

**AMPLIFON S.P.A.**

**STOCK GRANT PLAN FOR THE EMPLOYEES AND THE SELF-EMPLOYEES**

**“STOCK GRANT PLAN 2019-2025”**

**Information document relating to the stock grant plan in favour of employees and self-employees of Amplifon S.p.A. and its controlled companies, “Stock Grant Plan 2019-2025”, drafted pursuant to Article 114-bis of the Legislative Decree No. 58 dated February 24, 1998 (“Securities Dealing Act” or “TUF”), and Article 84-bis of CONSOB resolution No. 11971/99 (“Consob Issuer Regulation”) and Annex 3A, Scheme 7 of Consob Issuer Regulation.**

## Introduction

According to the provisions of Article 114-*bis* of Legislative Decree No. 58, dated 24 February 1998, (the “**Securities Dealing Act**” or “**TUF**”), as well as those of Article 84-*bis* of Consob Resolution No. 11971/99 (the “**Consob Issuer Regulation**”) concerning information to be disclosed to the market in relation to compensation plans based on financial instruments in favour of members of the board of directors, employees or self-employees not linked to the Company by any employment agreement, as well as in favour of members of the board of directors, employees or self-employees of other parent companies or controlled companies, this information document (the “**Information Document**”) has been prepared for the ordinary shareholders’ meeting of Amplifon S.p.A. (the “**Company**” or the “**Issuer**”, and, jointly with the companies directly or indirectly controlled by the same, the “**Group**”), convened by the board of directors held on March 5, 2019, on April 17, 2019, on single call, to resolve upon, *inter alia*, the approval of the stock grant plan in favour of employees and self-employees of the Company and the Group for the years 2019-2015 (the “**Stock Grant Plan 2019-2025**”). The Stock Grant Plan 2019-2025 provides for the employees and the self-employees of the Company and the Group (the “**Beneficiaries**”) to be freely assigned the right to receive shares, in order to strengthen their motivation to reach the Company’s goals, improving their loyalty towards the Company and the Group, reinforcing the appeal and the competitiveness of the Company’s remuneration package.

This Information Document has been drafted, also with respect to the numbering of relevant paragraphs, in compliance with Scheme 7 of Annex 3A of Consob Issuer Regulation and is aimed at providing the shareholders with all information necessary to exercise their voting right in the context of the shareholders’ meeting.

Pursuant to Article 114-*bis*, paragraph 3, of TUF, and Article 84-*bis*, paragraph 2, of Consob Issuer Regulation, the Stock Grant Plan 2019-2025, considering its Beneficiaries, shall be considered as a “plan of significant relevance”, as it is addressed, among others, to persons having strategic functions within the Company (the “**Relevant Subjects**”). Within the Beneficiaries of the Stock Grant Plan 2019-2025 could be also included members of the Company’s or the Group’s board of directors.

This Informative Document is available to the public at the Company’s legal office in Milan, Via Ripamonti no. 131/133, as well as on the Company’s website at [www.amplifon.com](http://www.amplifon.com). The Informative Document will also be sent to Consob and Borsa Italiana pursuant to the modalities set forth in Section 1 of the Consob Issuer Regulation.

