

BASIC NET S.P.A.

2024-2027 STOCK GRANT PLAN

**PROSPECTUS
ON THE REMUNERATION AND INCENTIVE PLAN
CALLED THE "2024-2027 STOCK GRANT"**

prepared pursuant to Article 114-*bis* of Legislative Decree No. 58 of February 24, 1998 and Article 84-*bis* of the Issuers' Regulation, adopted by Consob with Resolution No. 11971 of May 14, 1999

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INTRODUCTION

On March 8, 2024, the Board of Directors of Basic Net S.p.A. (the "**Company**") resolved, *inter alia*, to submit for approval to the Shareholders' Meeting in ordinary session, called for April 16, 2024 in single call, an incentive plan providing for the free allocation, to employees and Directors of the Group headed by the Company, of a maximum of 2,000,000 (two million) ordinary shares of the Company - the "2024 - 2027 Stock Grant" (the "**Plan**").

The Plan is for the Directors and employees of the Basic Net Group who will be identified, from among the members of the Board of Directors and employees of BasicNet S.p.A. and the companies it - directly or indirectly - controls with the aim of incentivising them, retaining their loyalty and setting the conditions for attracting additional talented people.

As illustrated in greater detail in the Prospectus, some aspects relating to the implementation of the Plan will be defined by the Board of Directors and, among them, the identification of the Beneficiaries - with the express right to sub-delegate to one or more members of the Board of Directors, based on the powers to be granted by the Shareholders' Meeting.

This Prospectus was prepared in accordance with Article 114-*bis* of the CFA and Article 84-*bis* of the Issuers' Regulation, based on Schedule 7 of Annex 3A of the Issuers' Regulation and the indications therein.

The information resulting from the resolutions that - subject to the approval of the Plan by the Shareholders' Meeting and in compliance with the general criteria set out therein - the Board of Directors shall adopt in order to implement the Plan, shall be provided in the manner and within the time limits set out in Article 84-*bis*, paragraph 5, letter (a) of the Issuers' Regulation.

The Prospectus is made available to the public at the registered office, on the Company's website www.BasicNet.com (Section www.basicnet.com under the section "[Shareholders' Meetings/2024](#)") and on the authorised storage mechanism called "1info" (www.1info.it).

The Plan is to be considered of particular relevance pursuant to Article 114-*bis*, paragraph 3 of the CFA and Article 84-*bis*, paragraph 2, letters (a) and (b) of the Issuers' Regulation, as it includes members of the Board of Directors of the Company and its subsidiaries' among its possible beneficiaries.

DEFINITIONS

Where given in capitals these definitions and terms shall have the meanings set out below, it being understood that terms and expressions defined in the singular shall also be understood as defined in the plural.

“Directors”	the directors of the Company and/or the Subsidiaries.
"Allocation"	the free allocation of Shares to the Beneficiary - subject to verification of the achievement of the targets set out in the Grant Letter.
"Shareholders' Meeting"	the Shareholders' Meeting of the Company that approved the adoption of the "2024-2027 Stock Grant" and authorised the acts of disposition of treasury shares to service the Plan.
“Grant”	the free grant of Rights to the Beneficiary.
"Shares"	the ordinary shares of the Company, with no par value indicated, listed on the Milan Euronext Stock Exchange.
"Beneficiaries"	the beneficiaries of the Plan, pursuant to Paragraph 1 of the Prospectus, i.e. the Employees and Directors of the Company and Subsidiaries, as identified from time to time by the Executive Board.
"Remuneration Committee"	the remuneration committee established by the Board of Directors at its meeting on April 13, 2022.
“Vesting Conditions”	the circumstances set out in paragraph 2.2 of this Prospectus.
"Subsidiary"	each subsidiary of the Company, within the meaning of Article 2359 of the Civil code, and any company indirectly controlled by it.
"Crediting Date"	the date of receipt of the Fulfilment Letter by the Beneficiary.
“Grant Date”	the date of the Board of Directors' resolution or the determination by the Executive Board in which the Rights are granted to the Beneficiary.
"Verification Date"	has the meaning given to it in section 3.9 of this Prospectus.
"Employees"	employees of the Company and Subsidiaries, including Executives, who are registered in the Employee Register Role (or equivalent register or document).
"Rights"	the rights granted to the Beneficiaries to receive the Shares free of charge, - upon verification of the achievement of the targets specified in the Grant Letter.
“Prospectus”	this prospectus prepared pursuant to Article 84-bis (1) of the Issuers' Regulation and Schedule 7 of its Annex 3A.
“Euronext Milan”	the Euronext Milan, a regulated market organised and managed by Borsa Italiana S.p.A.
“Trading Day”	a day on which Borsa Italiana S.p.A. is open for trading of shares.
"Group" or “BasicNet Group”	collectively means the Issuer and its Subsidiaries.

