



FIERA MILANO

INFORMATION DOCUMENT FOR THE SCHEME –
COMPRISING CASH AND PERFORMANCE SHARES –
CALLED THE “*PERFORMANCE SHARE PLAN 2018-2019*”
TO BE PRESENTED TO THE SHAREHOLDERS’ MEETING
FOR ITS APPROVAL

PREPARED IN ACCORDANCE WITH ARTICLE 114-*BIS* OF LEGISLATIVE DECREE No. 58 OF 24 FEBRUARY 1998 AND ARTICLE 84-*BIS* OF THE LISTING RULES APPROVED BY CONSOB WITH RESOLUTION No. 11971 OF 14 MAY 1999 (AND SUBSEQUENT AMENDMENTS).

This document contains a true translation in English of the document in Italian “DOCUMENTO INFORMATIVO RELATIVO AL PIANO DI INCENTIVAZIONE - STRUTTURATO NELLA FORMA MISTA CASH E PERFORMANCE SHARE - DENOMINATO “PIANO DI PERFORMANCE SHARES 2018-2019” DA SOTTOPORRE ALL’APPROVAZIONE DELL’ASSEMBLEA DEI SOCI”.

However, for information about Fiera Milano reference should be made exclusively to the original document in Italian.

The Italian version of the “DOCUMENTO INFORMATIVO RELATIVO AL PIANO DI INCENTIVAZIONE - STRUTTURATO NELLA FORMA MISTA CASH E PERFORMANCE SHARE - DENOMINATO “PIANO DI PERFORMANCE SHARES 2018-2019” DA SOTTOPORRE ALL’APPROVAZIONE DELL’ASSEMBLEA DEI SOCI” shall prevail upon the English version.

12 March 2018

Fiera Milano S.p.A.

Registered office: Piazzale Carlo Magno, 1 - 20149 Milan

Operational and administrative headquarters: Strada Statale del Sempione, 28 - 20017 Rho (Milan)

FOREWORD

The present document (hereinafter the "**Information Document**") was prepared in accordance with the requirements of Article 114-*bis* of Legislative Decree no. 58 of 24 February 1998 (hereinafter the "**Consolidated Finance Act**") and the requirements of Article 84-*bis* of Consob Resolution no. 11971/99 (hereinafter the "**Listing Rules**") for information that must be disclosed to the market on the use of equity-based compensation for members of the Board of Directors and employees of the issuer and members of the Boards of Directors and employees of subsidiary or controlling companies. The Information Document provides details of the Performance Share Plan 2018-2019 (hereinafter the "**Plan**") approved on 12 March 2018 by the Board of Directors of Fiera Milano S.p.A. (hereinafter the "**Company**" or the "**Issuer**" and, together with the companies it directly or indirectly controls, the "**Group**") having received the prior approval of the Appointments and Remuneration Committee.

The present Information Document has been prepared, including the numbering of the sections, according to Schedule 7 Attachmet 3A of the Listing Rules and aims to provide shareholders with the necessary information for the informed exercise of their voting rights at the Shareholders' Meeting.

A resolution to approve the Plan is one of the items on the Agenda of the Shareholders' Meeting convened on 23 April 2018.

Under the Plan, which has a mixed format of cash and performance shares, a sum of cash and a given number of ordinary shares of the Company will be allocated free of charge to executive directors, executives with strategic responsibilities and employees of the Group if the performance targets defined and quantified by the Board of Directors are met; the aim of the Plan is to incentivise and motivate these persons and increase employee retention.

Under the definition given in Article 84-*bis*, paragraph 2 of the Listing Rules, the Plan as regards its Beneficiaries is considered a "plan of material importance" as it is destined for, amongst others, those with executive roles in the Company and executives that have regular access to inside information and are responsible for corporate policies that could influence the development and future prospects of the Company under Article 152-*sexies*, paragraph 1, letter c) - c2) of the Listing Rules.

At the date of the present Information Document, the proposed Plan has yet to be approved by the Shareholders' Meeting. Therefore: (i) the present Information Document has been prepared exclusively on the basis that the resolution to adopt the Plan is approved by the Board of Directors of the Company on 12 March 2018; (ii) any reference to the Plan in the present Document must be read as referring to the proposed adoption of the Plan.

