



**REGULATIONS FOR DIGITAL BROS S.P.A. 2016/2026 STOCK
OPTION PLAN RESERVED FOR THE DIRECTORS OF THE
COMPANY AND MANAGEMENT OF DIGITAL BROS GROUP**

1 – OBJECT AND NOTICES

The present Regulations (hereinafter, the “Regulations”) govern the Stock Option Plan reserved for the directors of the Company and Management of Digital Bros Group.

The Regulations were approved by the Board of Directors of Digital Bros at the Board meeting held on 10 November 2016.

The Regulations do not constitute a prospectus or an equivalent information document.

The Regulations have been prepared in accordance with social security and tax legislation in force, as well as any other applicable legislation, on the assumption that any benefit granted under the Plan shall not trigger any social security or tax expense for the Group (as defined below).

2 - DEFINITIONS

In addition to other terms defined in other articles of the Regulations, for the purposes thereof: (i) the terms and expressions listed below, which have been underlined and which start with a capital letter, have the meaning indicated below for each thereof, (ii) the terms and expressions, which have not been underlined, but which start with a capital letter in one or more paragraphs of this Art. 2 are defined in other paragraphs therein, (iii) the terms and expressions defined in a plural form shall apply equally to the singular form and vice versa.

“Shares”: Digital Bros S.p.A. ordinary shares, each with a par value of Euro 0.4, inclusive of newly issued shares, set aside for the Options awarded to the Beneficiaries.

“Bad Leaver”: all cases of termination of the Relationship other than those relevant to a Good Leaver. Cases relevant to a Bad Leaver include a change of control of the subsidiaries of Digital Bros with which the Beneficiary has his/her current employment relationship.

“Beneficiaries”: the persons who will be offered the chance to participate in the “2016-2026 Stock Option Plan”. The Beneficiaries include Director Beneficiaries as defined below.

“Change of Control”: a case whereby the party heading up the Company's ownership chain at the date of execution of the Plan ceases to hold, directly or indirectly, a majority of voting shares at the ordinary general meeting or of the voting rights that may be exercised thereby.

“Civil Code”: the Italian Civil Code, approved by Royal Decree 262 of 16 March 1942 and subsequent additions and amendments thereto.

“Remuneration Committee”: the Remuneration Committee constituted and appointed by the Board of Directors.

“Notice of termination”: written notice (unilateral act or bilateral agreement) concerning termination of the Relationship.

“Board of Directors”: the Board of Directors of Digital Bros S.p.A.

“Date of Approval”: the date of approval of the Plan and of the Regulations by the ordinary general meeting.

“Grant Date”: the date on which the Board of Directors approves the assignment of Options to the Beneficiaries.

“Execution Date”: the date of receipt by the Company, or by any party empowered thereby, of the Share request form signed by a Beneficiary.

“Working Days”: the weekdays between and including Monday to Friday, excluding Italian public holidays.

“Good Leaver”: the following cases of termination of the Relationship:

- dismissal for just cause;
- dismissal for having exceeded the grace period;
- dismissal for justified objective reason;
- termination of appointment of a director.

“Digital Bros Group”: the companies controlled by Digital Bros at the date of the Information Document.

“Award Letter”: a letter that must be delivered to each Beneficiary indicating, among other things, the number of Options granted, the Exercise Price and the Exercise Period and the signature and delivery thereof to the Company shall constitute, for all purposes of the Regulations, full and unconditional acceptance thereby of the Plan.

“Management”: a limited number of managers and key resources of Digital Bros Group who shall be identified upon the implementation of the Plan from those of interest to Digital Bros Group and who, at the assignment date, are employees of and/or in service with the Company and Digital Bros Group.

“Option”: right conferred to Beneficiaries to subscribe to one Share for each Option received, in accordance with the Plan and the Regulations.

“Exercise Period (s)”: the period(s) during which a Beneficiary may exercise an Option.

“Plan”: the incentive plan entitled “2016–2026 Stock Option Plan” reserved for Beneficiaries, governed by the Regulations and the Award Letter.

“Exercise Price”: the consideration that the Beneficiary has to pay for the exercise of the Options in order to subscribe to the Shares, as defined in paragraph 7 of the Regulations.

“Relationship”: the employment relationship or the (so-called "organic") relationship as director that exists between the Beneficiaries and Digital Bros or any of its subsidiaries. In the event of a Beneficiary, who is simultaneously involved in an employment

relationship and a relationship as director, for the purpose of the Regulations, account shall be taken of the employment relationship.

“Regulations”: the regulations, the object of which is the definition of the criteria, the procedures and the terms for the implementation of the Plan.

“Company” or “Digital Bros”: Digital Bros S.p.A., which has its registered office at Via Tortona 37, Milan.