"Grant Letter"	the communication letter informing the Beneficiary of his/her participation in the Plan in relation to a specific Performance Period and containing, <i>inter alia</i> , the number of Rights and the targets on whose achievement the allocation of Shares is conditional.
"Fulfilment Letter"	the written communication sent by the Board of Directors to the Beneficiaries containing information about whether the targets set out in the Grant Letter have been achieved.
"Performance Targets"	the performance targets of the Company and/or a Subsidiary set forth in the Grant Letter communicated to the Beneficiary, upon whose achievement the vesting of Rights by that Beneficiary is conditioned.
"Retention Target"	the period specified in the Grant Letter addressed to a Beneficiary during which the employment relationship between that Beneficiary and the Company and/or one of the Subsidiaries, shall continue in existence without interruption.
"Personal Targets"	personal targets specified in the Grant Letter communicated to the Beneficiary, upon whose achievement the vesting of Rights by that Beneficiary is conditioned.
"Executive Board"	the Company's Board of Directors or one or more of its members to whom the Board of Directors has delegated, in whole or in part, the implementation of the Plan pursuant to the Shareholders' Meeting resolution.
"Grant Period"	each of the periods set forth in paragraph 3.7 of this Prospectus during which the Rights may possibly be granted to the Beneficiaries.
"Performance Period"	the period indicated in paragraph 2.2 of this Prospectus and which, from time to time, will be specified in the Grant Letter communicated to the Beneficiary.
"Plan"	this remuneration and incentive plan of the Company called the "2024-2027 Stock Grant".
"Relationship"	the existing employment relationship between the Beneficiary and the Group company.
"Plan Regulation"	the Regulation governing the terms, characteristics, conditions and procedures of the "2024-2027 Stock Grant Plan", which will be adopted by the Board of Directors, following the approval of the Plan by the Shareholders' Meeting.
"Issuers' Regulation"	the regulation adopted by Consob Resolution No. 11971 of May 14, 1999, "Regulation implementing Legislative Decree No. 58 of February 24, 1998, concerning the regulation of issuers" as subsequently amended and supplemented.
"Company" or "Issuer"	Basic Net S.p.A., with registered office in Turin (TO), Largo Maurizio Vitale, 1, 10152 - Turin, Italy, Tax Code, VAT number and registration number with the Turin Register of Companies: 04413650013.
"Consolidated Finance Act (CFA)"	Legislative Decree No. 58 of February 24, 1998, "Consolidated Finance Act, pursuant to Articles 8 and 21 of Law No. 52 of February 6, 1996," as subsequently amended and supplemented.

1. BENEFICIARIES

1.1 Names of beneficiaries who are members of the Board of Directors or the Board of Management of the issuer of financial instruments, the issuer's parent companies and the companies directly or indirectly controlled by the issuer

The Plan is for Beneficiaries identified at the sole and discretionary judgement of the Executive Board.

Should there be members of the Board of Directors among the Beneficiaries at the time the Rights are granted, their names shall be disclosed by the Company in the manner and within the time limits specified in Article 84-*bis*, paragraph 5, letter (a) of the Issuers' Regulation.

The prospectus will be supplemented according to the methods and within the terms indicated in Article 84-*bis*, paragraph 5, letter a) of the Issuers' Regulation.

