

**DIRECTORS' REPORT**  
**ON THE FOURTH ITEM ON THE AGENDA FOR THE ORDINARY PART OF**

**THE ANNUAL GENERAL  
MEETING**  
**CONVENED IN ORDINARY AND EXTRAORDINARY**  
**SESSION FOR 19 APRIL 2024**

*(Report drafted pursuant to Articles 114-bis and 125-ter of the Consolidated Law on Finance - Annexed Information Document drafted pursuant to Article 84-bis of the Issuers' Regulation and in accordance with Annex 3A, Scheme 7).*

*Item 4 on the agenda of the ordinary part - **Proposal of a share-based incentive plan concerning the ordinary shares of De' Longhi S.p.A., called the '2024-2026 Performance Share Plan', reserved for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of top managers in the De' Longhi Group. Resolutions thereon.***

Dear Shareholders,

This Report (the '**Report**') is provided pursuant to Articles 114-*bis* and 125-*ter* of Legislative Decree No. 58 of 24 February 1998, as subsequently amended (the '**Consolidated Law on Finance**') and contains the information document drafted pursuant to Article 84-*bis* of the implementing regulation of the Consolidated Law on Finance concerning the regulation of issuers, adopted by Consob with Resolution No. 11971 of 14 May 1999 and subsequent amendments (the '**Issuers' Regulation**'), in accordance with Annex 3A, Scheme 7 of the same regulation (the '**Information Document**').

The Board of Directors of De' Longhi S.p.A. (the '**Company**' or '**De' Longhi**') submits to your examination and your approval, pursuant to Article 114-*bis* of the Consolidated Law on Finance; the proposal to adopt a medium/long-term share-based incentive plan called the '*2024-2026 Performance Share Plan*' (the '**2024-2026 Performance Share Plan**' or the '**Plan**') reserved for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of top managers in the De' Longhi Group (the '**Beneficiaries**'), to be implemented by means of the allotment ('**Allotment**'), free of charge, of ordinary shares of De' Longhi (the '**Shares**') upon the achievement of certain performance objectives defined in the 2024-2026 Business Plan of the De' Longhi Group and also taking into account the Total Shareholder Return (TSR<sup>1</sup>).

The following will be used to service the Plan:

(i) treasury shares held in the Company's portfolio at the date of Allotment of the Shares to the Beneficiaries, following purchases made on the market, also to service the Plan, pursuant to Article 2357 of the Civil Code, the provisions of the Consolidated Law on Finance and the Issuers' Regulation ('**Treasury Shares**');

or, if there are not sufficient Treasury Shares portfolio at that date,

(ii) Shares from the share capital increase, free of charge and possibly in multiple tranches, pursuant to Article 2349 of the Civil Code, for a maximum nominal amount of €1,800,000.00, and for a maximum of 1,200,000 Shares for the execution of which the Annual General Meeting itself will be called upon to grant specific powers to the Board of Directors pursuant to Article 2443 of the Civil Code (the '**Capital Increase**').

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<sup>1</sup> It should be remembered that TSR measures the total return for a shareholder, given by the sum of the change in the share price during a reference period and any dividends paid during that same period.

The proposal to grant the Board of Directors the powers to increase the share capital pursuant to Article 2349 of the Civil Code will be submitted to the examination and approval of the Annual General Meeting of the Company convened also in extraordinary session for 19 April 2024, in a single call, and is illustrated by a specific report drafted by the Board of Directors pursuant to Article 125-ter of the Consolidated Law on Finance and Article 72 of the Issuers' Regulation in accordance with Schemes 2 and 3 of Annex 3A of the same regulation, which will be made available to the public at the Company's registered office in Via L. Seitz 47, Treviso (Italy) and by publication on the Company's website [www.delonghigroup.com](http://www.delonghigroup.com), in the section 'Governance' – 'Corporate Bodies' – 'Annual General Meeting 2024', as well as on the IINFO authorised storage mechanism available at [www.iinfo.it](http://www.iinfo.it), on **29 March 2024**. For more information on the Capital Increase, please refer to that report.

The essential terms and conditions of the Plan submitted for the approval of the Annual General Meeting are summarised below, while further details can be found in the Information Document attached to this Report.

### ***1. Reasons for adopting the Plan***

In line with the 2024 Remuneration Policy - which addresses the aims of attracting, motivating and retaining resources with the skills and professional qualities required by the role held in order to pursue the long-term sustainable success of the De' Longhi Group by aligning the interests of the top management with those of Shareholders - the 2024-2026 Performance Share Plan aims to incentivise Beneficiaries to achieve the Group's medium/long-term business performance through the creation of a rewarding, fair and sustainable remuneration system, in line with the regulatory framework and Stakeholders' expectations.

More specifically, the Plan intends to pursue the following purposes:

- ensure that the interests of top management are increasingly aligned with the pursuit of the sustainable success of the Company and the De' Longhi Group, through the creation of long-term value for Shareholders and other stakeholders;
- maintain the alignment of the De' Longhi Group's most critical profiles with company objectives;
- guarantee the continuity of engagement and retention of Beneficiaries in the long term, ensuring the competitiveness of their remuneration in the market;
- preserve the coherence of the incentive schemes with the corporate strategic development.

### ***2. Purpose, duration and method of implementing the Plan***

The purpose of the 2024-2026 Performance Share Plan is the assignment, free of charge, to the Beneficiaries of a maximum total of 1,200,000 rights (the '**Rights**'), each of which entitles the Beneficiary to the Allotment, free of charge, subject to the achievement of certain predetermined Group performance objectives illustrated in section 4 below (the

‘**Performance Objectives**’), and on the basis of the mechanisms and conditions defined by the Plan, of 1 (one) Share for each Right assigned. It being understood that the number of Shares that will actually be allotted to the Beneficiaries will be determined based on the level of achievement and/or surpassing of the aforementioned Performance Objectives, it is proposed to the Annual General Meeting that the maximum number of Shares to service the Plan be set at 1,200,000 Shares.

The Rights envisaged by the Plan will be assigned to the Beneficiaries by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, after the Plan is approved by the Annual General Meeting.

The Plan envisages a single cycle of assignment of Rights with a three-year vesting period (2024, 2025, 2026), at the end of which, after verifying the level of achievement of the Performance Objectives and the existence of the other conditions established in the Plan rules, the vested Rights and the number of Shares to be allotted to the Beneficiaries will be determined.