The present Information Document will be updated where required under the terms and conditions of enacted law if the proposal for the Plan is approved by the Shareholders' Meeting and for any decisions taken by the same Shareholders' Meeting and the relevant bodies and/or persons responsible for implementing the Plan.

The present Information Document is publicly available at the registered office and the operational and administrative headquarters of the Company, as well as on the Company website www.fieramilano.it¹ and on the website www.emarketstorage.com managed by BIt Market Services S.p.A.

¹ [http://www.fieramilano.it/Shareholders' Meetings](http://www.fieramilano.it/Shareholders%20Meetings)

GLOSSARY

In addition to the other terms defined in the present Information Document, the following terms, when starting with a capital letter, will have the meanings given below and those indicated in the singular will also apply to the plural.

Executive Directors	The Directors of the Company or the Group with management responsibilities also under the Self-regulatory Code
Shareholders' Meeting	The Shareholders' Meeting convened just once on 23 April 2018.
Shares	The ordinary shares of the Company with no nominal value and with the identical characteristics of the shares in circulation.
Allocated Shares	The number of shares communicated to the Beneficiaries at the start of the Vesting Period that will be awarded to him/her at the end of this period should 100% of the Performance Targets are met under the performance and retention conditions of the Rules.
Vested Shares	The number of shares allocated, which is determined by the attainment of Performance Targets at the end of the reference period as defined in the Rules.
Bad Leaver	All circumstances in which a person ceases to have an employment relationship with the Company that differ from Good Leaver circumstances.
Beneficiaries	The Executives with Strategic Responsibilities and/or employees and/or Executive Directors of the Company or of the Group identified as the recipients of the benefits under the Plan by the Company bodies as under the Rules.
Bonus	The cash sum that the Beneficiaries will receive under the terms and conditions of the Rules.
Allocated Bonus	Amount of the cash component of the Bonus recognised to each Beneficiary should 100% of the Performance Targets under the Rules be met, which is shown in the Allocation Form.
Bonus that has matured	Indicates the cash sum to be recognised to each Beneficiary should 100% of the Performance Targets under the Rules be met.

Claw Back	The clause under which it is possible to request restitution, in total or in part, of any payments made based on results that later prove to be manifestly wrong, as will be described in greater detail in the Rules.
Self-regulatory Code	The Self-regulatory Code of Listed Companies issued by the Corporate Governance Committee of Borsa Italiana S.p.A. to which the Company adheres.
Appointments and Remuneration Committee	The Appointments and Remuneration Committee set up within the Board of Directors of the Company under the Self-regulatory Code.
Board of Directors	The Board of Directors of the Company.
Allocation Date	Indicates the date that the Board of Directors determines the identity of the Beneficiaries and the amount of Bonus and Shares to be allocated to them. Executives who have the power and direct or indirect responsibility for the planning, management and control of Company activities
Executives with Strategic Responsibilities	
Information Document	The present Information Document prepared in accordance with the provisions of Articles 114- <i>bis</i> of the Consolidated Finance Act and Article 84- <i>bis</i> of the Listing Rules, and consistent with Schedule 7 Attachment 3A of the Listing Rules.
Good Leaver	The following circumstances in which a person ceases to be an employee of the Company or any other circumstances specified in individual employment contracts: (a) dismissal for objective reasons under the state collective employment agreement (<i>CCNL - Contratto Collettivo Nazionale del Lavoro</i>) that applies to the employment contract; (b) dismissal without just cause under the the state collective employment agreement (<i>CCNL - Contratto Collettivo Nazionale del Lavoro</i>) that applies to the employment contract (and, as such, without just cause and not justified by any subjective or objective reasons); (c) dismissal for exceeding the protected period;

(d) removal or failure to renew the position of a director without just cause;

(e) dismissal with just cause under Article 2119 of the Italian Civil Code;

(f) voluntary resignation, if the Beneficiary possesses the legal pension requirements and in the subsequent 30 days has applied to take his/her pension;

(g) death or permanent disability;

Group

The Company and each of the companies it directly or indirectly controls under Article 2359 of the Italian Civil Code.

Performance Targets

The targets that when reached mean that the Beneficiaries may receive the Allocated Bonus and the Allocated Shares indicated in the Allocation Form of each Beneficiary.

Vesting Period

The period over which the Performance Targets will be assessed: from the Allocation Date to the reference date used to verify if the Performance Targets have been met.

