Bonus opportunity at target is 60% of fixed salary.	<ul style="list-style-type: none"> <li>Organic net revenue growth.</li> <li>Organic operating profit.</li> <li>Addressable cash flow.</li> <li>Strategic measures.</li> </ul>	Financial year.
Long-term incentive plan	Drive and reward delivery of longer-term business objectives. Maximise alignment with shareholder value.	The maximum level of long-term incentive awards is 300% of fixed salary based on the face value of the award at the grant date.	<ul style="list-style-type: none"> <li>Relative total shareholder return (TSR).</li> <li>Growth in adjusted EPS at constant currencies.</li> <li>Organic net revenue growth.</li> <li>ROIC at constant currencies.</li> </ul>	3 years with 3-year vesting.

## Performance share awards – performance criteria for 2019

Measure	Description	Performance condition measured over the three financial years 2019-2021	Weighting
Relative total shareholder return (TSR)	TSR measures the total return to investors. The Group's TSR performance will be measured relative to a comparator group of 16 companies <sup>1</sup> .	<ul style="list-style-type: none"> <li>25% of TSR element vests if the Group's TSR performance is at median of peer group's<sup>1</sup>.</li> <li>100% vests for upper-quartile performance.</li> <li>Straight-line vesting between median and upper quartile.</li> </ul>	25%
Adjusted EPS growth	Adjusted EPS growth targets measure the Group's underlying financial success.	<ul style="list-style-type: none"> <li>25% of the adjusted EPS at constant currencies element vests for 4% p.a. growth.</li> <li>100% vests for 9% p.a. growth.</li> <li>Straight-line vesting between 4% p.a. and 9% p.a.</li> </ul>	25%
Organic net revenue growth	Organic net revenue growth is a measure of the Group's ability to deliver on our SAIL'22 priorities.	<ul style="list-style-type: none"> <li>25% of the organic net revenue element vests for 1.5% p.a. growth.</li> <li>100% vests for 4.5% p.a. growth.</li> <li>Straight-line vesting between 1.5% p.a. and 4.5% p.a.</li> </ul>	25%
Growth in ROIC	Growing ROIC is a key financial metric reflecting our ability to drive a positive development in shareholder returns.	<ul style="list-style-type: none"> <li>25% of the ROIC in constant currencies element vests at 9.0% in 2021.</li> <li>100% vests for 10.0% in 2021.</li> <li>Straight-line vesting between 9.0% and 10.0% in 2021.</li> </ul>	25%

<sup>1</sup> TSR comparator group: Kirin Holdings, Britvic, Davide Campari-Milano, Rémy Cointreau, Asahi Group Holdings, Compañía Cervecerías Unidas, Diageo, Heineken, Ambev, Brown-Forman, Pernod-Ricard, Sapporo Holdings, Dr Pepper Snapple Group, Tsingtao Brewery, Anheuser-Busch Inbev and Molson Coors Brewing.