The Allotment of the Shares will take place after the Annual General Meeting that will approve the financial statements and will acknowledge the Group’s consolidated financial statements as at 31 December 2026.

The Plan will end in 2029, after the expiry of the 24-month lock-up period applied to 50% of the Shares - that are the subject of Allotment to the Beneficiaries under the Plan - remaining after deducting any Shares necessary to discharge the tax liabilities arising from the delivery of the Shares under Allotment. It should be noted that the Plan rules, which will be approved by the Board of Directors, may provide for exceptions to the lock-up period as well as clauses to accelerate the Plan itself in the event of, for example but not limited to, the winding up or dissolution of the Company, a change of control or delisting, which would provide for the possibility for the Company to allot the Shares to the Beneficiaries earlier.

The dilution that may occur to the Company’s Shareholders from the implementation of the Plan depends on the Company’s choice to implement the Plan through the two methods illustrated above (i.e. through Treasury Shares in the Company’s portfolio or, if these are not available, through Shares resulting from the Capital Increase). It should be noted that, if the maximum level (over performance) is reached and all the 1,200,000 Shares are allocated to the Beneficiaries exclusively through the issue of new shares, assuming that no further capital increases are implemented, the dilution that would be result for the Company’s shareholders would be equal to approximately 0.79% of the current share capital (represented at today’s date by 151,060,000 ordinary Shares) and approximately 0.51% of the total current voting rights (equal to 233,071,810).

In the event that the target level of the Performance Objectives is achieved, the dilution would be equal to approximately 0.57% of the current share capital (represented at today’s date by 151,060,000 ordinary Shares) and approximately 0.37% of the total current voting rights (equal to 233,071,810).

### ***3. Recipients of the Plan***

The 2024-2026 Performance Share Plan is intended, as anticipated, for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of managers in the De' Longhi Group ('**Top Managers**') who hold roles that are strategically relevant or otherwise able to make a significant contribution to the pursuit of the Group's strategic objectives in the medium/long term.

The Beneficiaries will be identified by name by the Board of Directors, after the Plan has been approved by the Annual General Meeting, as the Chief Executive Officer and General Manager in office at the date the Rights are assigned, together with a limited number of Top Managers.

It should be noted that the Plan grants the Board of Directors the power to resolve, in the interests of the Group, upon the proposal of the Remuneration and Appointments Committee or of the Chief Executive Officer with the opinion of the RAC, and having consulted the Board of Statutory Auditors as appropriate: (i) to include new Beneficiaries due to new hires, promotions and/or particular merit, or (ii) to supplement the numbers of Rights assigned to the Beneficiaries already identified, due to promotions and/or particular merits or motivations, provided that the aforementioned resolutions are passed within 18 months from the date the Plan is approved by the Annual General Meeting.

In order to participate in the Plan, as of the date the letter of assignment is signed, the Beneficiaries: (i) must be employees and/or directors with delegated powers of the Company and/or its subsidiaries (the '**Relationship**'); (ii) must not be serving a notice period due to resignation or dismissal; furthermore, if the Beneficiary is a director, he/she must not have resigned from office, nor have been removed, on the same date.

#### ***4. Procedures and clauses for the implementation of the Plan, with particular regard to the vesting of Rights and the Allotment of Shares***

In order to strengthen the incentivising power of the Plan, the vesting of Rights and the consequent Allotment of Shares will be linked to the achievement of specific Performance Objectives measured at the end of the vesting period, connected to growth in value and to the Group's medium/long-term profitability.

In particular, the Plan establishes the following Performance Objectives:

- Cumulative EBITDA in value (35%)
- Cumulative Net Revenues (35%)
- Cumulative Free Cash Flow (20%)
- De' Longhi TSR vs FTSE Mid-Cap TSR (10%)

It also includes:

- (i) a correction factor represented by ESG indicator(s) aimed at measuring the Group's Environmental, Social and Governance performance (-15% / neutral / +15%), and

- (ii) a maximum limit on the number of shares to be allotted to the Beneficiaries equal to 140% of the assigned Shares.

The indicators linked to ESG issues as well as the targets of the Performance Objectives will be identified by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee, having consulted the Board of Statutory Auditors as appropriate, after the Plan is approved by the Annual General Meeting.

The Allotment of the Shares, following the vesting of Rights, will take place after the Annual General Meeting that will approve the financial statements and will acknowledge the Group's consolidated financial statements as at 31 December 2026.

The Allotment of Shares is conditional upon:

- the actual existence of the Relationship with the Company or with one of the Subsidiaries at the date of the Allotment of the Shares at the end of the vesting period;
- the circumstance that the Beneficiaries are not serving a notice period due to resignation or dismissal at the date of Allotment of the Shares at the end of the vesting period. If the Beneficiary is an Executive Director, they must not have resigned nor have been removed from office at the date of Allotment of the Shares;
- the achievement of predetermined Group Performance Objectives, linked to growth in value and to medium/long-term profitability and to issues related to the sustainability strategy, as highlighted in sections 2.2 and 2.3 of the Information Document.

**5. Any support for the Plan from the Special Fund for the encouragement of Workers' participation, referred to in Article 4(112) of Law No. 350 of 24 December 2003**

The 2024-2026 Performance Share Plan shall not receive any support from the Special Fund for the encouragement of workers' participation in companies, referred to in Article 4(112) of Law No. 350 of 24 December 2003.

**6. Restrictions on the transfer of Rights and allotted Shares**

It should be noted that the Rights that are the subject of the 2024-2026 Performance Share Plan are personal and may not be transferred or disposed of *inter vivos*, nor pledged or secured and, therefore, they shall become ineffective as a result of any attempted transfer or negotiation including, without limitation, any attempted transfer by deed *inter vivos* or, in application of law, by pledge or other right in rem, seizure or attachment.

You are reminded that, in order to strengthen the retention purpose of the Plan and adopt mechanisms to link medium-term results to the creation of longer-term value, a lock-up period of 24 months is envisaged for a percentage of the allotted Shares. In particular, the lock-up will concern 50% of the allotted Shares net of those needed to cover, where applicable, the tax and contribution burden.

There are no restrictions on the transfer of Shares allotted to the Beneficiary and not subject to the lock-up period.