Relationship

The employment or management relationship between the Beneficiary and the Group according to whether he/she is a Beneficiary of the Plan because he/she is an employee or a director. Under the Rules, in cases where the Beneficiary has both an employment relationship and a management relationship, it is the employment relationship that will be considered.

Rules

The Rules – including the Allocation Form – that define the criteria, methods and means of implementing the Plan, which will be approved by the Board of Directors following approval of the subject of the present Information Document by the Shareholders' Meeting.

Listing Rules

The Rules approved by Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments and additions.

Allocation Form

The form including, as an attachment a copy of the Rules that are an integral part of it, to be given by the Company to the Beneficiary, which he/she will sign and return to the Company and, by so doing, to all effects of the Rules, will adhere fully and unconditionally to the Plan.

Company or Issuer

The company Fiera Milano S.p.A. with its registered office in Milan at Piazzale Carlo Magno 1; tax code, VAT no. and Milan Company Register no. 13194800150; share capital of Euro 42,445,141.00, made up of 71,917,829.00 shares with no nominal value.

Consolidated Finance Act (*TUF - Testo Unico Finanziario*)

Legislative Decree no. 58 of 24 February 1998 and subsequent amendments and additions.

1. RECIPIENTS

1.1. Names of the recipients who are members of the Board of Directors or the management board of the issuer of securities, of the companies that control the issuer, and of companies either directly or indirectly controlled by the issuer

At the date of the present Report, the Plan has not yet been approved by the Shareholders' Meeting and it is, therefore, not possible to give the names of the Beneficiaries. However, the Plan is intended for Executive Directors of the Company, Executives with Strategic Responsibilities and employees of the Group identified by the Board of Directors as persons who hold significant positions or have managerial responsibilities in, or for, the Group and who deserve to be rewarded in order to strengthen their loyalty and promote value creation. Following approval of the Plan by the Shareholders' Meeting, the latter will authorise the Board of Directors of the Company to identify the number of Beneficiaries of the Plan and the categories of employees who will be part of the Plan.

1.2. Categories of employees or staff of the issuer of securities and of companies controlling or controlled by the issuer

Please refer to paragraph 1.1. above of the present Information Document.

1.3. Names of recipients to benefit from the Plan that belong to the following categories:

a) general managers of the issuer of securities;

At the date of the present Document, the Plan has yet to be approved by the Shareholders' Meeting and, therefore, it is not possible to indicate the names of the Beneficiaries. Following approval of the Plan by the Shareholders' Meeting, the latter will authorise the Board of Directors of the Company to identify the number of Beneficiaries and the categories of employees who will be Beneficiaries.

b) other executives with strategic responsibilities of the issuer of securities, which are not of "lesser size" under Article 3, paragraph 1, section f) of Resolution no. 17221 of 12 March 2010, if during the financial year they have received total remuneration (the sum of monetary remuneration and share-based remuneration) that is greater than the highest total remuneration of a member of the Board of Directors or the management board and of the general executives of the issuer of financial securities;

At the date of the present Document, the Plan has yet to be approved by the Shareholders' Meeting. However, it appears that this provision is not applicable as the Company qualifies as a "Small and Medium Enterprise" under Article 3, paragraph 1, letter f) of Resolution no. 17221 of 12 March 2010.

c) individuals or entities that control the issuer of securities or who are employees or who have collaboration agreements with the latter.

At the date of the present Document, the Plan has yet to be approved by the Shareholders' Meeting. However, it appears that this provision is not applicable as no individual controlling the Company is among the Beneficiaries of the Plan.

1.4. Description and number divided by category:

a) *executives with strategic responsibilities other than those in paragraph b) of section 1.3;*

b) *in the case of "small and medium enterprises" under Article 3, paragraph 1, letter f) of Resolution no. 17221 of 12 March 2010, the aggregate figure for all the executives with strategic responsibilities of the issuer of securities;*

c) *any other eventual categories of employees or staff to whom different characteristics of the Plan apply (e.g. executives, office staff, employees, etc.).*

Following approval of the Plan by the Shareholders' Meeting, the latter will give a mandate to the Board of Directors of the Company to identify the number of Beneficiaries and the employee categories to be included among the Beneficiaries.

The information regarding paragraphs 1.1, 1.2. and 1.3. will be provided under the provisions of Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any other prevailing and applicable laws and regulations when the Plan is implemented.