## DEFINIZIONI

<b>Ordinary Shareholders' Meeting</b>	means the ordinary shareholders' meeting of the Company's shareholders.
<b>Azioni</b>	means the ordinary shares of the Company, listed on the Mercato Telematico Azionario, STAR index, organized and managed by Borsa Italiana S.p.A.
<b>Beneficiaries</b>	means the employees and self-employees of the Company or a Group Company, identified as follows: <ul style="list-style-type: none"><li>- Long-Term Incentive Plan (LTI) Beneficiaries: by virtue of the band to which the organizational position of the same employee and/or self-employee belongs to, in the context of the Company's banding system, which might be subject to review on annual basis;</li><li>- Amplifon Extraordinary Award Plan (AEA) Beneficiaries: on the basis of <i>retention, promotability</i> ed <i>extraordinary recognition</i> criteria, to whom an Assigned Right has been attributed, as identified by the Ordinary Shareholders' Meeting and/or the Board of Directors pursuant to the Rules.</li></ul>
<b>Consolidated Financial Statements</b>	means the consolidated financial statements of the Company relating to each fiscal year.
<b>Board of Directors</b>	means the board of directors of the Company.
<b>Remuneration and Appointments Commitment</b>	means the Remuneration and Appointments Committee, incorporated within the Board of Directors and currently composed of the following members: Mr. Maurizio Costa, Mrs. Susan Carol Holland, Mr. Andrea Casalini, Mrs. Patrizia Grieco.
<b>Notice of Vesting of the Assigned Rights</b>	means the individual notice by means of which the Company will notify, within 15 (fifteen) Business Days from the Date of Vesting of the Assigned Rights, the numbers of Shares assigned to each Beneficiary.
<b>Date of Assignment of the Rights</b>	means the date on which the Rights are assigned to each Beneficiary, as indicated in the Letter of Assignment of the Rights.
<b>Date of Vesting of the Assigned Rights</b>	means the date on which the Company's Board of Directors will approve the draft Consolidated Financial Statements relating to the last fiscal year included in the Aggregate Reference Period.
<b>Right</b>	means the right attributed to the Beneficiaries to receive a Share according to the provisions of the Stock Grant Plan 2019-2025.
<b>Assigned Rights</b>	means the Rights attributed to each Beneficiary, as indicated in the Letter of Assignment of the Rights.
<b>Vested Rights</b>	means the Assigned Rights attributed to each Beneficiary which, upon the occurrence of the conditions set forth in the Rules, shall entitle the relevant Beneficiary to receive the assignment of all or part of the Shares.
<b>Business Day</b>	means a day other than Saturdays, Sundays and any other public bank holiday in Milan.

<b>Group</b>	means Amplifon S.p.A. and the companies directly or indirectly controlled by the same.
<b>Letter of Assignment of the Rights</b>	means the individual letters by means of which the Company will notify the proposal to adhere to the Stock Grant Plan 2019-2025.
<b>Reference Period</b>	means the fiscal year of the Company in which the Date of Assignment of the Rights falls, as well as any of the following two fiscal years.
<b>Aggregate Reference Period</b>	means all the Reference Periods collectively.
<b>Rules</b>	means the rules providing for the terms and conditions of the Stock Grant Plan 2019-2025, as well as any amendment to the same.
<b>Consob Issuer Regulation</b>	means Consob Resolution No. 11971/1999, as subsequently amended.
<b>Company or Issuer</b>	means Amplifon S.p.A., having its registered offices at Via Giuseppe Ripamonti, no. 131/133, Milan, fiscal code and registration number in the Companies' Register of Milan - Monza - Brianza - Lodi 04923960159.
<b>Group Company</b>	means: (i) the Company; and (ii) a company controlled by the Company pursuant to the definition of "control" set forth in Article 2359, paragraph 1, of the Italian Civil Code.
<b>Securities Dealing Act or TUF</b>	means the Legislative Decree No. 58 dated February 24, 1998, as subsequently amended.

## **1. Beneficiaries**

### **1.1 The identification by name of beneficiaries who are members of the board of directors or the management board of the financial instruments' Issuer, of the Issuer's parent companies and companies directly or indirectly controlled by the issuer.**

At the time of drafting this Information Document, the information pertaining to the identification, by name, of the Relevant Subjects to whom Rights shall be granted are not available, as the Beneficiaries of the Rights will be identified by name by the Company's Board of Directors on the basis of the powers granted to the same by the Ordinary Shareholders' Meeting.

Therefore, such information shall be subsequently communicated pursuant to article 84-*bis*, paragraph 5, of Consob Issuer Regulation.