In compliance with the recommendations dictated by the Corporate Governance Code to which the Company adheres and in line with the provisions of the 2024 Remuneration Policy that will be submitted to the vote of the next Annual General Meeting, the 2024-2026 Performance Share Plan provides for the application to Beneficiaries of 'clawback/malus' clauses that, in the presence of particular circumstances, grant the Company the right to require from Beneficiaries, within 36 months after the Allotment of the Shares, the restitution of the allotted Shares or their monetary equivalent at the time of allotment (clawback) or not to allot any Shares deriving from the Rights not yet vested or already vested but not yet allotted (malus). In particular, such clauses shall operate should even one of the following circumstances occur: (i) the economic/financial data and information on the basis of which the evaluation of the Performance Objectives was carried out prove to be manifestly erroneous or false; (ii) the Beneficiary has been guilty of wilful or negligent conduct, which was a determining factor for the allotment of the Shares.

## **7. Proposed resolution**

Dear Shareholders,

For the reasons illustrated above, the Board of Directors proposes that you pass the following resolution:

*'The Annual General Meeting of the Shareholders of De' Longhi S.p.A., based on:*

- the Report by the Board of Directors, drafted pursuant to Articles 114-bis and 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended;*
- the information document prepared pursuant to Article 84-bis of the regulation adopted by Consob with Resolution No. n.11971 of 14 May 1999, as subsequently amended, which was made available to the public in the manner laid down by current regulations,*

### **RESOLVES**

*1. to approve, pursuant to and for the purposes of Article 114-bis of Legislative Decree No. 58 of 24 February 1998, as subsequently amended, the adoption of the medium/long-term share-based incentive plan called the '2024-2026 Performance Share Plan' having the characteristics (included the conditions and prerequisites for implementation) indicated in the report by the Board of Directors and in the information document on the Plan;*

*2. to grant powers to the Board of Directors, with the power to subdelegate, for the actual implementation of the '2024-2026 Performance Share Plan', to be exercised in*



*compliance with the provisions laid down in the information document on the Plan and, in particular, by way of example but not limited to:*

*a) prepare and adopt the rules of the Plan by establishing the terms and conditions for the vesting of rights and the allotment of the Shares to the beneficiaries, taking into account – where applicable – the local regulations applicable to the relationship of certain beneficiaries, as well as amend and/or supplement it, all within the limits of what is contained in the Plan itself;*

*b) identify by name the beneficiaries of the Plan and determine the number of rights to be assigned free of charge to each of them, defining the related criterion;*

*c) determine the targets of the Plan's performance objectives, on the basis of which the Shares corresponding to the vested rights may be allotted to the beneficiaries;*

*d) provide for the implementation of the Plan in compliance with the contents and conditions described in the rules themselves and in the information document on the Plan;*

*e) perform any act, obligation, formality or communication that is necessary or appropriate for the management and/or implementation of the Plan, in accordance with the terms and conditions described in the information document on the Plan, with the right to delegate its powers, duties and responsibilities regarding the execution and application of the Plan to the Chief Executive Officer, it being understood that any decision relating and/or pertaining to the assignment of rights to the Chief Executive Officer as beneficiary (as well as any other decision relating and/or pertaining to the management and/or implementation of the Plan with respect to the CEO) shall remain the exclusive competence of the Board of Directors;*

*3. grant the Chairman of the Board of Directors with all powers, with the power to subdelegate, to carry out the legislative and regulatory obligations consequent to the resolutions adopted.'*

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This Report, with the annexed Information Document drafted pursuant to Article 84-bis of the Issuers' Regulation and in accordance with Annex 3A, Scheme 7 of the same regulation, will be made available to the public, on 19 March 2024, at the registered office and on the Company's website [www.delonghigroup.com](http://www.delonghigroup.com) (section 'Governance' – 'Corporate Bodies' – 'Annual General Meeting 2024'), and on the IINFO authorised storage mechanism accessible via the website [www.linfo.it](http://www.linfo.it), at the same time as the publication of the call notice of the Annual General Meeting.

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Treviso, 12 March 2024



For the Board of Directors The

Chairman

Giuseppe de' Longhi

**Annex:**

- Information Document relating to the '*2024-2026 Performance Share Plan*' drafted pursuant to Article 84-*bis* of the Issuers' Regulation, in accordance with Annex 3A, Scheme 7 of the same regulation.

De' Longhi S.p.A.

**INFORMATION DOCUMENT**

**RELATING TO THE SHARE-BASED INCENTIVE PLAN BASED ON THE ORDINARY SHARES  
OF DE' LONGHI S.P.A. CALLED THE '*2024-2026 PERFORMANCE SHARE PLAN*' OF THE  
DE' LONGHI GROUP**

Document drafted in accordance with Article 84-*bis* of the Regulation adopted by CONSOB with Resolution No. 11971 of 14 May 1999, as subsequently amended and in compliance with Annex 3A, Scheme 7 of the same regulation.

## DEFINITIONS

In addition to the definitions contained in other articles, the terms and expressions with the first letter capitalised used in this Information Document shall have the meaning given below. It is also stated that the same meaning holds regardless of whether the term is singular or plural.

<b>Chief Executive Officer</b>	The chief executive officer of the Company.
<b>Assignment</b>	The assignment of Rights to each Beneficiary who receives a certain number of Shares, free of charge, contingent upon the achievement of the Performance Objectives and other conditions laid down by the Rules and by the documentation for the Plan's implementation.
<b>Annual General Meeting</b>	The annual general meeting of the Company's shareholders.
<b>Allotment</b>	The actual allotment, free of charge, of the Shares to each Beneficiary, after the Vesting of the Rights and depending on the achievement of the Performance Objectives.
<b>Shares</b>	The ordinary shares of De' Longhi S.p.A., each with a nominal value of €1.50, listed on Euronext Milan, ISIN code IT0003115950.
<b>Beneficiaries</b>	The recipients of the Plan identified by the Company's Board of Directors upon the proposal of the Remuneration and Appointments Committee or of the Chief Executive Officer with the opinion of the RAC, and having consulted the Board of Statutory Auditors as appropriate, and who have received and accepted the Letter of Assignment and the Rules of the Plan, and who are employed (and not serving a notice period) on the date they accepted the Letter of Assignment.
<b>Board of Statutory Auditors</b>	The Board of Statutory Auditors of the Company.
<b>Change of Control</b>	The case in which the person or entity at the top of the Company's shareholding chain on the date that the Plan is approved by the Annual General Meeting ceases to hold, whether directly or indirectly, the majority of the voting rights that can be exercised at the Company's Annual General Meeting or, in any case, a controlling position pursuant to Article 2359 of the Civil Code.
<b>Remuneration and Appointments Committee/Committee/RAC</b>	The Remuneration and Appointments Committee of the Company.
<b>Board of Directors/Board</b>	The Board of Directors of the Company.
<b>General Manager</b>	The general manager of the Company.
<b>Rights</b>	The rights assigned to the Beneficiaries to receive, free of charge, 1 (one) Share for each right assigned, based on the achievement of the Performance Objectives and other implementation conditions defined in the Rules and in the documentation for the Plan's implementation.
<b>Information Document</b>	This information document drafted pursuant to Article 84-bis(1) of the Issuers' Regulation, approved by the Board of Directors on 12 March 2024.