2. REASONS FOR THE PLAN

In addition to the information below, further details of the reasons for the Plan are given in the information published by the Company in accordance with Article 84-*quater* of the Listing Rules, including the Report on Remuneration approved by the Board of Directors of the Company on 12 March 2018 and deposited at the registered office and the operational and administrative offices of the Company, as well as at Borsa Italiana S.p.A., which is available on the Company website www.fieramilano.it/Report-on-Remuneration

2.1. Objectives that are intended to be achieved by implementing the Plan

The Plan aims to:

(i) align the interests of management with those of shareholders through equity-based incentive schemes and promote a stable shareholding structure in the capital of the Company.

(ii) favour the retention and motivation of top management in the Group responsible for attaining the corporate objectives, incentivising them to valorise the Company while, at the same time, creating a means of increasing retention of the Beneficiaries.

(iii) link total remuneration and, in particular, the incentives for Group executives and key personnel to the results achieved by the Company and to the creation of further value for the Fiera Milano Group as recommended in the Self-regulatory Code;

The Beneficiaries, the amount of the Allocated Bonus and the number of Allocated Shares for each Beneficiary will be at the discretion and final decision of the Board of Directors at the time the Rules are approved, having considered the strategic relevance of the position held by the Beneficiary and his/her annual fixed and variable remuneration in order to guarantee the competitiveness of the overall remuneration.

The Plan will have a two-year duration that corresponds to the Performance years 2018-2019; this is considered a period that is consistent with the aim of measuring Group value creation over the medium-term.

More detailed information will be provided under the provisions of Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any other prevailing and applicable laws and regulations when the Plan is implemented.

2.2. Key variables, including performance indicators underlying the allocation of equity-based incentives

Under the Plan, Beneficiaries are allocated a Bonus and a certain number of Shares that are calculated taking account of the level of fixed remuneration and conditional on the Performance Targets, being met; these will be determined by the Board of Directors at the time the Rules are approved. The decision to recognise the Bonus and the Shares only when Performance Targets are met ensures that the Plan fulfils its function as an incentive.

In fact, the Plan stipulates that the right to receive both components (Bonus and Shares) of the Plan is subject to certain economic and financial performance objectives being met.

The Shares underlying the Plan will be Shares directly or indirectly held by the Company, acquired or to be acquired under Article 2357 and following of the Italian Civil Code. The maximum number of shares underlying the Plan is 1,000,000.

More detailed information will be provided under the provisions of Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any other prevailing and applicable laws and regulations when the Plan is implemented.

2.3. Elements used to calculate the amount of securities-based remuneration or calculation criteria used

The Allocation Form will notify each Beneficiary when he/she is included in the Plan and will give the amount of the Allocated Bonus and the number of Allocated Shares according to the following criteria.

The amount of the Allocated Bonus and the number of Allocated Shares will be a percentage of the Gross Annual Remuneration of each Beneficiary at the time of the Allocation. This value may increase or decrease depending on the degree to which the objectives are met or exceeded; however, there will be a minimum level below which no discretionary award will be allocated and a maximum level of discretionary award to be allocated.

More detailed information will be provided under the provisions of Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any other prevailing and applicable laws and regulations when the Plan is implemented.

2.4 Reasons behind any eventual decision to grant remuneration based on securities not issued by the Issuer but securities issued by subsidiaries, controlling companies or third parties that are not part of the same group; if the aforementioned securities are not negotiated on regulated markets, information regarding the valuation criteria used

Not applicable. The Share component of the Plan is based entirely on financial instruments issued by the Company.

2.5 Evaluation of any material tax and accounting implications that influenced the definition of the Plan

The definition of the Plan was not affected by any tax or accounting implications.

2.6 Any support for the plan from the Special Fund for the Encouragement of Worker Participation under Article 4, paragraph 112, of Law no. 350 of 24 December 2003

Not applicable as the Plan has received no assistance from the Special Fund for the Encouragement of Worker Participation (*Fondo speciale per l'incentivazione della partecipazione dei lavoratori nelle imprese*) under Article 4, paragraph 112, of Legislative Decree no.350 of 24 December 2003.