1.2 Categories of employees or collaborators of the issuer of financial instruments and of the parent companies or subsidiaries of this issuer

The Plan is for Employees and Directors who, at the sole and discretionary judgement of the Board of Directors, play a key role in actively contributing to the development of the Group's business and the creation of value.

If General Managers of the Company or individuals controlling the Company who are employees or who perform collaborative activities at the Issuer should be among the Beneficiaries at the time the Rights are granted, their names shall be disclosed by the Company in the manner and within the time limits specified in Article 84-*bis*, paragraph 5, letter (a) of the Issuers' Regulation.

1.3 Plan Beneficiaries belonging to the groups indicated at point 1.3, letters a), b) and c) of Annex 3A, Schedule 7 of the Issuers' Regulation.

The indication of the Beneficiaries will be carried out by the Executive Board, for each of the Grant Periods, following the Shareholders' Meeting's approval of the Plan.

The information required by paragraph 1.3 of Schedule 7 of Annex 3A to the Issuers' Regulation will be provided in the manner and within the time limits specified in Article 84-*bis*, paragraph 5, letter (a) of the Issuers' Regulation.

1.4 Description and numerical indication of the Beneficiaries, separated into the categories indicated in Section 1.4 a), b), c) of Annex 3A, Schedule 7, of the Issuers' Regulation

The Plan's Beneficiaries will be identified by the Executive Board, for each of the Grant Periods, following the Shareholders' Meeting's approval of the Plan.

The Plan provides for no categories of Beneficiaries with differentiated features.

The other information required by paragraph 1.4 of Schedule 7 of Annex 3A to the Issuers' Regulation shall be provided according to the terms and conditions set out in Article 84-*bis*, paragraph 5, letter a) of the Issuers' Regulation.

2. REASONS FOR ADOPTION OF THE PLAN

2.1 Plan objectives

The Board of Directors considers the Plan as an incentivisation and retention tool for the Beneficiaries, aimed at involving those parties who - in the opinion of the implementing executive boards - may be considered strategic for the Company in contributing to its growth, development and value creation.

The Plan seeks specifically to:

- (a) consolidate Beneficiaries' loyalty to the Group and improve the Group's ability to retain key resources;
- (b) attract additional talented individuals to employ within the Company and/or Subsidiaries;
- (c) further engage Beneficiaries in the Company's performance and focus key resources toward long-term strategic success factors; and
- (d) align the interests of the Beneficiaries with those of the shareholders.

The Board of Directors believes that the incentive plan based on the vesting of the right to a free allocation of Shares - as described in this Prospectus - represents an effective incentive tool that meets the interests of the Company.

2.2 Key variables, including in the form of performance indicators, considered for the granting of financial instrument-based plans

The vesting of Rights is conditional on the occurrence of the Vesting Conditions, with respect to each Beneficiary, at the discretion of the Executive Board: (a) by the Retention Target; (b) by the Personal Target; (c) by Performance Targets.

Vesting Conditions may consist of the Retention Target alone or may include the Retention Target, Performance Targets and/or Personal Targets.

Vesting Conditions may be set within a minimum period of two years and a maximum of five years (the **"Performance Period"**).

Personal Targets will be specified, if necessary, at the discretion of the Executive Board, for each individual Beneficiary, and will be indicated in the relevant Grant Letter.

The Performance Targets will be specified, if necessary, at the discretion of the Executive Board, for the Beneficiaries belonging to the same business unit or Subsidiary and/or to each tranche of the plan. The Performance Targets shall be evaluated with reference to each Vesting Period based on the results of the financial statements referred to in the relevant Grant Period which will be indicated, from time to time, in the relevant Grant Letters.

In the event that the Beneficiary is a member of the Company's Board of Directors, the targets will be specified by the Executive Board, with abstention, from time to time, of the person directly concerned, in compliance with the rules concerning conflict of interest, and - where applicable - the related party transactions.