<b>De' Longhi Group</b>	The Company and the Subsidiaries, collectively.
<b>Vesting</b>	The vesting of the Rights, which occurs after the level of achievement of the Performance Objectives and the other conditions laid down by the Rules have been verified, and the total number of vested Rights as well as the consequent number of Shares to be allotted to the Beneficiaries have been determined.
<b>Performance objectives</b>	The Plan's performance objectives, the level of achievement of which will be relevant for the purposes of the Vesting of Rights and the Allotment of Shares as set out in this Information Document and which will be defined in the Rules and in the documentation for the Plan's implementation.
<b>Vesting Period</b>	The three-year period (2024-2026) over which the achievement of the Performance Objectives will be verified.
<b>Plan</b>	The medium-/long-term share-based incentive plan of the De' Longhi Group for the three-year period 2024-2026 called the '2024-2026 Performance Share Plan' described in this Information Document, based on the De' Longhi Shares and intended for the Beneficiaries.
<b>Remuneration Policy</b>	The annual policy on the remuneration of members of the Board of Directors and of the Board of Statutory Auditors, the General Manager as well as Key Managers with Strategic Responsibilities, approved for the 2024 financial year by the Board of Directors on 12 March 2024, upon the proposal of the RAC, having heard the opinion of the Board of Statutory Auditors, which will be submitted for the approval of the Annual General Meeting on 19 April 2024.
<b>Relationship</b>	The employment and/or directorship relationship (or equivalent relationship pursuant to the legislation applicable at the time) existing between the Beneficiary and the Company or one of the Subsidiaries.
<b>Rules</b>	The rules containing the terms and conditions for implementing the Plan which will be approved by the Board of Directors after the approval of the Plan by the Annual General Meeting.
<b>Issuers' Regulation</b>	The regulation concerning the regulation of issuers adopted by Consob with Resolution No. 11971 of 14 May 1999, as subsequently amended.
<b>Company or De' Longhi</b>	De' Longhi S.p.A., with registered office in Via Lodovico Seitz 47, 31100 Treviso, Italy.
<b>Subsidiaries</b>	The Italian and/or foreign companies controlled from time to time, whether directly or indirectly, by the Company pursuant to Article 93 of the Consolidated Law on Finance.
<b>Top Managers</b>	Group executives who hold roles that are strategically relevant or otherwise able to make a significant contribution to the pursuit of the Group's strategic objectives in the medium/long term.
<b>Total Shareholder Return or TSR</b>	The parameter that measures the total return for a Shareholder, given by the sum of (i) the change in the share price during a reference period and (ii) any dividends paid during that same period.

<b>Consolidated Law on Finance</b>	Legislative Decree No. 58 of 24 February 1998, as subsequently amended.
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## INTRODUCTION

This Information Document, drafted pursuant to Article 84-*bis* and in accordance with Annex 3A, Scheme 7 of the Issuers' Regulation, concerns the proposed adoption of the Plan approved by the Company's Board of Directors.

It should be noted that on 12 March 2024, the Board of Directors resolved, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, to submit to the Annual General Meeting the adoption, pursuant to Article 114-*bis* of the Consolidated Law on Finance, of the remuneration plan based on the allotment of ordinary shares of De' Longhi S.p.A., called the '*2024-2026 Performance Share Plan*', which provides for the Allotment, free of charge, of Shares to the Beneficiaries under the terms and conditions that will be laid down in the Rules, described in this Information Document.

The Annual General Meeting, called to resolve on the Plan, will be convened for 19 April 2024, in a single call, based on the resolution by the Board of Directors on 12 March 2024.

It should be noted that the Plan is to be considered of 'particular relevance' within the meaning of Article 84-*bis*(2)(a) and (b) of the Issuers' Regulation, since it is intended for the Chief Executive Officer and the General Manager of the Company and a limited number of Top Managers in the De' Longhi Group.

This Information Document is available to the public, pursuant to Article 84-*bis* of the Issuers' Regulation, at the Company's registered office in Via L. Seitz 47, Treviso (Italy) and on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section '*Governance*' – '*Corporate Bodies*' – '*Annual General Meeting 2024*'), as well as on the IINFO authorised storage mechanism available at [www.iinfo.it](http://www.iinfo.it), annexed to the '*Directors' Report on the fourth item on the agenda for the ordinary part of the Annual General Meeting convened in ordinary and extraordinary session for 19 April 2024*'.

### 1. RECIPIENTS

#### 1.1 Indication of the names of the recipients who are members of the Board of Directors or management body of the issuer of financial instruments, of the issuer's parent companies or of companies directly or indirectly controlled by the issuer.

The Plan is intended for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of Top Managers in the De' Longhi Group. The names of the Beneficiaries and the other information required by Annex 3A, Scheme 7, section 1 of the Issuers' Regulation shall be provided, where necessary, in the manner set out in Article 84-*bis*(5)(a) of the aforementioned Issuers' Regulation, after the Plan has been approved by the Annual General Meeting and during the implementation of the Plan itself.

#### 1.2 Indication of the employees or collaborators of the issuer of the financial instruments and of the parent companies or subsidiaries of that issuer who are the recipients of the Plan.

As mentioned in section 1.1, the Plan is intended for the Chief Executive Officer and the General Manager of the Company, as well as for a limited number of Top Managers in the De' Longhi Group who have an existing Relationship with the Company or with one of the Subsidiaries on the date of Assignment of the Rights.