3. APPROVAL PROCEDURE AND TIMETABLE FOR GRANTING THE SECURITIES

3.1. Powers and responsibilities delegated by the Shareholders' Meeting to the Board of Directors to implement the plan

On 12 March 2018, the Board of Directors of the Company decided, with the prior approval of the Appointments and Remuneration Committee, to propose to the Shareholders' Meeting that it approve the guidelines of the Plan contained in this Information Document. In addition to the guidelines of the Plan contained in this Information Document, the Shareholders' Meeting will also be asked to approve, having heard the opinion of the Appointments and Remuneration Committee, all the necessary and appropriate powers to implement the Plan, in particular (for example) every power: (i) to identify, include or exclude Beneficiaries, (ii) to determine the number of shares to be allocated free of charge to each Beneficiary, the amount of the Bonus and the number of Shares to be allocated to each Beneficiary, (iii) to draw up the Share Allocation Forms and determine the figures to be met under the Plan (the Performance Targets), (iv) to verify that the conditions have been met to pay the Bonus and allocate the Shares as identified in the Rules governing the Plan; (v) to make the allocations to the Beneficiaries, (vi) to prepare and approve the Rules governing the Plan and make any changes to them considered necessary and/or appropriate, also to amend them as a result of any extraordinary events that might occur, (vii) prepare and/or finalise any document necessary or appropriate regarding the Plan, including the disclosure of information to the market in accordance with applicable law and regulations and (viii) to carry out any action, fulfil any obligation, formality or make any disclosure necessary or appropriate to manage and/or implement the Plan, with the faculty of delegating the authority, tasks and responsibilities for the execution and implementation of the Plan.

3.2. Persons appointed to administer the plan and their position and expertise

The Board of Directors will have the responsibility of implementing the Plan; it will be appointed by the Shareholders' Meeting to manage and implement the Plan with the support and advice of the Appointments and Remuneration Committee.

Operational management of the Plan will be delegated to the Chairman of the Board of Directors who will act in accordance with the Rules.

The Plan may be administered by a trust company that must act on the specific mandate given by the Company and must adhere to the Rules.

3.3. Any existing procedures to revise the plans also due to any eventual changes to the underlying objectives

At any time, the Board of Directors may modify the Rules, independently and without the need to receive the approval of a Shareholders' Meeting of the Company, and make all amendments and additions it considers necessary or appropriate to improve the management of the Plan and to update the Rules in line with changed circumstances while, to the best of its ability, maintaining unchanged the material and economic content of the Plan, in cases of:

- (i) extraordinary transactions in the capital of the Company not specifically governed by the Rules as, for example, mergers, spin-offs, reductions in the share capital (and/or, if applicable, in the nominal value of the Shares) and for losses, increases in the share capital of the Company, either scrip issues or for payment, offers to shareholders or offers without pre-emptive rights, also if made with payment in kind, share splits or share consolidations, which have implications for the Shares;
- (ii) extraordinary events and/or non-recurring events and/or events that are not attributable to the typical activities of the Company (for example, acquisitions and/or disposals of shareholdings and/or business divisions) that are considered of material significance and/or are not currently in the management plans but which have a significant effect on the perimeter of the Group;
- (iii) significant changes in the macroeconomic and/or competitive scenario, and extraordinary events which have a material impact and are beyond the control of management;
- (iv) changes in the relevant laws or regulations or to the Self-regulatory Code;
- (v) other extraordinary events that could affect the Plan.

Specifically, the Board of Directors can change, increasing or reducing, *inter alia*, for example: (i) the amount of the Allocated Bonus, (ii) the number of Allocated Shares without prejudice to the maximum number of Shares that can be allocated under the Plan taking account of the number of treasury shares held at any given time and/or the number of new Shares from share capital increases that might be approved to service the Plan and/or any other incentive schemes, including equity-based incentive schemes; and also (iii) the Performance Targets and/or the vesting terms and conditions of the Allocated Bonus and the Allocated Shares under the Plan. Should (i) there be a takeover bid or a public exchange offer involving the Shares, or (ii) the Shares are delisted from the Italian stock market (*Mercato Telematico Azionario – MTA*) regulated and managed by Borsa Italiana S.p.A., the Board of Directors has the power to give the Beneficiaries the right to early receipt of the Bonus and a number of shares that is no lower than the Allocated Bonus and the Allocated Shares – even if the Performance Targets have not effectively been reached – and to end the Plan early. Any such decision is binding on the Beneficiaries.