3 – ASSIGNMENT OF THE OPTIONS AND ACCEPTANCE OF THE PLAN

3.1 The Company shall send to the Beneficiaries, identified in accordance with the procedure outlined in Art. 6 below, the Regulations and the Award Letter that will include:

- (i) the number of Options assigned;
- (ii) the Exercise Periods for the Options;
- (iii) an indication of any right to partially exercise the Options, with an indication of any loss of the Options not exercised by 30 June 2026;
- (iv) confirmation that the Options are governed by the Regulations.

3.2 The Options shall be assigned on the date on which the Company shall notify the individual Beneficiaries, by delivery of the Award Letter and a copy of the Regulations, of their inclusion among the Plan recipients.

3.3 Each Beneficiary shall be required to acknowledge his/her acceptance of the Stock Option Plan by compiling and returning the Award Letter and a copy of the Regulations within 30 days of receipt of the form, to be sent by registered letter with proof of delivery or via email, by means of which he/shall acknowledge his/her acceptance of all the terms and conditions of the Regulations.

3.4 If, on expiry of the deadline indicated in the first paragraph, no acceptance has been received by the Company, the offer of the Options shall be deemed to have automatically lapsed.

4 - NATURE AND FEATURES OF THE OPTIONS AND OF THE SHARES

4.1 The assignment of the Options shall take place free of charge. Accordingly, the Beneficiaries shall not be required to pay any consideration to the Company for the assignment. The exercise of the Options shall be subject to the payment of the price indicated in Art.7 below.

4.2 The Beneficiary, who shall have validly exercised his/her Options and paid the related price, shall be deemed to have subscribed for 1 Share for each Option exercised in accordance with the conditions and within the prescribed time limit established by the Plan.

4.3 The Options shall be assigned to the Beneficiaries on a personal basis and may not be transferred inter vivos for any reason.

4.4 In the event of the Beneficiary's death, the provisions of Art. 8.4 below shall apply.

4.5 The positive difference between the price of the Company's ordinary shares and the Exercise Price at the date of declaration of intent to exercise the Option and, in general, any benefit awarded under the Plan:

4.5.1 shall constitute a payment of an extraordinary nature and shall not, for any reason, be deemed to form an integral part of the normal remuneration of the Beneficiaries. Specifically, the above excess value shall be deemed to comprise any related impact on direct and indirect remuneration regulated by collective and individual employment agreements in force and by law and will not therefore have any further impact on the calculation thereof. The foregoing is obviously without prejudice, for Beneficiaries not resident in Italy, to the application of legislation applicable thereto;

4.5.2 shall not constitute grounds for the recognition of similar or further benefits under the Plan or otherwise;

4.5.3 do not grant the Beneficiaries the right, on the expiration of the Plan, to participate in any further incentive schemes regardless of how they are structured or to remuneration of any kind.

5 – CRITERIA AND PROCEDURE FOR THE ASSIGNMENT OF THE OPTIONS

5.1 The Options shall be assigned to the Beneficiaries on account of their contribution to the growth and value enhancement of the Company and Group.

5.2 The Board of Directors (with the abstention of any interested parties and after having consulted with the Remuneration Committee and the Board of Statutory Auditors, in the case of Director Beneficiaries) in a discretionary and indisputable manner:

5.2.1 shall determine the total number of Options to be assigned to the Beneficiaries as a whole;

5.2.2 shall identify the individual Beneficiaries and the number of Options to be assigned to each Beneficiary;

5.2.3 shall reserve the right to supplement and adapt the criteria and the procedure for the assignment and exercise of the Options to take account of legislation concerning stock options in force at the date of approval of the Regulations in jurisdictions other than Italy.

6 - EXERCISE OF THE OPTIONS AND DELIVERY OF THE SHARES

6.1 The Company shall deliver to the Beneficiaries, who are owners of exercisable Options, a Share request form not less than five Working Days prior to the start of the Exercise Period (as defined in Art. 6.3).

6.2 The Options shall be exercised by the Beneficiaries in the Exercise Periods in accordance with the procedure provided for by the Regulations:

6.2.1 by compiling each part and by duly signing the Share request form;

6.2.2 by delivering the Share request form to the Company (finance and control department) or to another party indicated in the Share request form, within the time limit indicated in Art. 6.3, under penalty of forfeiture of the related rights;
6.2.3 by paying the price indicated in the Share request form and as calculated by the Company in compliance with Art. 7 below. The payment must be documented, under penalty of forfeiture of the related rights, by attaching to the Share request form a copy of the irrevocable payment order lodged with a bank to transfer funds to the current account indicated on the Share request form, with an indication of the value date for the recipient of the transfer.

