

REPORT BY THE BOARD OF DIRECTORS OF PRYSMIAN S.P.A. (“*PRYSMIAN*” OR THE “*COMPANY*”) TO VOTE, AS ITEM NUMBER ONE OF THE AGENDA OF THE EXTRAORDINARY SESSION OF THE SHAREHOLDERS’ MEETING SCHEDULED ON 19 APRIL 2023 (THE “*SHAREHOLDERS’ MEETING*”), THE PROPOSAL TO INCREASE THE SHARE CAPITAL TO SERVICE AN INCENTIVE PLAN, PURSUANT TO ART. 125-TER OF ITALIAN LEGISLATIVE DECREE 58/98, AS AMENDED AND UPDATED, AND ARTICLE 72 OF THE CONSOB REGULATION NO. 11971/99, AS AMENDED AND UPDATED, DRAWN UP IN ACCORDANCE WITH APPENDIX 3A TO THE SAME CONSOB REGULATION.

1. **Proposal for a free share capital increase, to be reserved for the incentive plan submitted to the approval of today's Ordinary Shareholders' Meeting, for a maximum nominal amount of Euro 950,000,00, by means of assignment pursuant to art. 2349 of the Italian Civil Code, of a corresponding amount withdrawn from profits or from profit reserves, with the issuance of no more than no. 9,500,000 ordinary shares with a par value of Euro 0.10 each. Contextual amendment of Article 6 of the Articles of Association. Related resolutions.**

Shareholders,

The Board of Directors on March 9th, 2023 resolved to submit to the ordinary Shareholders' Meeting the approval of a long term incentive plan reserved for employees and executive Directors of Prysmian S.p.A. and of Italian and foreign Prysmian Group's companies (the "**Plan**"), described in the information document prepared in accordance with Art. 84-bis of the regulation adopted by Consob with Resolution No. 11971 of 14 May 1999, as subsequently modified, made available to the Shareholders for review of point four of the agenda of the ordinary session of the Shareholders' Meeting.

The information document, which we ask you to review for more information on the Plan, lists the criteria for identifying the recipients and the features of the Plan and describes, in detail, the basic reasons for its adoption.

The Plan envisages the granting to the recipients, free-of-charge, of ordinary shares of the Company. These shares could be composed of newly issued shares resulting from increase in share capital, by either of profit or of profit reserves under art. 2349 of the Italian Civil Code, and of treasury shares owned by the Company.

In order to guarantee a sufficient supply of shares serving the Plan, the Board is submitting to you the proposal to increase the share capital, free-of-charge, for a maximum amount of Euro 950,000, through the award, under art. 2349 of the Italian Civil Code, of an equivalent maximum amount deriving from the "*Reserve for share issuance as per article 2349 of the Civil Code*" according to the ordinary session of the Shareholders' Meeting, with the issuance of up to no. 9,500,000 ordinary shares (equal to about the 3.5% of the current share capital) with a nominal value of Euro 0.10 each, to be offered to the employees of Prysmian Group.

We remind that, according to art. 23 of the Articles of Association: "*The Shareholders' Meeting may also resolve, in accordance with art. 2349 of the Italian Civil Code, an extraordinary allocation of profits by issuing free shares for a nominal amount corresponding to such profits*".

1. Reasons and assignment of the Increase in Capital

The Company, in coherence with the widespread standard practice at national and international level and in conformity with the recommendations of the Corporate Governance Code of listed companies regarding remuneration, considers that the Plan constitutes an instrument capable of involving particularly talented resources who occupies key positions in Prysmian S.p.A. and in other Prysmian Group's companies in the pursuit of the strategic objectives, as well as aligning the interests of the management, of the employees and the shareholders in a medium-long term perspective, oriented to a long-term sustainable value creation, as envisaged by Value4All's corporate strategy. This Plan also has the objective of contributing to the development of a culture of trust in the growth of the value of the Prysmian Group, by promoting the identification and the sense of belonging of the management and the employees involved, with significant effects in terms of loyalty and retention, also through the deferral of part of the annual bonus by receiving shares of the Company.

These goals justify the exclusion of the right of option in favour of the shareholders.

To this end, the Plan develops over a three years period, considered consistent with the aforementioned goals, between the moment of the adherence to the Plan and the date of the granting of the shares.

The increase in the share capital is reserved to the Plan and is therefore solely intended for the employees of Prysmian S.p.A. and of Italian and foreign Prysmian Group's companies, in accordance with Article 2359 of the Italian Civil Code, including the executives Directors of the Company.

The shares can be issued also in several tranches over the lifetime of the resolution to increase the capital described, to the final date of 31 December 2027.

2. Features of the Shares

The shares of the Company that can be awarded to the beneficiaries of the Plan, will have the same rights as the currently outstanding ordinary shares of the Company and will therefore have the coupons in effect on that date attached.

3. Statutory modification as a result of the resolution proposing the capital increase

The operation described entails a modification of Article 6 of the Articles of Association in order to acknowledge the resolution of increase in the share capital.

In particular, a new paragraph will be added to Article 6 of the Articles of Association which states:

"The Extraordinary Shareholders' Meeting dated 19 April 2023 resolved to increase the share capital for a maximum amount of Euro 950,000.00, through the award under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issuance as per article 2349 of the Civil Code", with the issuance of up to no. 9,500,000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the beneficiaries of the incentive plan approved by the Ordinary Shareholders' Meeting of 19 April 2023, and to be carried out by the final date of 31 December 2027".

Here below is the current text of Article 6 of the Articles of Association, compared with the text submitted for the approval of the Extraordinary Shareholders' Meeting.

