



**DIRECTORS' ILLUSTRATIVE REPORT  
TO THE ORDINARY SHAREHOLDERS' MEETING OF  
TINEXTA S.P.A.  
CALLED FOR  
28 APRIL 2020 IN SINGLE CALL**

Dear Shareholders,

We put at your disposal, at the Legal Headquarters and on the Company's website at [www.tinexta.com](http://www.tinexta.com) and on the authorized storage mechanism called e-market SDIR-Storage, pursuant to Article 125-ter of Legislative Decree n.58/98 and successive modifications (the "**TUF**") and Article 84-ter of Consob Regulation no. 11971/1999 and successive modifications (the "**Issuers Regulation**"), a report on the proposals concerning the following subject on the Agenda of the Ordinary Shareholders' Meeting, to which you have been invited to participate, in Milan, in Via Agnello n. 18 at the Marchetti Notarial office on 28 April 2020 at 12:30 p.m., in single call.

**THIRD POINT OF THE AGENDA**

**Approval pursuant to Article 114-bis of Legislative Decree 58/1998 of the Stock Option Plan 2020 - 2022 concerning Ordinary Shares of Tinexta S.p.A. reserved for Directors, Executives with strategic responsibility, and/or other employees and other managerial figures of Tinexta S.p.A. and/or its subsidiaries pursuant to Article 93 of Legislative Decree No. 58 of 24 February 1998. Related and consequent resolutions.**

Dear Shareholders,

We call to your attention, pursuant to Article 114-bis of the TUF, the proposed resolution submitted for examination by the Ordinary Shareholders' Meeting illustrated below, deriving from the adoption of the medium-long term incentive system of Tinexta Group Management, referred to as Point 3 on the Agenda of today's Meeting, which provides for the free allocation of options (the "**Options**") for the purchase and, if applicable, the possible subscription of Ordinary Shares of the Company.

For the purpose of adopting a medium-long term incentive tool based on the financial instruments of the Company in favour of executive directors, executives with strategic responsibilities, and/or other employees and other managerial figures of Tinexta S.p.A. and/or the companies controlled by it, the Board of Directors has prepared,

after consulting the Remuneration Committee, a specific plan (the "**Stock Option Plan 2020 - 2022**" or more briefly the "**Plan**") with the characteristics described below.

The Information Document relating to the Plan, drawn up pursuant to Article 84-bis and Annex 3A, Form n.7, of the Issuers Regulation, will be made available to the public in accordance with Law and will be available on the Company's website [www.tinexta.com](http://www.tinexta.com), in the "Governance / Shareholders' Meeting" section, together with this report.

#### **a) Purpose of the Plan**

The Company believes that the Plan, in line with the best market practices adopted by listed companies on a national and international level, represents an effective incentive and loyalty tool for individuals holding key roles and for employees to improve and maintain high performance and contribute to increasing the growth and success of the Company and the Group.

The adoption of share-based remuneration plans also responds to the indications of the Corporate Governance Code, whose Article 6 recognizes that these plans represent a suitable tool to align the interests of Executive Directors and Executives with strategic responsibilities of listed companies with those of Shareholders, thereby allowing the pursuit of the priority of creating value over a medium-term horizon.

In particular, with the Plan Tinexta intends to promote and pursue the following objectives:

- (i) link the overall remuneration and, in particular, the incentive system for managerial figures and key personnel of the Group to the results actually achieved by the Company and to the creation of new value for the Tinexta Group;
- (ii) orient key Company resources towards strategies aimed at pursuing medium-long term results;
- (iii) align the interests of Executive Directors and Key Managers with those of Shareholders and investors;
- (iv) further develop retention policies aimed at retaining key company resources and encouraging their permanence in the Company or in Tinexta Group; and
- (v) further develop attraction policies towards talented managerial and professional figures, in order to continuously develop and strengthen Tinexta's key and distinctive skills.

The Plan develops over a time horizon deemed suitable for the achievement of the incentive and loyalty objectives pursued by the same.

#### **b) Beneficiaries of the Plan**

The beneficiaries of the Plan will be identified at the discretion of the Board of Directors, after consulting the Remuneration Committee, among Executive Directors, Managers with strategic responsibilities, and/or other employees and other managerial figures of Tinexta S.p.A. and/or the companies controlled by it that hold roles deemed relevant within the Group and with a significant impact on the creation of value for the Company, the Group companies and the Shareholders.

#### **c) Object of the Plan**

The Plan has as its object the attribution in favour of the relative beneficiaries of a maximum total amount of n. 1,700,000 Options that attribute the right to purchase and, if necessary, to subscribe, Shares in the ratio of one

Share for each single Option exercised (1:1). The options assigned will become vested options and will therefore be exercisable by the beneficiaries during the exercise period, only upon achievement of the specific performance objectives set out in the Plan regulations.