3.4. Description of the procedures used to determine the availability and granting of the Shares underlying the Plan (for example, scrip issues, share capital increases without pre-emptive rights, purchases or sales of treasury stock)

As indicated in paragraph 4.1 below, the aim of the Plan is allocate to the Beneficiaries free of charge (in addition to the Bonus) and on condition that the Performance Targets and any other requirements of the Plan have been met, Shares that are already in circulation and are held (or subsequently acquired under Article 2357 and following of the Italian Civil Code) as treasury shares by the Company.

3.5. Role of each director in deciding the details of the aforementioned Plan; potential conflicts of interest involving the directors concerned

The details of the Plan to be put to the Shareholders' Meeting for its approval, in accordance with the provisions of Article 114-*bis* of the Consolidated Finance Act, were prepared by the Board of Directors as a whole with proposals and advice from the Appointments and Remuneration Committee as recommended in the Self-regulatory Code and in line with corporate best practice.

At its meeting on 12 March 2018, the Board of Directors decided to ask the Shareholders' Meeting to approve the Plan; at that meeting, the Chief Executive Officer, Mr Fabrizio Curci, declared to the Directors and the members of the Board of Statutory Auditors present that he was an interested party in the transaction as he is a potential Beneficiary of the Plan and he abstained when the vote on the Plan was held.

3.6. To meet the requirements of Article 84-bis, paragraph 1, the date the decision was taken by the competent body to ask the shareholders' meeting to approve the plans and the date of any recommendations from the remuneration committee

The Board of Directors decided to ask for approval of the Plan from the Shareholders' Meeting at the Board meeting of 12 March 2018.

The Appointments and Remuneration Committee examined the proposal during its meeting on 8 March 2018 and expressed a favourable opinion on the proposal at the same meeting, which preceded that of the Board of Directors that approved the proposal.

3.7. To meet the requirements of Article 84-bis, paragraph 5, letter a), the date of the decision taken by the competent body to grant securities and the date of any eventual recommendations made to the aforementioned body by the remuneration committee

Not applicable as, at the date of the present Information Document, the Plan has yet to be approved by the Shareholders' Meeting.

3.8. Market price of the securities underlying the plans on the aforementioned dates, if these are traded on regulated markets

Not applicable as, at the date of the present Information Document, the Beneficiaries of the Plan have yet to be identified.

3.9. For plans based on securities traded on regulated markets, how the issuer, when deciding on the timetable for the grant of securities under the plans, has allowed for the

possible concurrence of: (i) the grant of the securities or any decisions taken in this respect by the remuneration committee, and (ii) the disclosure of any material information pursuant to Article 114, paragraph 1 of the Consolidated Finance Act; for example, if this information is: (a) not already in the public domain and could have positively affected the market prices, or (b) is already in the public domain and could negatively affect the market prices

The Board of Directors will be required to identify any safeguards when it draws up the Rules, without prejudice to the fact the Plan will be implemented in accordance with the information requirements incumbent on the Company, and in such a way as to ensure transparency and the equal dissemination of information to the market, and under the internal procedures of the Company.

The Beneficiaries must observe the applicable statutory and regulatory provisions on the abuse of inside information, in particular, regarding any disposal transactions involving the Shares that are allocated following verification that the Performance Targets have been met.

4. FEATURES OF THE ALLOCATED SECURITIES

4.1. Description of the structure of the securities-based remuneration plans

Under the Plan:

(i) the Beneficiaries will be allocated free of charge – at the end of the Vesting Period and on verification that the conditions described in paragraph 4.5 have been met – Shares that have already been issued and that are currently held by the Company (or subsequently acquired under Article 2357 and following of the Italian Civil Code);

(ii) the Beneficiaries will receive - at the end of the Vesting Period and on verification that the conditions described in paragraph 4.5 have been met - the Bonus.

The right of the Beneficiary to participate in the Plan is given free of charge and is strictly personal and may not be transferred between living persons, may not be subject to restrictions or be the object of other transactions of any type.

The Board of Directors, having received the prior opinion of the Appointments and Remuneration Committee as far as relevant and – in cases governed by Article 2389, paragraph 3 of the Italian Civil Code – having requested the opinion of the Board of Statutory Auditors, will identify the Beneficiaries and establish the amount of the Allocated Bonus and the number of Allocated Shares to be allocated to each Beneficiary. The amount of the Bonus that has matured and the number of Shares that have matured that each Beneficiary will have the right to receive will be determined by the Board of Directors at the end of the Vesting Period based on the degree to which the Performance Targets have been met.