6.3 The Share request form must be delivered to the Beneficiaries during the course of the Exercise Periods established by the Board of Directors for the exercise of the Options as indicated in the form itself.

6.4 Except for situations and specific cases governed by the Regulations, at the end of each vesting period, the Options may be exercised by the Beneficiaries in whole or in part:

- 6.4.1. as from 1 July 2019 for a maximum number equating to 30% of the total Options assigned to each Beneficiary;
- 6.4.2. as from 1 July 2022 for a maximum number equating to 30% of the total Options assigned to each Beneficiary;
- 6.4.3. as from 1 July 2025 for a maximum number equating to 40% of the total Options assigned to each Beneficiary.

6.5 During each Exercise Period, the Options may be exercised by the Beneficiaries in whole or in part with respect to their attributable share.

6.6 In the event that, in a specific Period, the Beneficiary does not exercise the attributable share of the Options assigned in the Period in question, the unexercised portion may be added to that relating to the subsequent Exercise Period.

6.7 Any Option that has not been exercised by 30 June 2026 shall be deemed to have lapsed and may no longer be exercised.

6.8 If all the requisites laid down by the Regulations have been fully verified, the Shares shall be made available to each Beneficiary, by a transfer to the securities account thereof, as indicated on the Share request form, within five Working Days from the day on which the related price was transferred to the account indicated by the Company on the Share request form.

6.9 The Shares shall enjoy regular dividend rights.

6.10 Without prejudice to what has been indicated below for Director Beneficiaries, the Shares issued to a Beneficiary upon the exercise of the Options shall be freely available and, thus, freely transferable by the latter.

It is envisaged that only Director Beneficiaries shall be obliged to continuously hold, until the end of their mandate with respect to each vesting period, a number of shares equating to at least 20% of the Shares subscribed upon the exercise of their Options.

6.11 All costs relating to the issue and the transfer of the Shares to the Beneficiaries, inclusive of any tax charge in connection therewith, shall be borne solely by the Company. All costs pertaining to the above securities account shall be borne solely by the Beneficiaries.

6.12 The Company reserves the right to unilaterally revoke the Options and/or seek the return, in whole or in part, of the Shares purchased by the Beneficiary after having exercised the Options granted, subject to the reimbursement of the amount already paid by the Beneficiary on the exercise of the Options, for those cases whereby, within three years from the maturity date of the Options granted, it is ascertained that the value of the shares had been affected by the occurrence of the following events triggered by the Beneficiary:

- (i) damage impacting the Company and/or Digital Bros Group caused by fraudulent conduct or gross negligence;
- (ii) conduct contrary to provisions of the law and/or corporate policy;
- (iii) breach of duty of loyalty and good management;
- (iv) conduct leading to a significant capital or financial loss for the Company and/or Digital Bros Group.

If the Shares have already been sold, the Company shall reserve the right to seek repayment of the capital gain arising from the sale of the Shares, which may be by means of offset against remuneration and/or any severance indemnity due.

7. - PRICE

7.1 The price payable to the Company to obtain the Shares that may be subscribed to following the exercise of the Options shall equate to the price calculated as the average reference price of the Shares recorded on the STAR segment of the MTA market in the six months prior to the Grant Date, it being understood that the price shall not be lower than € 6.64, equating to the reference price on 1 July 2016, the date on which the Stock Option Plan became effective.

7.2 Full payment for the price of the Shares must be made by the Beneficiaries in accordance with the procedure indicated in the Regulations and in the Award Letter and/or on the Share request form sent by the Company under penalty of forfeiture of the related rights.

8 - FATE OF THE OPTIONS IN THE EVENT OF TERMINATION OF THE EMPLOYMENT RELATIONSHIP

8.1 The right to exercise the Options is genetically and functionally linked to and is influenced by, among other things, the continuation of the Relationship between the Beneficiaries and Digital Bros Group. Consequently, the provisions set out in the paragraphs below of the present Art. 8 shall be applied, without prejudice to the right of the Board of Directors (with the abstention of any interested parties and after having consulted, if appropriate, with the Remuneration Committee) to enter into different agreements with the Beneficiaries that still provide for the partial or total exercise of the Options Assigned. In such cases, the Board of Directors may also establish, if appropriate, a specific Exercise Period and establish a specific deadline for the exercise of the aforementioned Options.

8.2 Without prejudice to the provisions covering death and/or permanent disability that does not permit the continuation of the Beneficiary's Relationship:

in the event of termination of the Relationship for those cases that qualify as Bad Leaver, the Beneficiary shall definitively and automatically lose the right to exercise all the Options assigned and not yet exercised;

8.2.2 in the event of termination of the Relationship for those cases that qualify as Good Leaver, the Beneficiary shall retain the right to exercise the Options already vested, whereas the Options not yet vested shall be definitively forfeited as of the effective date of termination of the Relationship.