**d) Methods and clauses for implementing the Plan**

The Plan provides for a single cycle of allocation of Options and provides for a vesting period of 36 months from the date of allocation of the Options assigned to the beneficiaries. Each beneficiary will be able to exercise the Options assigned on condition that the specific annual performance targets connected to EBITDA resulting from the Company's Consolidated Financial Statements at 31 December 2022 are achieved.

The achievement of the objectives will be verified by the Company's Board of Directors, after consulting the Remuneration Committee, following the approval by the Shareholders' Meeting of the Financial Statements for the year ended 31 December 2022. In the event of failure to achieve the Minimum Target equal to 80% of EBITDA in the year ended 31 December 2022 the Options assigned will lapse and must be considered extinguished in all respects.

The Shares serving the Plan may derive from any Shares purchased on the market and/or otherwise held by the Company.

**e) Possible support of the Plan by the Special Fund to encourage the participation of Workers pursuant to Article 4, Paragraph 112 of Law no. 350 of 24 December 2003.**

The Plan will not receive any support from the Special Fund to encourage worker participation in companies, as per Article 4, paragraph 112, of Law n. 350 of 24 December 2003.

**f) Criteria for determining the exercise price of the Shares serving the Plan**

The exercise price will be determined by the Board of Directors, after hearing the opinion of the Remuneration Committee, on the basis of the arithmetic average of the official prices recorded by the Company's Shares on the MTA (Mercato Telematico Azionario of Borsa Italiana) in the half-year preceding the date of allocation of the Options.

**g) Limits on the transfer of the Options**

The Options and all the rights incorporated in them are strictly personal, nominative, non-transferable and non-negotiable and therefore cannot be used against debts or contracts entered into by any or each of the beneficiaries towards the Company or third parties.

Beneficiaries who are (i) Executives with strategic responsibilities linked to the Company or to a company controlled by it by an indefinite contractual relationship or (ii) who qualify as Executive Directors in the Company or in the Group companies, will have the obligation to continuously hold, respectively, for a period of three years from the date on which they received the Shares following the exercise of the options vested or until the end of the mandate, a number of Shares equal to at least 20% of the Shares purchased and, if appropriate, possibly underwritten.

For any further details regarding the Plan, please refer to the Information Document prepared in accordance with Article 84-bis of the Issuers' Regulation, in implementation of the provisions of Article 114-bis of the TUF, made available to the public in accordance with Law and available on the Company website [www.tinexta.com](http://www.tinexta.com), in the "Governance / Shareholders' Meeting" section, together with this report.

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In light of the foregoing, we therefore submit the following resolution proposal for your approval:

"The Ordinary Shareholders' Meeting of Tinexta S.p.A.,

- *having heard and approved what has been prepared by the Board of Directors;*
- *having reviewed the Information Document illustrating the "2020-2022 Stock Option Plan" made available to the public pursuant to the applicable regulations;*

**resolves**

- *to approve, pursuant to and for the purposes of Article 114-bis of Legislative Decree n. 58 of 24 February 1998 and subsequent amendments, the "2020-2022 Stock Option Plan", concerning the attribution in favour of Executive Directors, Executives with strategic responsibilities, and / or to other employees and other managerial figures of Tinexta S.p.A. and / or the companies controlled by it for a total maximum amount of n. 1,700,000 Options that attribute the right to purchase and, if necessary, subscribe Shares in the ratio of 1 Share for each 1 Option exercised, subject to the achievement of certain performance objectives and having the characteristics described, in detail, in the Information Document drawn up in accordance with Article 84-bis of the Consob Regulation adopted with resolution no. 11971/1999 and subsequent amendments;*
- *consequently, to assign to the Board of Directors, with the power to sub-delegate, all the powers necessary for the concrete implementation of the aforementioned Stock Option Plan 2020 - 2022, to be exercised in compliance with the application criteria set out above, making any changes and/or integration that is necessary for the realization of what has been deliberated. To this end, by way of example and without limitation, the Board of Directors may, having heard the Remuneration Committee, with the power to sub-delegate, (i) implement the Plan; (ii) nominally identify the beneficiaries of the same and determine the quantity of options to be assigned to each of them; (iii) proceed with assignments to beneficiaries; (iv) determine the exercise price, (v) prepare, approve and modify the documentation related to the implementation of the Plan, as well as (vi) carry out any act, fulfilment, formality, communication that is necessary or appropriate for management purposes and/or implementation of the plan itself;*
- *to confer on the Chairman of the Board of Directors all powers, with the power to sub-delegate, to carry out the legislative and regulatory obligations consequent to the adopted resolutions."*

Rome, 29 March 2020

On Behalf of  
The Board of Directors  
The Chairman