2.3 Elements upon which the financial instrument-based remuneration is calculated - i.e. the measurement criteria

The Executive Board will identify the Beneficiaries by name, at the same time determining for each Beneficiary the number of Rights to be granted and the Vesting Conditions.

The number of Rights to be granted to each Beneficiary under the Plan will be determined by the Executive Board considering, among other things:

- (a) the significance of their role within the Group;
- (b) the importance of maintaining the relationship with the Beneficiary;

- (c) the Beneficiary's contribution to the Company's value creation;
- (d) the Beneficiary's talent and potential;
- (e) expertise and knowledge of the industry in which the Group operates.

2.4 Reasons for any decision to target compensation plans based on financial instruments not issued by the issuer of financial instruments, such as the financial instruments issued by subsidiaries or parent companies or third-party companies outside of the Group; in the case in which the above instruments are not traded on regulated markets, information on the criteria utilized for the calculation of the attributable value.

Not applicable, as Company Shares and Rights are the only instruments covered by the Plan.

2.5 Evaluations concerning significant tax and accounting implications impacting the drawing up of the plans

The preparation of the Plan was not influenced by significant tax or accounting considerations. In particular, reference will be made to the jurisdiction of the country in which each Beneficiary resides for tax aspects.

However, if, as a result of changes in the aforementioned regulations, or in their interpretation or application, the implementation of the Plan should entail tax, social security or other burdens on the Company, the Plan may be modified accordingly (without implying an express obligation to do so on the part of the Company).

2.6 Support to the Plan by the Special fund to incentivise worker involvement in enterprises, as per Article 4, paragraph 112 of Law No. 350 of December 24, 2003

The Plan does not receive support from the special fund to incentivise worker involvement in enterprises, as per Article 4, paragraph 112 of Law No. 350 of December 24, 2003.

3. APPROVAL PROCEDURE AND TIMEFRAME FOR THE ASSIGNMENT OF THE INSTRUMENTS

3.1 Scope of powers and functions delegated by the Shareholders' Meeting to the Board of Directors for implementation of the Plan

On March 8, 2024, the Board of Directors resolved, *inter alia*, to submit the Plan to the Shareholders' Meeting for approval.

The Board of Directors proposes to the Shareholders' Meeting that the Shareholders' Meeting grant it the power to implement the Plan, expressly including the powers to:

- (a) authorise the disposal, on one or more occasions, of ordinary shares with no indication of par value, up to a total maximum of 2,000,000 (two million) to service the Plan, drawing from the treasury share portfolio;
- (b) confer upon the Board of Directors the powers:
 - (i) to prepare and adopt the regulations of the "2024-2027 Stock Grant" within the limits of the Plan approved by the Shareholders' Meeting; and
 - (ii) execute the "2024-2027 Stock Grant" Plan, among other things:
 - (A) identifying the Beneficiaries by name;

- (B) determining the number of Rights granted to each Beneficiary;
- (C) determining the Retention Target and/or Performance Targets and/or Personal Targets for each Beneficiary, it being understood that in all cases at least the Beneficiary must achieve at least the Retention Target,

all with express authority to delegate - in whole or in part - its powers, duties and responsibilities regarding the execution of the Plan to one or more of its members;

- (iii) prepare and approve documentation related to the implementation of the Plan;
- (iv) amend the Plan as outlined in section 3.3 (Existing procedures for the review of the plans, also in relation to potential changes in the underlying targets) of this Prospectus.

3.2 Parties appointed to administer the Plan and their functions and duties

Responsibility for executing the Plan rests with the Board of Directors.

The Board of Directors may at any time make such changes to the Plan as it deems appropriate, including in order to bring it into compliance with the regulations in force from time to time.

In exercising the powers to be conferred upon it by the Shareholders' Meeting in relation to the Plan, the Board of Directors may delegate - in whole or in part - its powers, duties and responsibilities regarding the execution of the Plan to one or more of its members.