Under the Plan, the Beneficiaries will be identified by name, at the sole discretion of the Board of Directors, upon the proposal of the Remuneration and Appointments Committee or the Chief Executive Officer with the opinion of the RAC, and having consulted the Board of Statutory Auditors as appropriate.

#### 1.3 Indication of the names of the recipients of the Plan belonging to the groups indicated in Annex 3A, Scheme 7, section 1.3(a), (b), and (c) of the Issuers' Regulation.

As of today, there are no recipients of the Plan belonging to the groups indicated in this section, besides the Chief Executive Officer and General Manager of the Company. If necessary, any information required by Annex 3A, Scheme 7, section 1 of the Issuers' Regulation shall be provided at a later stage, during the implementation of the Plan, in the manner set out in Article 84-*bis*(5)(a) of the aforementioned Issuers' Regulation,

#### 1.4 Description and number of the recipients of the Plan, divided according to the categories indicated in Annex 3A, Scheme 7, section 1.4(a), (b), and (c) of the Issuers' Regulation.

The Beneficiaries will be identified by name by the Board of Directors, after the Plan has been approved by the Annual General Meeting, as the Chief Executive Officer and General Manager in office at the date of Assignment, together with a limited number of Top Managers of the De' Longhi Group.

Should it deem it advisable for the Group, the Board of Directors may resolve, upon the proposal of the Remuneration and Appointments Committee or of the Chief Executive Officer with the opinion of the RAC, and having consulted the Board of Statutory Auditors as appropriate: (i) to include new Beneficiaries due to new hires, promotions and/or particular merit, or (ii) to supplement the numbers of Rights assigned to the Beneficiaries already identified, due to promotions and/or particular merits or motivations, provided that the aforementioned resolutions are passed within 18 months from the date the Plan is approved by the Annual General Meeting.

Any other information required by section 1 of Scheme 7 of Annex 3A to the Issuers' Regulation shall be provided in the manner set out in Article 84-bis(5)(a) of the aforementioned Issuers' Regulation during the implementation of the Plan.

## **2. REASONS FOR ADOPTING THE PLAN**

### **2.1 Objectives intended to be achieved with the Plan.**

The 2024-2026 Performance Share Plan aims to incentivise the Beneficiaries to achieve the Group's medium/long-term business performance, through the creation of a rewarding, fair and sustainable remuneration system, in line with the regulatory framework and stakeholders' expectations. This is in line with the Company's Remuneration Policy, which addresses the aims of attracting, motivating and retaining resources with the skills and professional qualities required by the role held in order to pursue the long-term and sustainable success of the De' Longhi Group by aligning the interests of the top management with those of Shareholders.

In this context, the Plan is established with the following aims:

- ensure that the interests of top management are increasingly aligned with the pursuit of the sustainable success of the Company and the De' Longhi Group, through the creation of long-term value for Shareholders and other stakeholders;
- maintain the alignment of the De' Longhi Group's most critical profiles with company objectives;
- guarantee the continuity of engagement and retention of Beneficiaries in the long term, preserving the competitiveness of the remuneration in the market;
- preserve the coherence of the incentive schemes with the corporate strategic development.

#### **2.1.1 More detailed information in view of the Plan's relevance.**

The ratio between incentive compensation based on financial instruments and other components of total remuneration was established in line with market benchmarks, ensuring an appropriate balance between the fixed component and other variable components of a monetary nature. The Plan's time horizon was determined in line with best practices and consistent with the nature of the business and the associated risk profiles, and it includes a three-year Vesting Period and a subsequent 24-month period in which a portion of the Shares cannot be sold.

### **2.2 Key variables, also in the form of performance indicators considered for the allotment of plans based on financial instruments.**

In order to strengthen the Plan's incentive power, the Vesting of the Rights and the consequent Allotment of Shares will be linked to the achievement of specific Performance Objectives defined in the framework of the Group's 2024-2026 business plan and also taking into account the Total Shareholder Return measured at the end of the Vesting Period, connected to growth in value and medium/long-term profitability, and in particular:

- Cumulative EBITDA in value (35%)
- Cumulative Net Revenues (35%)
- Cumulative Free Cash Flow (20%)
- De' Longhi TSR vs FTSE Mid-Cap TSR (10%)



It also includes:

(i) a correction factor represented by ESG indicator(s) aimed at measuring the Group's Environmental, Social and Governance performance (-15%/neutral/+15%), and

(ii) a maximum limit on the number of shares to be allotted to the Beneficiaries equal to 140% of the assigned Shares.

The indicators linked to ESG issues as well as the targets of the Performance Objectives will be identified by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee, having consulted the Board of Statutory Auditors as appropriate, after the Plan is approved by the Annual General Meeting.

The Allotment of the Shares, following the Vesting, will take place after the Annual General Meeting that will approve the financial statements and will acknowledge the Group's consolidated financial statements as at 31 December 2026.

The Allotment of Shares will be conditional upon the Relationship existing on the date of Allotment.

#### **2.2.1. More detailed information in view of the Plan's relevance.**

Incentive levels are defined in relation to the weight and strategic importance of the role held, as well as the other components of the fixed and variable remuneration, in line with the principles of the Remuneration Policy and market benchmarks. The three-year Vesting Period and the subsequent 24-month lock-up periods on a portion of the Shares enable the long-term remuneration to be linked to the strategic objectives of the De'Longhi Group. The equity-based nature of the Plan contributes to further strengthening the culture of enterprise risk management, encouraging the alignment of the interests of top management with those of De' Longhi's shareholders and other stakeholders.

#### **2.3 Elements used for the determination of the amount of the compensation based on financial instruments, i.e. the criteria for its determination.**

The proposed Plan provides for the free Allotment of the Company's Shares, following the Vesting of the Rights assigned to the Beneficiaries.

Upon their inclusion in the Plan, each of the Beneficiaries will be notified of the relative number of Rights to receive Shares, which will be defined with reference to a percentage of the gross annual fixed remuneration of the individual Beneficiary at the Assignment date and the value of the De' Longhi Share.

The number of Rights actually vested at the end of the Vesting Period will depend on the level of achievement of the Performance Objectives, defined in consideration of the De' Longhi Group's strategic objectives for the three-year reference period (2024, 2025, 2026).

The actual Allotment of Shares will be determined depending on whether the Relationship exists at the moment of Allotment.