8.3 In the event of termination of the Relationship, the Board of Directors may permit the Beneficiary to exercise all or part of the Options assigned as a departure from the terms provided for by the Regulations, by establishing a specific deadline, which, in any event, shall not be less than thirty days, or shall assign to other Beneficiaries the Options that have become available following the termination of the Relationship of one or more Beneficiaries.

8.4 In the event of death and/or permanent disability that does not permit the continuation of the Beneficiary's Relationship, the Options assigned to the Beneficiary, whether exercisable or not yet exercisable at the date of the occurrence (death and/or permanent disability that does not permit the continuation of the Relationship) may be exercised fully and immediately.

8.4.1 in the event of death, they may be exercised by the heirs and, in any case, within the Exercise Period, upon the submission by the interested parties of appropriate documentation proving, in accordance with the law, their entitlement as heirs;

in the event of permanent disability that does not permit the continuation of the Relationship, by the Beneficiary and, in any case, within the Exercise Period.

8.5 In the event of a transfer and/or in the event of termination and simultaneous establishment of an employment relationship within the Group, the Beneficiary shall retain all rights granted to him/her by the Regulations.

8.6 Should a company cease to form part of the Group, the exercise of the Options already vested at that date shall take place under penalty of forfeiture within 30 (thirty) days of notification to the Beneficiaries of the loss of control by Digital Bros. The Beneficiaries shall lose the right to exercise the Options assigned, but not yet exercisable. In any event, without prejudice to the right of the Board of Directors to come up with solutions that differ from that indicated in the present paragraph, in order, if deemed appropriate, to limit as far as possible any changes to the content of the Plan as far as it concerns the Beneficiaries of the companies that have left the Group.

8.7 Without prejudice to the provisions contained in this article for the exercise of the Options, as from now onwards, the right shall be retained by the Board of Directors (with the abstention of any interested parties and after having consulted, if appropriate, with the Remuneration Committee) to enter into different agreements with the Beneficiaries to address specific cases.

9 - TAX REGIME APPLICABLE TO THE OPTIONS AND THE SHARES

9.1 Based on applicable Italian tax legislation, the assignment of the Options does not constitute a taxable event for the Beneficiary for income tax purposes.

9.2 The exercise of the Options with a subscription of the Shares may trigger a tax liability payable by the Beneficiary on account of the treatment envisaged by Italian tax legislation in force at the date of the exercise of the Options.

9.3 In the event of Beneficiaries not resident in Italy, the exercise of the Options may also trigger a tax liability payable by the Beneficiary based on tax legislation applicable in the country of residence.

10 - AMENDMENTS TO THE REGULATIONS

10.1 In the event of bonus or cash increases in capital of the Company (or other Group companies), or extraordinary distributions of dividends that could impact the financial terms of the Plan that were established at the time of its approval, or should events occur that are likely to impact the Options, the Shares or the Plan, such as mergers, demergers, public tender or exchange offers, suspension of the Company's shares from trading, or legislative or regulatory amendments, the Board of Directors may:

10.1.1 suspend, for a specified period, which may not exceed 60 working days, the right to exercise the Options, also for the purpose of making the amendments indicated in paragraph 10.1.2 below;

10.1.2 amend the number of Options assigned, by applying, if available, generally accepted mathematical formulas used by the market, with the support, if deemed appropriate, of an independent external valuer.

10.2 The Board of Directors may also make amendments and additions to the Regulations deemed necessary or appropriate to ensure, as much as possible, that the key content of the Plan remains unchanged.

10.3 Should the exercise of the Options be suspended or the provisions of the Regulations be amended, in accordance with the provisions of the present Art. 10, the Board of Directors shall notify the Beneficiaries, within 7 Working Days from the date of the resolution, of the terms of the suspension or the content of the amendments.

10.4 It remains understood that, for the entire duration of the Plan, the Options may not be exercised in the period between the date on which the Board of Directors of the Company approves the draft annual separate and consolidated financial statements and the date on which the dividend will become payable in accordance with the calendar prepared by the management body of the market in which the Shares are traded.

11 - DURATION OF THE PLAN

11.1 The duration of the Plan shall be from the date of approval of the Regulations until 30 June 2026.

11.2 Any Option that has not been exercised by 30 June 2026 shall be deemed to have lapsed and may no longer be exercised.

12 - JURISDICTION

12.1 Any dispute between one or more Group companies and one or more Beneficiaries arising, originating, or resulting from, or related to the Plan, the Regulations, the Award Letter or the Share request form shall be subject to the exclusive jurisdiction of the Court of Milan.

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I herewith confirm my full acceptance of the Regulations

[Date] _____
(the Beneficiary)