Furthermore, it should be mentioned that, among the Beneficiaries of the Stock Grant Plan 2019-2025 there could be also directors of the Company or any of the Group Companies. The list of the potential beneficiaries of the Stock Grant Plan 2019-2025 who are members of the Companies' or Group Companies' board of directors will be submitted to the Ordinary Shareholders' Meeting to be held on April 17, 2019.

### **1.2 Categories of employees or self-employees of the financial instruments' Issuer and of its parent or subsidiary companies.**

The Stock Grant Plan 2019-2025 is addressed to employees and self-employees of the Company and the Group Companies, identified as follows:

- Long-Term Incentive Plan (LTI) Beneficiaries: by virtue of the band to which the organizational position of the same belongs to, in the context of the Company's banding system, which might be subject to review on an annual basis,
- Amplifon Extraordinary Award Plan (AEA): on the basis of retention, promotability and extraordinary recognition criteria.

### **1.3 Names of the beneficiaries of the plan belonging to the following groups:**

#### **a) general managers of the financial instruments' issuer:**

at the time of drafting this Information Document, the information pertaining to the identification, by name, of the Relevant Subjects who benefit from the Stock Grant Plan 2019-2025 are not available, as the Beneficiaries will be identified by name by the Company's Board of Directors on the basis of the powers granted to the same by the Ordinary Shareholders' Meeting.

Therefore, such information shall be subsequently communicated pursuant to article 84-*bis*, paragraph 5, of Consob Issuer Regulation.

#### **b) other executives with strategic responsibilities of an issuer not classed as "minor" as per Article 3, paragraph 1, letter f) of Regulation No. 17221 of 12 March 2010, if, over the course of the year, their total compensation (calculated as the sum of a monetary component and a financial instrument-based component) has exceeded the highest total compensation of the members of the board of directors or the management board and that of the issuer's general managers;**

at the time of drafting this Information Document, the information pertaining to the identification, by name, of the Relevant Subjects who benefit from the Stock Grant Plan 2019-2025 is not available, as the Beneficiaries will be identified by name by the Company's Board of Directors on the basis of the powers granted to the same by the Ordinary Shareholders' Meeting.

Therefore, such information shall be subsequently communicated pursuant to article 84-*bis*, paragraph 5, of Consob Issuer Regulation.

**c) natural persons controlling the issuer of shares who are employees or self-employees of the issuer of the shares.**

Not applicable, as the Company is not controlled by a natural person who is a Beneficiary of the Stock Grant Plan 2019-2025.

**1.4 Description and number, split by category::**

**a) of the managers with strategic responsibilities other than those specified under letter b), paragraph 1.3;**

among the Beneficiaries of the Stock Grant Plan 2019-2025 there could be also Company's managers with strategic responsibilities.

At the time of drafting this Information Document, the description and the number of such managers are not available, as the Beneficiaries will be identified by name by the Company's Board of Directors on the basis of the powers granted to the same by the Ordinary Shareholders' Meeting.

Therefore, such information shall be subsequently communicated pursuant to article 84-*bis*, paragraph 5, of Consob Issuer Regulation.

**b) for "minor" companies, the indication of all the managers with strategic responsibilities of the financial instruments' issuer.**

Not applicable, as the Company is not classed as "minor".

**c) any other category of employees or self-employees for whom a different treatment is envisaged under the plan (e.g executives, middle management, employees, etc.).**

The Stock Grant Plan 2019-2025 envisages a different treatment for the different Beneficiaries based on the different categories they belong to:

- Long-Term Incentive Plan (LTI) Beneficiaries: employees and self-employees of a Group Company, identified by virtue of the band to which the organizational position of the same belongs to, in the context of the Company's banding system, which might be subject to review on an annual basis,
- Amplifon Extraordinary Award Plan (AEA) Beneficiaries: employees and the self-employees of a Group Company, identified on the basis of retention, promotability and extraordinary recognition criteria.