#### **2.4. The reasons for any decision to award remuneration plans based on financial instruments not issued by the issuer of the financial instruments, such as financial instruments issued by subsidiaries or parent companies or companies outside the group to which the issuer belongs; if the aforementioned instruments are not traded on regulated markets, information on the criteria used to determine the value assigned to them.**

Not applicable.

#### **2.5. Consideration of significant tax and accounting implications that have affected the definition of the plan.**

The Plan's preparation was not influenced by any significant tax or accounting considerations.

#### **2.6. Any support for the Plan from the Special Fund for the encouragement of workers' participation in companies, referred to in Article 4(112) of Law No. 350 of 24 December 2003.**

The Plan does not receive support from the Special Fund for the encouragement of workers' participation in companies, referred to in Article 4(112) of Law No. 350 of 24 December 2003.

### 3. APPROVAL PROCEDURE AND TIMING OF INSTRUMENT ASSIGNMENT

#### 3.1. Scope of the powers and functions delegated by the Annual General Meeting to the Board of Directors for the purpose of implementing the Plan.

On 12 March 2024, the Board of Directors resolved, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, to submit the Plan to the Annual General Meeting, pursuant to Article 114-*bis* of the Consolidated Law on Finance, which will be convened for 19 April 2024 in a single call.

The Annual General Meeting will be asked to grant the Board of Directors, with the express power to subdelegate – it being understood that any decision relating to and/or pertaining to the management and/or implementation of the Plan with respect to the Beneficiary who is a director of the Company will remain the exclusive responsibility of the Board of Directors – any and all powers necessary or appropriate, having consulted the Remuneration and Appointments Committee and the Board of Statutory Auditors as appropriate, to implement the Plan in full and in its entirety, including but not limited to: (i) identifying the Beneficiaries by name; (ii) defining the criterion for determining the number of Rights to be assigned free of charge to each Beneficiary; (iii) determining in detail the Performance Objectives of the Plan, on the basis of which the Shares corresponding to the vested Rights may be assigned to the Beneficiaries; (iv) determining in detail the terms and conditions for the Vesting of the Rights and the Allotment of the Shares to the Beneficiaries by preparing the Rules and the related documentation for the implementation of the Plan, taking into account – where appropriate – the local regulations applicable to the Relationship of certain Beneficiaries; (v) perform any obligation, formality and/or communication that is necessary or appropriate for the management and/or implementation of the Plan, in accordance with the terms and conditions described in this Information Document. It is understood that the adoption of the Rules and any amendments and/or additions thereto are in any case the responsibility of the Board of Directors as a whole.

Information on the criteria that will be adopted by the Board of Directors for the purposes of the decisions by which the Plan will be implemented and the content of such decisions will be disclosed in accordance with the procedures laid down by Article 84-*bis*(5)(a) of the Issuers' Regulation or, in any case, pursuant to the laws and regulations applicable at the time.

The Annual General Meeting will also be called upon to resolve, in extraordinary session, on a free capital increase, also in multiple tranches, pursuant to Article 2349 of the Civil Code, to service the Plan for a maximum nominal amount of €1,800,000.00, and for a maximum of 1,200,000 Shares for the execution of which the Annual General Meeting will be called upon to grant the Board of Directors specific powers pursuant to Article 2443 of the Civil Code.

#### 3.2 Persons entrusted with the administration of the Plan and their function and competence.

The Company's Board of Directors, with the right to subdelegate, is responsible for managing the Plan, availing itself of the RAC and the Board of Statutory Auditors as appropriate and, where necessary, of the cooperation of the company departments for the relevant activities.

#### 3.3 Any procedures in place for the review of the plans, including in relation to possible changes in the basic objectives.

In order to keep the essential contents of the Plan unchanged as much as possible, the Board of Directors, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, shall regulate the emerging Rights and/or amend and/or supplement the Vesting conditions of the Rights and Allotment of the Shares when certain transactions take place, including, but not limited to, the splitting up and grouping of the Share.

In the event of a Change of Control or discontinuity in the market trend of the price of the De' Longhi Share, the rights acquired by the Beneficiaries shall remain unaffected, under the conditions that will be defined in the Rules.

The Board of Directors shall have the power to make any amendments or additions to the Rules (once they have been approved), in the most appropriate manner, that it deems useful or necessary for the best pursuit of the purposes of the Plan itself, taking into account the interests of the Beneficiaries and the Group.

### **3.4 Description of the methods for determining the availability and assignment of the financial instruments on which the plans are based.**

The Plan provides for the Allotment of Shares, free of charge, at the end of the Vesting Period of three years (2024, 2025, 2026) and upon achievement of pre-determined Performance Objectives, following the Annual General Meeting that will approve the Group's consolidated financial statements as at 31 December 2026.

The Vesting of Rights will be determined depending on whether the Relationship exists on the date of Allotment.

The following will be used to service the Plan: (i) treasury shares held in the Company's portfolio at the Allotment date, following purchases made on the market, also to service the Plan, pursuant to Article 2357 of the Civil Code, the provisions of the Consolidated Law on Finance and the Issuers' Regulation; or, if there are not sufficient treasury shares in the Company's portfolio at that date, (ii) shares from the capital increase, free of charge and possibly in multiple tranches, pursuant to Article 2349 of the Civil Code, for a maximum nominal amount of €1,800,000.00, and for a maximum of 1,200,000 Shares for the execution of which the Annual General Meeting of 19 April 2024 will be called upon to grant the Board of Directors with specific powers pursuant to Article 2443 of the Civil Code.

The proposal to grant the Board of Directors the powers to increase the share capital pursuant to Article 2349 of the Civil Code to service the Plan, together with the description of the terms and conditions of said Plan, are illustrated by a specific explanatory report in accordance with Article 72 of the Issuers' Regulation and in compliance with Schemes 2 and 3 of Annex 3 A of the same regulation, made available to the public at the Company's registered office in Via L. Seitz 47, Treviso (Italy) and by publication on the Company's website [www.delonghigroup.com](http://www.delonghigroup.com), in the section 'Governance' – 'Corporate Bodies' – 'Annual General Meeting 2024', as well as on the IINFO authorised storage mechanism available at [www.linfo.it](http://www.linfo.it). This proposal will be submitted to the extraordinary session of the Annual General Meeting of 19 April 2024 for examination and approval.

### **3.5. Role played by each director in determining the characteristics of such plans; possible situations of conflict of interest for the directors concerned.**

The Plan guidelines were prepared on the basis of a proposal formulated for the Board of Directors by the Remuneration and Appointments Committee, having consulted the Board of Statutory Auditors as appropriate, and approved by the Board on 12 March 2024.