3.3 Existing procedures for the review of the plans, also in relation to potential changes in the underlying targets

The Board of Directors may make such amendments and additions to the Plan and the Plan Regulation as it deems appropriate, independently and without the need for further approval by the Shareholders' Meeting, where this is deemed necessary or appropriate to keep the essential contents of the Plan and the rights of the Beneficiaries as unchanged as possible, including in order to take into account any legislative changes.

In particular, in the event of circumstances not specifically governed by this Prospectus or the Plan Regulations, such as corporate transactions on the Company's capital or other events likely to affect the Shares or the Plan, the Board of Directors may make such amendments and additions to the Plan Regulation as it deems, at its sole discretion, necessary or appropriate to keep the substantive and economic contents of the Plan as unchanged as possible, within the limits allowed by the regulations in force from time to time.

If a public tender offer or exchange offer involving the Company's Shares is made, the Beneficiaries will retain the right to the Allocation of Shares under the terms and conditions set forth in this Prospectus and the Plan Regulations. It is, however, understood that, subject to the provisions of the preceding paragraphs, the Board of Directors shall have the power to bring forward or, otherwise, change the Verification Date (and thus bring forward the Performance Period).

3.4 Means to establish the availability and allocation of the financial instruments on which the Plans are based

The Shares from time to time available in the Company's treasury share portfolio may be used to service the Plan, subject to Shareholders' Meeting authorisation pursuant to Article 2357 of the Civil Code.

3.5 Role carried out by each Director in defining the features of the plans; any conflicts of interest involving the Directors concerned

The Plan proposal to be submitted to the Shareholders' Meeting for approval was approved on March 8, 2024 by the Board of Directors

The Plan's Beneficiaries may include some members of the Company's Board of Directors, and in such a case any resolutions regarding the execution of the Plan concerning such a Beneficiary shall be determined exclusively by the Board of Directors itself, with the abstention, from time to time, of the person directly concerned, in compliance with the rules concerning conflict of interest and - where applicable - related party transactions policy.

3.6 Date of the decision made by the Board for proposing the approval of the plans to the Shareholders' Meeting and the proposal of the Remuneration Committee, if any (for the purposes of the requirements of Article 84-bis, paragraph 1, of the Issuers' Regulation)

At its meeting on March 7, 2024, the Remuneration Committee expressed a positive opinion regarding the Plan and provided information to the Board of Directors. At its meeting on March 8, 2024, the Board of Directors, among other matters: resolved to submit the adoption of the Plan to the Shareholders' Meeting for approval, approved this Prospectus, and approved the Directors' Illustrative Report on the Plan, pursuant to Article 114-bis of the CFA.

3.7 Date of the decision made by the Board regarding the allocation of the instruments and any proposal to the aforementioned Board made by the Remuneration Committee, if any (for the purposes of the requirements of Article 84-bis, paragraph 5, letter (a) of the Issuers' Regulation)

The Rights under the Plan will be granted to the Beneficiaries, subject to their identification by the Executive Board, for each of the Grant Periods of the Plan, following the approval of the Plan by the Shareholders' Meeting.

Rights may be granted during the periods indicated below:

- by December 31, 2024 (the "**First Grant Period**"); and thereafter
- by December 31, 2025 (the "**Second Grant Period**"); and thereafter
- by December 31, 2026 (the "**Third Grant Period**"); and thereafter
- by December 31, 2027 (the "**Fourth Grant Period**").

The Rights that:

- (a) are not granted during the First, Second or Third Grant Period, along with
- (b) the Rights granted during the First, Second or Grant Period for which: (i) the Vesting Conditions have not been met, or (ii) for which a forfeiture and/or extinction cause provided for in the Plan Rules has occurred,

may be granted in subsequent Grant Periods, at the discretion of the Executive Board and in the same manner and timing.

The Shares will be allocated to the Beneficiaries at the end of the Performance Period according to the terms set forth in the Fulfilment Letter, subject to the achievement of the Retention Target and/or the Performance Targets and/or the Personal Targets set out in the Grant Letter.

The dates for the granting of the Rights and the allocation of the Shares will be announced in the manner and terms specified in Article 84-bis, paragraph 5 (a) of the Issuers' Regulation.