Current Text	Modified Text
Article 6 – Capital and shares	Article 6 – Capital and shares
<p>The authorised and paid-up share capital is equal to €26,814,424.60 (twenty-six million eight hundred fourteen thousand four hundred twenty-four point sixty) divided into 268,144,246 (two hundred sixty-eight million one hundred forty-four thousand two hundred forty-six) ordinary shares, with a nominal value of €0.10 (Euro zero point ten) each and may be increased in accordance with applicable laws, following a resolution by the Shareholders' Meeting.</p> <p>The Extraordinary Shareholders' Meeting dated 12 April 2022 resolved to increase the share capital for a maximum nominal amount of Euro 800,000.00, through the allotment under art. 2349 of the Italian</p>	<p>[unchanged paragraph]</p> <p>[unchanged paragraph]</p>

<p>Civil Code, of an equivalent amount deriving from the “Reserve for share issuance as per article 2349 of the Civil Code”, with the issuance of up to no. 8,000,000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group’s companies, beneficiaries of the incentive plan approved by the Ordinary Shareholders’ Meeting of 28 April 2020, and to be carried out by the final date of 31 December 2024.</p>	
<p>The Extraordinary Shareholders’ Meeting held on 28 April 2021 resolved to increase the share capital against cash contributions, indivisible way, with exclusion of the option right pursuant to art. 2441, par. 5 of the Italian Civil Code, for a maximum nominal value of euro 1,864,025.50, to be paid in one or more tranches through the issuance of a maximum of 18,640,255 Company’s ordinary shares having the same characteristics as the outstanding ordinary shares, to be reserved exclusively and irrevocably for the conversion of the Bond, called “Prysmian S.p.A. Euro 750 million Equity Linked Bonds due 2026”, without prejudice to the fact that the subscription deadline for the newly issued shares is 2 February 2026 and, if on that date the capital increase is not entirely subscribed, it shall be considered as increased by an amount equal to the subscriptions collected.</p>	<p>[unchanged paragraph]</p>
<p>The Extraordinary Shareholders’ Meeting dated 12 April 2022 resolved to increase the share capital for a maximum nominal amount of Euro 300,000.00, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the “Reserve for share issuance as per article 2349 of the Civil Code”, with the issuance of up to no. 3,000,000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group’s companies, beneficiaries of the stock grant plan approved by the Ordinary Shareholders’ Meeting of 12 April 2022, and to be carried out by the final date of 31 December 2026.</p>	<p>[unchanged paragraph]</p>
<p>[new paragraph]</p>	<p>The Extraordinary Shareholders’ Meeting dated 19 April 2023 resolved to increase the share capital for a maximum nominal amount of Euro 950,000.00, through the award under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the “Reserve for share issuance as per article 2349 of the Civil Code”, with the issuance of up to no. 9.500.000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the beneficiaries of the incentive plan approved by the Ordinary</p>

<p>In the resolutions passed for to increase the share capital by issuing share for cash, the option right may be excluded up to a maximum of 10% of the previously existing share capital, provided the issuance price corresponds to the shares' market value and this is confirmed in a specific report from the firm appointed for the statutory audit of accounts.</p>	<p>Shareholders' Meeting of 19 April 2023, and to be carried out by the final date of 31 December 2027.</p> <p>[unchanged paragraph]</p>
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The modifications shown do not imply a withdrawal pursuant to Art. 2437 Italian Civil Code.

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In connection with the above, the following resolution is therefore submitted for the approval of the Extraordinary Shareholders' Meeting:

“The Extraordinary Shareholders' Meeting of Prysmian S.p.A., having reviewed the Directors' Report,

RESOLVES

- I. ***To increase the share capital for a maximum amount of Euro 950,000.00, in a divisible form, with the issuance of up to no. 9.500.000 new ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge, through the award under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the “Reserve for share issuance as per article 2349 of the Civil Code”, to the beneficiaries of the incentive plan approved by the Ordinary Shareholders' Meeting of 19 April 2023, and to be carried out by the final date of 31 December 2027.***
- II. ***To modify Article 6 of the Articles of Association by adding the following penultimate paragraph “The Extraordinary Shareholders' Meeting dated 19 April 2023 resolved to increase the share capital for a maximum nominal amount of Euro 950,000.00, through the award under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the “Reserve for share issuance as per article 2349 of the Civil Code”, with the issuance of up to no. 9.500.000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the beneficiaries of the incentive plan approved by the Ordinary Shareholders' Meeting of 19 April 2023, and to be carried out by the final date of 31 December 2027”.***
- III. ***To grant the Board of Directors, and on its behalf severally the Chairman and the Managing Director each time in charge, the authority to implement the above resolutions, including:***
 - i) ***The power to update Article 6 of the Articles of Association, in the section relative to the amount of the share capital and the number of shares that forms it, with respect to the total or partial subscription of the capital increase, thereby also filing such updates with the Companies' Register;***
 - ii) ***The power to carry out any activity, to prepare, submit, sign any document, or deed, requested, necessary or appropriate for the purpose of executing the resolved share capital increase and performing every preparatory, ancillary, instrumental and consequent activity, with separate delegation to the legal***

- representatives pro tempore for every and any activity not reserved by the law or internal regulations to the collegial body;*
- iii) *The power to perform any act necessary or appropriate for the execution of the resolution, also granting separate delegation to the legal representatives pro tempore to introduce the changes allowed or requested for registration in the Companies' Register;*
- IV. *To approve that, if the increase of the deliberated capital was not totally subscribed by the final date of 31 December 2027, the share capital is intended in any case increased for an amount equal to the subscriptions collected”.*

Milan, 18 March 2023

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