Since the Remuneration and Appointments Committee is composed exclusively of non-executive Directors, there are no situations of conflict of interest in this regard, because no non-executive Director is a recipient of the Plan.

### **3.6 For the purposes of the requirements of Article 84-bis(1), the date of the decision taken by the competent body to propose the approval of the plans to the Annual General Meeting and of any proposal to the latter by the Remuneration and Appointments Committee.**

Following the process, which began in October 2023, to analyse, examine and assess the essential terms of the proposed Plan by the Remuneration and Appointments Committee, having consulted the Board of Statutory Auditors as appropriate, supported by the competent corporate functions, at the meeting held on 7 March 2024 the same Committee also unanimously formulated the proposed Plan to be submitted for the approval of the Board of Directors for its presentation to the Annual General Meeting.

On 12 March 2024, the Board of Directors unanimously approved, with the abstention of the potential Beneficiaries, the proposed Plan and resolved to convene, for 19 April 2024, in a single call, the Annual General Meeting to approve said Plan.

### **3.7 For the purposes of the requirements of Article 84-bis(5)(a), the date of the decision taken by the competent body as regards the assignment of the instruments and of the proposal to said body formulated by the Remuneration and Appointments Committee, if any.**

The Rights envisaged by the Plan will be assigned to the Beneficiaries by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, after the Plan is approved by the Annual General Meeting. The Shares will vest under the conditions set

forth in the Rules and will be allotted to the Beneficiaries, at the end of the Vesting Period, by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, subject to verification of the level of achievement of the Performance Objectives.

The date of the decision taken by the Board of Directors on the Assignment of Rights to receive Shares, the Vesting date of the Rights, the dates of the Allotment of Shares and the date of the proposal, if any, by the Remuneration and Appointments Committee, having consulted the Board of Statutory Auditors as appropriate, are not available at the time of drafting this Information Document and, therefore, will be communicated at a later date pursuant to Article 84-bis(5)(a) of the Issuers' Regulation.

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

On 7 March 2024, the day on which the Remuneration and Appointments Committee met to define the proposal regarding the Plan to be submitted to the Board of Directors in view of the Annual General Meeting, the official stock exchange closing price of the De' Longhi Share was €30.90.

On 12 March 2024, the day on which the Board of Directors met to examine and approve the proposal regarding the Plan to be submitted to the Annual General Meeting, the official stock exchange closing price of the De' Longhi Share was €32.28.

The price of the Shares at the moment of the Assignment of the Rights and of the Allotment of the Shares by the Board of Directors will be communicated pursuant to Article 84-bis(5)(a) of the Issuers' Regulation.

### **3.9 In the case of plans based on financial instruments traded on regulated markets, under what terms and in what manner does the issuer take into account, when identifying the timing of the assignment of the instruments in implementation of the plans, the possible timing coincidence between: (i) said assignment or any decisions taken in this regard by the Remuneration and Appointments Committee, and (ii) the disclosure of any relevant information pursuant to Article 17 of Regulation (EU) No. 596/2014; for example, in the event such information is: (a) not already public and capable of positively influencing market prices, or (b) already published and capable of negatively influencing market prices.**

The structure of the Plan, the conditions and the manner of allotting the Rights, at present, do not suggest that the allotment may be influenced by any disclosure of material information pursuant to Article 17 of Regulation (EU) No. 596/2014 (the 'MAR Regulation'), it being understood that the procedure for assigning the Rights and the Shares will be carried out, in any case, in full compliance with the disclosure obligations incumbent on the Company, so as to ensure transparency and parity of information to the market, as well as in compliance with the internal procedures adopted by the Company and the prohibitions on operating in so-called black-out periods pursuant to Article 19(11) of the MAR Regulation.

## **4. THE CHARACTERISTICS OF THE ALLOTTED INSTRUMENTS**

### **4.1 Description of the forms in which compensation plans based on financial instruments are structured.**

The Plan provides for the Assignment of Rights to receive, free of charge, Shares of the Company upon the achievement of predetermined Group Performance Objectives, linked to growth in value and to medium/long-term profitability and to issues related to the sustainability strategy, and on the basis of the mechanisms and conditions defined in sections 2.2 and 2.3 above.

### **4.2 Indication of the period of actual implementation of the Plan also with reference to any different cycles envisaged.**

The Plan envisages a single cycle of Assignment of Rights with a three-year Vesting Period (2024, 2025, 2026). The Vesting of the Rights will take place at the end of the Vesting Period, subject to the verification of the level of achievement of the Performance Objectives.

The Allotment of the Shares will take place after the Annual General Meeting that will approve the financial statements and will acknowledge the Group's consolidated financial statements as at 31 December 2026.

#### 4.3 End of the Plan.

The Plan will end in 2029, after the expiry of the 24-month lock-up period applied to 50% of the Shares, subject to Allotment to the Beneficiaries under the Plan, remaining after deducting any Shares necessary to discharge the tax liabilities arising from the delivery of the Shares subject to Allotment.

The Rules of the Plan, which will be approved by the Board of Directors, may provide for exceptions to the lock-up period as well as clauses to accelerate the Plan itself in the event of, for example but not limited to, the winding up or dissolution of the Company, a Change of Control or delisting, which would provide for the possibility for the Company to allot the Shares to the Beneficiaries earlier.

#### 4.4 Maximum number of financial instruments, including in the form of options, assigned in each financial year in relation to the persons identified by name or the categories indicated.

The maximum number of Shares that can be assigned to each Beneficiary under the Plan — which, as mentioned, provides for a single cycle of Assignment of Rights — will be established by the Board of Directors, upon the proposal of the Remuneration and Appointments Committee and having consulted the Board of Statutory Auditors as appropriate, during the implementation of the Plan itself and will be communicated pursuant to Article 84-bis(5)(a) of the Issuers' Regulation or, in any case, pursuant to the laws and regulations applicable at the time.