**2. Reasons for the adoption of the plans**

**2.1 Objectives to be achieved through the implementation of the plans.**

The objectives the Company intends to achieve through the implementation of the Stock Grant Plan 2019-2025 have to be identified in incentivizing the strategic resources of the Group, through a remuneration mechanism based on the assignment of equity financial instrument that, aligning the Beneficiaries' interests with that of the shareholders, is aimed at improving the mid-long term performances of the Group and, as a result, at creating value for the investors in the Company's share capital.

Furthermore, through the Stock Grant Plan 2019-2025, the Company intends to consolidate the sense of belonging to the Group and the retention of the Beneficiaries, in particular of the key resources in the different Group Companies.

Therefore, the Stock Grant Plan 2019-2025 may be included among the instruments used for integrating the fixed component of the remuneration package of the strategic resources of the Group with certain variable elements, also in relation to performance objectives.

Briefly, the Stock Grant Plan 2019-2025 is aimed at:

- (i) strengthening the retention and the motivation of the key people and their alignment to the shareholders' interests in creating value for the Group;
- (ii) consolidating, in the context of the remuneration policy, the importance of the variable part, in particular the mid-long term period one, underlining the pay-for-performance concept; and
- (iii) reinforcing the appeal and the competitiveness of the Company's remuneration package.

The timeframe of the plan has been defined on the basis of the indications of the Self-Regulatory Code for the remuneration plans based on shares.

## **2.2 Key variables considered - including performance indicators - in order to implement plans based on financial instruments.**

The essential condition for the assignment of the Rights is represented by the employees' and self-employees' roles within the Company or the relevant Group Company, as set forth in Paragraph 1.2 above.

The vesting of the Assigned Rights and, consequently, the granting of the relevant Shares is subject to the condition that, at the end of the Aggregate Reference Period, the Beneficiary is an employee of the Company or of one of the Group Companies and no notice period is under way.

Furthermore, as long as the Long-Term Incentive Plan (LTI) Beneficiaries are concerned, a further condition for the granting of the Shares is established, consisting in the achievement of the business objectives indicated in the Letter of Assignment of the Rights.

## **2.3 Factors underlying the determination of the financial-instrument based remuneration component, i.e., relevant criteria**

The Board of Directors will identify the target and maximum number of Rights to be assigned to each Beneficiary on the basis of the powers granted by the Ordinary Shareholders' Meeting.

Each Assigned Right entitles the Beneficiary to receive a Share pursuant to the terms and conditions set forth by the Rules to be approved by the Board of Directors after consulting the Remuneration & Appointments Committee and the Letter of Assignment of the Rights. Therefore, the overall number of the Assigned Rights attributed to each Beneficiary merely represents the target and the maximum number of Shares that will be granted to the same Beneficiary, where all the aforementioned terms and conditions are fully met.

Each Assigned Right and, likewise, the Shares corresponding to the Vested Rights, are assigned on a free basis.

As provided for under Annex 3A of Consob Issuer Regulation, for further details see the information published in the Remuneration Report pursuant to art. 84-*quarter* of Consob Issuer Regulation.

## **2.4 Reasons for awarding remuneration plans based on financial instruments which are not issued by the financial instruments' issuer, such as financial instruments issued by subsidiaries or parent companies of the same or by third party companies that do not belong**

**to the issuer's group; if the aforesaid instruments are not tradable on regulated markets, information on the criteria used to determine their value.**

Not applicable. The Stock Grant Plan 2019-2025 provides for the free assignment of the Rights which entitle the relevant beneficiary to be granted with the Company's Shares on a free basis.

**2.5 Evaluation of significant tax and accounting implications that have influenced the plan's structure.**

The preparation of the Stock Grant Plan 2019-2025 was not influenced by significant tax or accounting considerations. In particular, the regime applicable to income from subordinate employment applicable in the country where each Beneficiary resides for tax purposes will be taken into account.