The Shares that have been allocated will have the identical characteristics and rights as the other Company shares in circulation and these rights will belong to each Beneficiary from the moment he/she becomes the owner of the Shares, without prejudice to what is written about the Lock Up in paragraph 4.5 below.

4.2 Indications regarding the effective implementation of the plan with reference also to any different timing envisaged

The duration of the Plan is two years.

More detailed information will be provided under the provisions of Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any other prevailing and applicable laws and regulations when the Plan is implemented.

4.3. Expiry of the Plan

The Plan will end on the date the Financial Statements at 31 December 2019 are approved.

4.4. Maximum number of securities, also options, granted in each fiscal year to named individuals or to the categories indicated

Under the Plan, 1,000,000 shares is the maximum number of Shares that will be allocated during the two years of the Plan.

4.5. Terms and conditions of the plan, specifying whether the effective grant of the securities is subject to any conditions or the achievement of specific results or performance objectives; description of those conditions and results

The Board of Directors proposes that the right to receive the Allocated Bonus and the Allocated Shares is conditional on economic and financial Performance Targets being met. These Targets will be set by the Board of Directors having already received the opinion of the Appointments and Remuneration Committee.

The Allocation Form of each Beneficiary will give detailed information on the Allocated Bonus and the Allocated Shares, the Performance Targets and the relative figures. If, having applied the preceding provisions, the number of Shares that have matured is a fraction, the number will be rounded down to the nearest whole number.

Under the Plan – without prejudice to any other right or remedy in favour of the Company and the subsidiaries under applicable law or contract – the Company has a Claw Back facility, which is the right to request and obtain from the Beneficiary the restitution of the Bonus and the Shares indicated in the Plan when receipt of these has been based on information that subsequently proves to be manifestly incorrect as will be detailed in the Rules. The Claw Back may be exercised by the Company within, but not beyond, the date that the Shareholders' Meeting approves the Financial Statements for the 2020 financial year.

50% of the Shares allocated to Beneficiaries under the Plan may not be transferred or placed under any restriction or be part of any disposal transaction of any sort between living persons for a period of twelve months (the Lock Up) from the date the Vested Shares are received.

These Shares, given to the Beneficiary by the authorised financial intermediary will have the identical characteristics and rights of the other shares of the Company in circulation but must remain deposited with the authorised financial intermediary appointed by the Company for the duration of the Lock Up.

If, during the Lock Up, the Beneficiary terminates his/her Employment Relationship with the company in which he/she is employed, the aforementioned Shares, while continuing to belong to the Beneficiary, must remain unavailable for twelve months.

4.6. Details of any restrictions on the availability of the instruments granted or on the securities resulting from the exercise of the options, with particular reference to the time period during which the subsequent transfer to the Company or to third parties is permitted or prohibited

The right of the Beneficiary to participate in the Plan is given free of charge and is strictly personal and may not be transferred between living persons, may not be subject to restrictions or be the object of other transactions of any type.

Under the Plan, the Board of Directors can implement other recommendations under Article 6 of the Self-regulatory Code.

4.7. Description of any resolutive conditions in relation to grants of plans where the recipients conduct hedging transactions to counteract any selling restrictions on the financial securities granted, including in the form of options, or the securities resulting from the exercise of those options

Not applicable as there are no resolutive conditions should the Beneficiaries carry out hedging transactions.

4.8. Description of the effects of termination of employment

Since the right to receive the Allocated Bonus and the Allocated Shares is intrinsically and functionally linked to the continued existence of the Employment Relationship between the Beneficiaries and the Company or the Group, if this Relationship ceases to exist, the measures described below will be applied unless the Board of Directors chooses a course that is more favourable to the Beneficiaries.

Should the Employment Relationship cease before the end of the Vesting Period due to a Bad Leaver circumstance, the Beneficiary will irrevocably lose the right to receive the Allocated Bonus and the Allocated Shares.

Should the Employment Relationship cease before the end of the Vesting Period due to a Good Leaver circumstance, the Beneficiary (or his/her heirs) may eventually keep the right to a share *pro rata temporis* of the Bonus that has matured and the Vested Shares, calculated as the ratio of (i) the time between the Offer Date and the date the Relationship ceased and (ii) the Vesting Period.