3.8 Market price, recorded on the above-stated dates, of the financial instruments on which the Plans are based, if traded on regulated markets

The Plan to be submitted to the Shareholders' Meeting was the subject of the March 8, 2024 Board of Directors meeting. As of that date, the official price of the Shares was Euro 4.20.

The official price of the Shares at the time of the granting of the Rights and allocation of the Shares will be disclosed to the public in the manner and terms specified in Article 84-*bis*, paragraph 5 (a) of the Issuers' Regulation.

3.9 For plans based on financial instruments traded on regulated markets, under which terms and in accordance with which procedures does the issuer take into account, when identifying the timing of the allocation of the instruments under the plans, the possible overlap in time between (i) that allocation or any decisions taken in that regard by the Remuneration Committee, and (ii) the disclosure of any relevant information pursuant to Article 17 of Regulation (EU) No 596/2014; for example, where this information is: (a) not yet published and may prompt an increase in the market share price, or (b) already published and may prompt a decrease in the market share price

The Company intends to proceed with any allocation of Shares on the "**Verification Date**" i.e. any day of the period beginning on the first Trading Day and ending on the 10th Trading Day following one of the "corporate events relating to the review and approval of financial data by the Board of Directors and the Shareholders' Meeting", communicated pursuant to Article 2.6.2, letter (b), of the "Regulations of Markets Organised and Managed by Borsa Italiana S.p.A." until the end of the Plan.

On the Verification Date, the Board of Directors will verify the fulfilment of the Vesting Conditions for each Beneficiary and consequently proceed to send the Beneficiary the Fulfilment Letter.

The Company does not plan to prepare additional procedures to avoid the possible coincidence in time between the allocation of Shares and the disclosure of any relevant information within the meaning of Article 17 of Regulation (EU) No. 596/2014.

4. FEATURES OF THE INSTRUMENTS GRANTED

4.1 Forms under which the financial instrument-based remuneration plans are structured

The purpose of the Plan is the free grant of Rights, which - subject to the achievement of the Targets set out in the Grant Letter - will entitle the Beneficiary to the free allocation of Shares.

Rights under the Plan will be granted to Beneficiaries in their personal capacity, will not be transferable by deed between living persons, and will not be subject to any kind of lien.

4.2 Effective implementation period of the plan with regards also to any differing cycles

The Plan is divided into four Performance Periods that may last a minimum of two years and a maximum of five years each.

Rights may be granted during the periods indicated below:

- by December 31, 2024 (First Grant Period); and thereafter
- by December 31, 2025 (Second Grant Period); and thereafter
- by December 31, 2026 (Third Grant Period); and thereafter
- by December 31, 2027 (Fourth Grant Period).

The allocation of the Shares to the beneficiary will be subject to verification that the Targets set out in the Grant Letter have been achieved.

The allocated Shares will be transferred to the Beneficiary, once the necessary statutory and administrative-accounting formalities have been carried out, on the day indicated in the Fulfilment Letter.

4.3 Completion date of the Plan

The Plan will end on the day of the allocation of all the Shares that may have been granted during the Fourth Grant Period and, therefore, considering the maximum duration of the Performance Period, potentially on December 31, 2032.

4.4 Maximum number of financial instruments, also in the form of options, granted in each fiscal year in relation to the parties identified or to the categories indicated

The purpose of the Plan is the free grant of a maximum total of 2,000,000 (two million) Rights granting the right to receive a maximum total of 2,000,000 (two million) Shares, subject to the fulfilment of the Vesting Conditions.

The Plan has no maximum number of Rights per fiscal year or per Grant Period. In fact, the Board of Directors has the power to determine, for each Grant Period and for each Beneficiary, the number of Rights to be granted, subject to the overall maximum limit of 2,000,000 (two million) Rights.

4.5 Plan implementation means and clauses

The grant of the Rights will be made by the Executive Board within the limits resolved by the Shareholders' Meeting and in consideration of that set forth in paragraphs 2.2 (Key variables, including in the form of performance indicators, considered for the granting of financial instrument-based plans) and 2.3 (Elements upon which the financial instrument-based remuneration is calculated - i.e. the measurement criteria).