**2.6 Any incentive provided for the plan by the special fund for the encouragement of worker participation in enterprises, as per Article 4, Paragraph 112, of Italian Law No. 350 dated December 24, 2003.**

Not applicable.

**3. Approval procedures and timing for the allocation of instruments**

**3.1 Scope of the powers and functions granted by the shareholders' meeting to the Board of Directors for the implementation of the plans.**

On March 5, 2019, the Board of Directors resolved to submit the approval of the Stock Grant Plan 2019-2025 to the Ordinary Shareholders' Meeting, convened on April 17, 2019, on single call.

The Ordinary Shareholders' Meeting will be asked to grant the Board of Directors, with the faculty of sub-delegating to one or more of its members, the power to resolve upon, after acquiring the Remuneration and Appointments Committee: (i) the implementation of the Stock Grant Plan 2019-2025; (ii) the identification, by name, of the Beneficiaries; (iii) the determination of the number of the Rights to be assigned to each Beneficiary; (iv) the establishment of all the terms and conditions for the implementation of the Stock Grant Plan 2019-2025 and the approval of the Rules of the Stock Grant Plan 2019-2025 and the relevant documentation, with the power to make subsequent amendments and/or additions; and (v) any amendment to the Stock Grant Plan 2019-2025 which might be necessary and/or appropriate, with particular regard in case of amendments to applicable laws and regulations or extraordinary events or transactions.

**3.2 Indication of the subjects appointed to manage the plan and their roles and responsibilities.**

The Board of Directors has the authority to manage the Stock Grant Plan 2019-2025.

The Board of Directors, in exercising the powers granted to the same by the Ordinary Shareholders' Meeting in relation to the Stock Grant Plan 2019-2025, may delegate its powers, functions and responsibilities for the implementation of the aforementioned plan to one or more of its members.

**3.3 Procedures for the review of the plans, if any, also relating to amendments to any key objectives.**

The Stock Grant Plan 2019-2025 does not provide for any review procedures. However, the Company's Board of Directors may amend its Rules at any time, as it deems it appropriate, in order to – by way of an example -

(i) take into consideration any amendments to applicable laws; or (ii) ensure that Beneficiaries benefit, or continue to benefit, of favourable legislative provisions. It is understood that such amendments may concern even only certain categories of Beneficiaries, identified on the basis of specific criteria (e.g., Group Company to which the Beneficiary belongs to, geographical location, nature of the relationship with the Group Company).

Furthermore, should any extraordinary event or transaction that affect the value of the Shares occur, the Company shall be entitled, at its sole discretion, to replace the Stock Grant Plan 2019-2025 with a different share plan or any other incentive mechanism reflecting the purposes and the benefits of the Stock Grant Plan 2019-2025.

**3.4 Description of the methods used to determine the availability and the assignment of the financial instruments on which the plans are based on (for example: the assignment of shares on a free-of-charge basis, share capital increases with the exclusion of pre-emptive rights, and the sale and purchase of its treasury shares).**

The Stock Grant Plan 2019-2025 provides for the assignment of Rights entitling its Beneficiaries to receive, on a free basis, the Shares which are already owned by the Company or will be acquired and/or made available through a Company's share capital increase in execution of the proxies submitted for approval to the same Ordinary Shareholders' Meeting that shall approve the Stock Grant Plan 2019-2025.

**3.5 The role performed by each director in determining the features of the aforementioned plans; conflicts of interest of the involved directors, if any.**

For the approval of the Stock Grant Plan 2019-2025 proposal to be submitted for approval to the Ordinary Shareholders' Meeting, the meeting of the Board of Directors has taken into account the conclusions of the Remuneration and Appointments Committee held on March 1, 2019.

**3.6 Pursuant to Article 84-bis, Paragraph 1, the date of the decision taken by the body responsible for proposing the approval of the plans to the shareholders' meeting and of any proposal by the Remuneration Committee.**

On March 5, 2019, the Board of Directors approved the Stock Grant Plan 2019-2025, on the basis of the conclusion of the meeting of the Remuneration and Appointments Committee held on March 1, 2019, and resolved to submit the approval of the same to the Ordinary Shareholders' Meeting convened on April 17, 2019, on single call.