The rights of the Beneficiaries to receive the Bonus and Shares that have matured will be suspended from the moment that any letter is sent regarding disciplinary action (pursuant to and in accordance with Article 7 of Law 300/70) and until receipt of a letter stipulating the relevant disciplinary action or receipt of a letter from the Company or its subsidiary stating that no disciplinary action will be taken. It being understood that if the Employment Relationship is transferred to another Group company and/or if the Relationship ceases but at the same time a new Employment Relationship commences with the Group, the Beneficiary will keep, *mutatis mutandis*, any rights pertaining to him/her under the Rules.

If, during the Lock Up, the Beneficiary terminates his/her Relationship with the company in which he/she is employed, the aforementioned Shares, while continuing to belong to the Beneficiary, must remain unavailable for twelve months.

4.9. Details of any other causes of the cancellation of the plans

Except as indicated elsewhere in the Information Document there are no other causes for cancellation of the Plan.

4.10. Reasons for allowing any "redemption" by the Company of the securities covered by the plans under Article 2357 and following of the Italian Civil Code; beneficiaries of the redemption, indicating whether this is intended only for certain categories of employees; effects of the termination of employment on such redemptions

There are no clauses in the Plan covering redemptions by the Company. The Plan allows for Claw Back by the Company, as indicated in Paragraph 4.5 above, to which you should refer for further information.

4.11. Any loans or other facilities to be granted to purchase shares under Article 2358 of the Italian Civil Code

Not applicable as under the Plan the allocation of a mixed package of "cash" and "performance shares" (i.e. Shares) is free of charge.

4.12. Details of the expected costs for the company on the grant date, as determined using the existing terms and conditions, for the total amount and for each instrument covered by the plan

Any cost to the Company for implementing the Plan derives from an assessment of the economic impact that incorporates the amount of the Bonus that has matured, the number of Vested Shares and the market price of the Shares.

At the date of the Present Document, the Beneficiaries of the Plan and their allocations have yet to be identified and it is, therefore, impossible to calculate the aforementioned cost. However, this will be disclosed when the Rues are approved.

4.13. Details of any dilutive effects on the share capital caused by the remuneration Plan

Not applicable as the Plan uses treasury shares of the Company and, therefore, has no dilutive effect.

4.14. Potential restrictions affecting the exercise of voting rights and dividend rights

The shares that will be allocated have the same characteristics and rights as the other shares of the Company in circulation and, therefore, the rights pertaining to the Shares will belong to each Beneficiary from the moment he/she becomes the owner of the shares except as indicated in paragraph 4.5 on the Lock Up period.

There are no restrictions on the exercise of voting rights or on dividend rights.

4.15. If the shares are not traded on regulated markets, information necessary for a complete analysis of the share value

Not applicable, because the Shares are traded on a regulated market. **4.16. Number of securities underlying each option**

Not applicable.

4.17. Expiry of Options

Not applicable.

4.18. Exercise procedures (US/European), timetable (for example, exercise periods) and exercise clauses (e.g. knock-in and knock-out clauses)

Not applicable.

4.19. The exercise price of the option or the procedures and criteria for determining this, with particular regard to: a) the formula used to calculate the exercise price in relation to a given market price (fair market value) and b) the procedures for determining the market price used as a reference for calculating the exercise price (for example: closing price on the day preceding the grant date, average price on that day, average price for the preceding 30 days, etc.)

Not applicable.

4.20. If the exercise price is not equal to the market price calculated as described in section 4.19 b) (fair market value), the reasons for this difference

Not applicable.

4.21. Criteria based on which there are different exercise prices for different individuals or categories of recipients

Not applicable.

4.22. If the securities underlying the stock options are not traded on regulated markets, details of the value assigned to the underlying securities or criteria for determining this value

Not applicable.

4.23. Criteria for adjustments required following extraordinary capital transactions and other transactions resulting in a change in the number of underlying securities (capital increases, special dividends, share consolidations or share splits of the underlying shares, merger or spin-offs, conversion into other share classes, etc.)

Reference should be made to paragraph 3.3 above.

4.24. Issuers of securities will attach Table 1 to the Information Document

The table under paragraph 4.24 will be compiled and made public when the Plan is implemented in accordance with Article 84-*bis*, paragraph 5, letter a) of the Listing Rules or under any prevailing and applicable laws and regulations.