4.6 Restrictions on the availability of the instruments, with particular reference to the periods within which the subsequent transfer to the company or to third parties is permitted or prohibited

The Rights are granted to Beneficiaries in their personal capacity, may not be transferable by deed between living persons, and are not subject to any kind of lien.

For those Shares that may be allocated as a result of the notice made to the Beneficiary with the Fulfilment Letter, there are no limits on acts of disposal or lock-up periods.

4.7 Resolution conditions for the granting of plans if the beneficiaries undertake hedging transactions that neutralize any restrictions on the sale of the financial instruments granted, including those in the form of options, or the financial instruments resulting from the exercise of such options.

There are no resolution conditions if the Beneficiaries engage in hedging transactions to neutralise any prohibitions on the sale of Rights.

4.8 Effects brought about by the termination of the employment, collaboration or administration relationship

The Beneficiaries' right to receive Shares under the Plan is linked to and contingent upon the continuation of their existing relationship with the Company and/or the Subsidiary (as the case may be) on the

Crediting Date. Consequently, in the event of termination of the aforementioned relationship, unless otherwise determined by the Board of Directors, the following provisions shall apply.

Bad Leaver Scenario

In the event that the relationship between the Beneficiary and the Company and/or Subsidiary (as the case may be) is terminated due to a Bad Leaver scenario, all Rights granted to the Beneficiary therein, including Rights granted but not yet transferred to the Bad Leaver, shall be deemed automatically terminated.

By way of non-exhaustive example, Bad Leaver shall mean those cases in which prior to the Crediting Date, the Relationship ceases: (a) for Directors, as a result of: (i) dismissal from the office of Director and/or executive powers for just cause; and/or (ii) resignation from the office of Director not justified by the occurrence of a Good Leaver scenario; (b) for Employees, as a result of: (i) dismissal due to the occurrence of a just cause or justified subjective reason; (ii) resignation (except in the case of retirement) not justified by the occurrence of a Good Leaver scenario; and/or (iii) consensual termination of employment.

Good Leaver Scenario

The Plan Regulations may also provide that in the event that the relationship between the Beneficiary and the Company and/or the Subsidiary (as the case may be) is terminated due to a Good Leaver scenario, the Beneficiary or his or her heirs (as the case may be), shall retain the right to the allocation of the Shares if the Vesting Conditions - if any for the individual Beneficiaries - are met - even after the termination of the relationship (except for any Personal Targets, where indicated, which may no longer apply due to the termination of the relevant relationship).

By way of non-exhaustive example, Good Leaver shall mean those cases in which prior to the Crediting Date, the Relationship ceases: (a) for Directors, as a result of: (i) removal from the office of Director and/or executive powers without just cause; (ii) failure to renew the office of Director at the end of the term of office, as defined from time to time by the Shareholders' Meeting of the Company; (iii) resignation from the office of Director as a result of revocation of executive powers or a failure to confirm/confer them such that his/her relationship with the Company and/or the Subsidiary is substantially altered; and/or (iv) resignation or supervening inability to continue the relationship, if any one of the following cases also occurs: (A) permanent physical or mental incapacity of the Beneficiary due to illness or injury; and (B) death of the Beneficiary; (b) for Employees, as a result of: (i) termination of employment due an objective justification; and/or (ii) resignation from employment, if any one of the following cases also occurs: (A) Beneficiary's fulfilment of the statutory retirement requirements; (B) Beneficiary's permanent physical or mental disability due to illness or injury; and (C) Beneficiary's death.

In the event that the Relationship between the Beneficiary and the Company and/or the Subsidiary (as the case may be) is terminated due to a Good Leaver scenario, the Plan Regulations may provide that the Beneficiary or his/her heirs (as the case may be) shall retain the right to the allocation of Shares within the percentage limits to be set by the Board of Directors and specified in the Grant Letter if the Vesting Conditions - if any for the individual Beneficiary - are met - even after the termination of the relationship (except for any Personal Targets, where indicated, which may no longer apply due to the termination of the relevant relationship).