**3.7 Pursuant to Article 84-bis, Paragraph 5, letter a), the date of the decision taken by the body responsible for the assignment of the instruments and of any proposal made by Remuneration Committee to the aforementioned body.**

The Ordinary Shareholders' Meeting which shall resolve upon the approval of the Stock Grant Plan 2019-2025 is convened on April 17, 2019, on single call.

Should the Stock Grant Plan 2019-2025 be approved, the Board of Directors will be held in order to resolve upon the implementation of the Stock Grant Plan 2019-2025.

Therefore, at the time of this Informative Document, information about the date on which the decision and the proposal, if any, is not available and shall be subsequently communicated pursuant to Article 84-bis, Paragraph 5, of Consob Issuer Regulation.

**3.8 Market price, recorded on the aforementioned dates, for the financial instruments on which the plans are based, if traded on regulated markets.**

The Shares' official market price which will be recorded when the Board of Directors will assign the Rights on the basis of the powers granted by the Ordinary Shareholders' Meeting will be communicated pursuant to Article 84-*bis*, Paragraph 5, of Consob Issuer Regulation.

**3.9 For plans based on financial instruments traded on regulated markets, the terms and procedures taken into consideration by the issuer, in order to determine the timing for their assignment, to evaluate any possible time correlation between:**

- i) the aforementioned assignment or any related decisions taken by the remuneration committee, and**
- ii) the disclosure of any relevant information pursuant to Article 114, Paragraph 1; for example, when such information is:**
  - a. not already in the public domain and capable of positively influencing the market price, or**
  - b. already in the public domain and capable of negatively influencing the market price.**

The assignment of Rights to the Beneficiaries will be carried out by the Board of Directors which, subject to the obtainment of the necessary powers by the Ordinary Shareholders' Meeting, will implement the Stock Grant Plan 2019-2025.

On the occasion of the Board of Directors which will assign the Rights to the Beneficiaries, the Company will publish the press release pursuant to Article 114, Paragraph 1, of the Securities Dealing Act, containing also the information set forth in Article 84-*bis*, Paragraph 5, of Consob Issuer Regulation.

Should further relevant information pursuant to Article 114, Paragraph 1 of the Securities Dealing Act come to light, the Company will manage the same, in accordance with applicable legislation.

At the moment, the structure of the Stock Grant Plan 2019-2025, as well as the timing and the modalities established for the assignment of the Shares do not seem to indicate the need for dedicated surveillance measures in relation thereto (particularly in light of the fact that the Shares corresponding to the Vested Rights will be assigned to the Beneficiaries within 90 (ninety) Business Days following the Notice of Vesting of the Assigned Rights, subject to the implementation - also by the Beneficiary - of all the fulfilments, including those of accounting and/or administrative nature, relating thereto), it being understood that the entire process shall be implemented, in any case, pursuant to all the Company's disclosure obligations in order to ensure transparency and equality of information to the market.

**4. Characteristics of the assigned instruments**

**4.1 Details of the structure of financial instrument-based remuneration plans; for example, specify whether the plan is based on the assignment of: financial instruments (assignment of restricted stock); increase in the value of these instruments (phantom stock); options to subsequently buy the financial instruments (option grants) with settlement by physical delivery (stock options) or in cash on the basis of a differential (stock appreciation rights).**

The Stock Grant Plan 2019-2025 provides for the assignment of Rights entitling the Beneficiaries to receive Shares on a free-of-charge basis.

**4.2 Specification of the plan's effective implementation period, also with reference to any cycles planned.**

The assignment of the Rights to the Beneficiaries will be made upon the implementation of the Stock Grant Plan 2019-2025 by the Board of Directors which, on the basis of the powers granted to the same by the Ordinary Shareholders' Meeting, will determine, among others, the Rights to be assigned to each Beneficiary, taking into consideration the category to which the Beneficiaries belong, through different cycles of assignment.