Plan Regulation

Bad Leaver and Good Leaver scenarios will be determined in the Plan Regulation, which will be prepared in consideration of current best practice for issuers of shares listed on regulated markets organised and managed by Borsa Italiana S.p.A.

The same regulations shall provide that the Board of Directors, at its sole discretion, shall have the power to allocate Shares to the Beneficiaries, in whole or in part, for the Rights granted to them, under the terms and conditions from time to time established by the Board of Directors, even if the Beneficiary has forfeited the Right, subject to the stipulation with the same of special agreements to that effect without such provision giving the Beneficiary any right to have Shares allocated to him/her underlying the Rights granted to him/her.

4.9 Other causes for cancellation of the plans

There is no provision for causes for cancellation of the Plan.

4.10 Possible provision for a "redemption", by the company, of the financial instruments covered by the plans, ordered in accordance with Article 2357 of the Civil Code

There is no right of redemption by the Company.

4.11 Loans or other facilities intended to be granted for the purchase of shares under Article 2358 of the Civil Code

There are no loans or other facilities for the subscription or purchase of the Shares or Rights as in each case they are granted and allocated to the Beneficiaries, free of charge.

4.12 Expected cost to the Company at the relative allocation date, as may be estimated on the basis of the terms and conditions thus far defined, for the total amount and in relation to each Plan instrument

As of the date of this Prospectus, the Beneficiaries and the number of Rights actually granted have not yet been identified.

The maximum total number of Shares serving the Plan is 2,000,000 (two million). Assuming the full amount is allocated to the Beneficiaries, the total cost would be Euro 7.5 million, calculated using the indicative value of Euro 3.765 per share, corresponding to the average carrying amount per treasury share in the portfolio as of March 8, 2024.

4.13 Dilutive effects on the capital resulting from the remuneration plans

All the Shares in service of the Plan shall be allocated from the treasury shares portfolio, and shall consequently not have any dilutive impact on the Company's share capital.

4.14 Limits for the exercise of voting rights and for the granting of equity rights

There is no limit on the exercise of voting rights and the granting of equity rights in relation to the Shares covered by the Plan.

4.15 In the case in which the shares are not traded on regulated markets, all useful information for a comprehensive valuation

Not applicable as the Shares covered by the Plan are traded on regulated markets.

4.16 Number of financial instruments underlying each option

Not applicable, as no purchase or subscription options are covered by the plan.

4.17 Expiry of the options

Not applicable, as no purchase or subscription options are covered by the plan.

4.18 Modalities, timing and exercise clauses

Not applicable, as no purchase or subscription options are covered by the plan.

4.19 Exercise price of the option or the methods and criteria for its determination

Not applicable, as no purchase or subscription options are covered by the plan.

4.20 Reasons for the difference between exercise price and market price

Not applicable, as no purchase or subscription options are covered by the plan.

4.21 Criteria upon which different exercise prices are considered between the various parties or various beneficiaries

Not applicable, as no purchase or subscription options are covered by the plan.

4.22 In the case in which the financial instruments underlying the options are not traded on regulated markets, indication of the value attributable to the underlying instruments or their measurement criteria

Not applicable, as no purchase or subscription options are covered by the plan.

4.23 Criteria for adjustments necessary following extraordinary share capital operations or other operations affecting the number of underlying instruments (share capital increases, extraordinary dividends, reverse stock split and splits of underlying shares, mergers and spin-offs, conversions to other share classes etc.).

Not applicable, as no purchase or subscription options are covered by the plan.

However, see the discussion at 3.3 (Existing procedures for the review of the plans, also in relation to potential changes in the underlying targets) of this Prospectus.

4.24 Table

Table No. 1 - provided for in paragraph 4.24 of Schedule 7 of Annex 3A of the Issuers' Regulation - will be made available to the public in the manner and terms specified in Article 84-bis, paragraph 5, letter (a) of the Issuers' Regulation.