The Assigned Rights will vest and, therefore, each Beneficiary shall be entitled to receive the Shares upon the occurrence of the conditions set forth in the Stock Grant Plan 2019-2025, on the Date of Vesting of the Assigned Rights. The Shares corresponding to the Vested Rights will be assigned to the relevant Beneficiary within 90 (ninety) Business Days following the date of the Notice of Vesting of the Assigned Rights, subject to the implementation (also by the Beneficiary) of all the fulfilments (including those of accounting and/or administrative nature), relating thereto.

#### **4.3 the expiration of the plan.**

The Stock Grant Plan 2019-2025 will expire on the earlier between (i) December 31, 2025, and (ii) the date on which the Shares corresponding to the Rights and object of the Stock Grant Plan 2019-2025 will be wholly assigned to the Beneficiaries.

#### **4.4 The maximum number of financial instruments, including options, allocated to named individuals or categories in each fiscal year.**

The Stock Grant Plan 2019-2025 provides for the assignment of up to a maximum 1,750,000 Shares for each fiscal year.

#### **4.5 The plan's implementation procedures and provisions, specifying whether the current assignment of the instruments is subject to certain conditions or specific objectives, including performance-related ones; and description of the aforementioned conditions and objectives.**

In relation to the modalities and the provisions for the implementation of the Stock Grant Plan 2019-2025, on March 5, 2019, the Board of Directors resolved to submit the Stock Grant Plan 2019-2025 to the Ordinary Shareholders' Meeting, convened on April 17, 2019, on single call, for the relevant approval, on the basis of the conclusion of the Remuneration and Appointments Committee meeting held on March 1, 2019. The Stock Grant Plan 2019-2025 provides for the assignment of Rights to be granted with Shares on a free-of-charges basis.

The Assigned Rights will vest and, therefore, the relevant Beneficiary shall be entitled to receive the relevant Shares, pursuant to the criteria set forth in the Rules and the Letter of Assignment of the Rights, provided that as of the date falling on the last day of the Aggregate Reference Period, the Beneficiary is an employee or a self-employee of a Group Company and no notice period is under way.

Furthermore, for the Long-Term Incentive Plan (LTI) Beneficiaries, the vesting of the Assigned Rights is also subject to the achievement of the business objectives indicated in the Letter of Assignment of the Rights.

#### **4.6 Details of any restrictions on the availability of the instruments or on instruments resulting from the exercise of the options, with particular reference to deadlines by which the subsequent transfer to the company or to third parties is permitted or prohibited.**

The Assigned Rights are personal, nominative, and may not be transferred, assigned or otherwise disposed by a Beneficiary to any other person (except for transmission upon the death of a Beneficiary (*mortis causa*) to his/her heirs, as better indicated below). The Assigned Rights shall automatically be forfeited and

terminate in case of any attempt of transfer or negotiation, including but not limited to any transfer *inter vivos* or, based on applicable Law, any pledge or other charge, lien or encumbrance thereon.

The Shares assigned pursuant to the Rules shall be freely negotiable.

With regard the Chief Executive Officer and the Managers with Strategic Responsibilities of the Company or the Group Companies, it remains understood that a number of Shares corresponding to 30% of the Vested Rights shall not be transferred, assigned or otherwise disposed (except for the transmission *mortis causa*) for a period of one year from the Date of Vesting of the Assigned Rights.

**4.7 Description of any termination conditions with respect to assignment under the plans if the Beneficiaries conduct hedging transactions that allow the neutralization of any restrictions on the sale of assigned financial instruments, including options or the financial instruments resulting from the exercise of these options.**

Not applicable.

**4.8 Description of effects generated by the termination of an employment relationship.**

In case of:

- (i) receipt by the Beneficiary of a letter of termination of the relevant employment or self-employment relationship; or
- (ii) delivery by the Beneficiary of a letter of resignation from the relevant employment relationship or interruption of the relevant self-employment relationship,

the Beneficiary shall lose all his/hers Assigned Rights, which shall automatically lapse and terminate and the relevant Beneficiary shall not be entitled to receive any compensation or indemnification under whatever title by the Company and/or the relevant Group Company in connection thereto.

Consistently with the previous incentive plans of the Companies, such provision does not apply to the special agreements, if any, which may be executed with the Beneficiary upon occurrence of the events mentioned above.

The termination of the employment relationship for retirement as well as death, permanent disability which prevents any continuation of the employment relationship will allow the relevant Beneficiary (or his/her successors *mortis causa*) to maintain the Assigned Rights attributed to him/her, pursuant to the criteria which will be defined by the Board of Directors, also on the basis of a principle of proportionality to the time elapsed from the Date of Assignment of the Rights.

The same principle will apply also in case one of the following events occur:

- (a) the Company or the Group Company with which the Beneficiary has an employment or self-employment relationship is no longer a Group Company;
- (b) suspension of the activity performed by the Beneficiary in favour of the Company or the Group Company, with no compensation being paid (e.g. leave of absence), for a period equal to or exceeding 6 (six) subsequent months; or
- (c) transfer of the going concern or the business division where the Beneficiary works to a company that is not a Group Company.

**4.9 Details of any other reasons for the cancellation of the plans.**

Not applicable. The Company's Board of Directors may amend at any time the Rules in case it deems appropriate in order to, by way of example (i) take into consideration any amendments to applicable laws; or (ii) ensure that the Beneficiaries may benefit, or continue to benefit, from favourable legislative provisions.

Should any extraordinary event or transaction that affect the value of the Shares occur, the Company shall be entitled, at its sole discretion, to replace the Stock Grant Plan 2019-2025 with a different share plan or any other incentive mechanism reflecting the purposes and the benefits of the Stock Grant Plan 2019-2025.

**4.10 The reasons for the provision of any “redemption” of the financial instruments involved in the plan by the company, pursuant to Article 2357 and subsequent Articles of the Italian Civil Code; the beneficiaries of the redemption, specifying whether it only applies to specific categories of employees; and the effects of the termination of the employment relationship on the aforementioned redemption.**

Not applicable.

**4.11 Any loans or concessions due to be granted for the purchase of the shares pursuant to Article 2358, Paragraph 3, of the Italian Civil Code.**

Non applicable.

**4.12 Details of the assessment of the expected financial burden for the company as of the date of the assignment, determined on the basis of the terms and conditions already defined both as a whole by overall amount and for each instrument of the plan.**

The burden expected for the Group Company with which the Beneficiary has an employment or self-employment relationship shall be represented by the fair value of the Shares of the Stock Grant Plan 2019-2025, to be calculated while drafting the financial statements for the fiscal year and will be published with the relevant documentation available to the public on the occasion of the Ordinary Shareholders' Meeting convened to resolve upon the approval of the draft financial statements.

**4.13 Specification of any dilution effect on the capital determined by remuneration plans.**

Any dilutive effects resulting from implementation of the Stock Grant Plan 2019-2025 will depend on the Company's choice to finance such plan through market purchases or through a capital increase.

**4.14 Any restrictions set for the exercise of voting rights and the assignment of property rights.**

There are no limits to the exercise of property and voting rights in relation to the Shares which will be assigned pursuant to the Stock Grant Plan 2019-2025.

**4.15 If the shares are not traded on regulated markets, any other information needed to properly assess their value.**

Not applicable.

Table No. 1 of Scheme No. 7 of Annex 3A of Consob Issuer Regulation, duly filled in in the sections applicable to the Stock Grant Plan will be provided during the implementation of the Stock Grant Plan 2019-2025 when the Rights will be assigned.