On this point it should be noted that:

- if the Performance Objectives are achieved at the target level, the Plan provides that the maximum number of Shares to be Allotted to the Beneficiaries shall not exceed 857,143 ordinary De' Longhi Shares representing approximately 0.57% of the ordinary Shares currently in circulation;
- if the Performance Objectives are achieved at the maximum target level (over performance), the Plan provides that the maximum number of Shares to be Allotted to the Beneficiaries shall not exceed 1,200,000 ordinary De' Longhi Shares representing approximately 0.79% of the ordinary Shares currently in circulation;

#### 4.5 Terms and clauses for the implementation of the plan, specifying whether the actual allotment of the instruments is subject to the fulfilment of conditions or the achievement of certain results, including performance results; descriptions of such conditions and results.

The Allotment of Shares is conditional upon:

- the actual existence of the Relationship with the Company or with one of the Subsidiaries at the date of the Allotment of the Shares at the end of the Vesting Period;
- the circumstance that the Beneficiaries are not serving a notice period due to resignation or dismissal at the date of Allotment of the Shares at the end of the Vesting Period. If the Beneficiary is an Executive Director, they must not have resigned nor have been removed from office at the date of Allotment of the Shares;
- the achievement of predetermined Group Performance Objectives, linked to growth in value and to medium/long-term profitability and to issues related to the sustainability strategy, as highlighted in sections 2.2 and 2.3 above.

In line with the provisions of the Remuneration Policy, the Company will be entitled to require the restitution of the Shares allotted or their monetary equivalent at the moment of Allotment (or not to allot any Shares deriving from Rights not yet vested or already vested but not yet allotted), by applying 'clawback/malus' clauses should even one of the following circumstances occur: (i) the economic/financial data and information on the basis of which the evaluation of the Performance Objectives was carried out prove to be manifestly erroneous or false; (ii) the Beneficiary has been guilty of wilful or negligent conduct, which was a determining factor for the Allotment of the Shares.

The restitution obligation will remain effective until 36 months after the Allotment of the Shares.

**4.6 Indication of any restrictions on the availability of the allotted instruments or of the instruments resulting from the exercise of the options, with particular reference to the terms within which the subsequent transfer to the same company or to third parties is permitted or prohibited.**

The Rights assigned are personal and may not be transferred or disposed of *inter vivos*, nor pledged or secured. The Rights shall become ineffective as a result of any attempted transfer or negotiation including, without limitation, any attempted transfer by deed *inter vivos* or, in application of law, by pledge or other right in rem, seizure or attachment.

In alignment with the principles of the Remuneration Policy, in order to strengthen the retention purpose of the Plan and adopt mechanisms to link medium-term results to the creation of longer-term value, a lock-up period of 24 months will be envisaged for a percentage of the allotted Shares. In particular, the lock-up will concern 50% of the allotted Shares net of those needed to cover, where applicable, the tax and contribution burden, which may be accomplished through the use of the so-called 'sell-to cover' method in compliance with applicable regulations.

There are no restrictions on the transfer of Shares allotted to the Beneficiary and not subject to the lock-up period.

**4.7 Description of any termination conditions in relation to the allotment of the plans in the event that the recipients carry out hedging transactions that neutralise any prohibitions on the sale of the financial instruments assigned, including in the form of options, or of the financial instruments resulting from the exercise of such options.**

The execution of hedging transactions on the Rights by the Beneficiaries prior to the Allotment of the Shares shall result in the loss of the Rights.

**4.8 Description of the effects brought about by the termination of the employment relationship.**

The Rules shall contain specific rules on the Rights to which the Beneficiaries are entitled in the event of termination of the Relationship due to a so-called 'bad leaver' or 'good leaver' scenario, according to the usual practice of incentive plans.

In particular, in cases of dismissal for disciplinary reasons, resignations not for just cause, removal for just cause from the office of Director, automatic exclusion from the Plan will occur and, consequently, the Beneficiary will permanently lose the Rights assigned.

In the event of termination of the Relationship in a so-called 'good leaver' scenario prior to the date of Allotment of the Shares, the Rights assigned may vest pro rata in advance on an annual basis, considering the Performance Objectives as having been achieved at target level.

In the event of termination of the Relationship in a so-called 'good leaver' scenario, the Shares corresponding to the vested Rights will continue to be subject to lock-up under the provisions of the Plan.

**4.9 Indication of other possible causes of plan cancellation.**

Any causes for cancellation of the Plan will be specified by the Board of Directors during its implementation.

**4.10 Reasons for any provision for 'redemption', by the Company, of the financial instruments that are the subject of the plans, pursuant to Articles 2357 et seq. of the Civil Code; the beneficiaries of the redemption, indicating whether it is intended only for certain categories of employees; the effects of termination of the employment relationship on such redemption.**

The Plan does not provide for a right of redemption by the Company.

**4.11 Any loans or other facilities to be granted for the purchase of the shares pursuant to Article 2358 of the Civil Code.**

No loans or other facilities are envisaged for the purchase of the Shares since they are allotted free of charge.

**4.12 Indication of the valuation of the expected expense for the Company on the respective date of assignment, as may be determined based on the terms and conditions already defined, as an overall amount and in relation to each instrument of the Plan.**



The expected expense for the Company is represented by the fair value of the Shares serving the Plan, which will be determined upon the Assignment of the Rights. Information related to the total cost of the Plan shall be provided in the manner and with the terms indicated in Article 84-*bis*(5)(a) of the Issuers' Regulation.

**4.13 Indication of any dilution effects on capital brought about by the Plan.**

Any dilution effects resulting from the implementation of the Plan depend on the Company's choice to implement it through: (i) treasury shares held in the Company's portfolio at the Allotment date, following purchases made on the market, also to service the Plan, pursuant to Article 2357 of the Civil Code, the provisions of the Consolidated Law on Finance and the Issuers' Regulation; or, if there are not sufficient treasury shares in the Company's portfolio at that date, (ii) shares from the capital increase, free of charge and possibly in multiple tranches, pursuant to Article 2349 of the Civil Code, for a maximum nominal amount of €1,800,000.00, and for a maximum of 1,200,000 Shares for the resolution of which the Annual General Meeting of 19 April 2024 will be called upon to provide the Board of Directors with specific powers pursuant to Article 2443 of the Civil Code.

In the event that all the Beneficiaries achieve the maximum level (over performance) and the provision of the maximum number of Shares to service the Plan is made exclusively through the issue of new shares, and assuming that no further capital increases are implemented, the dilution that would be result for the Company's shareholders would be equal to 0.79% of the current share capital (represented by 151,060,000 ordinary shares) and 0.51% of the total current voting rights (equal to 233,071,810).

**4.14 Any limitations provided for the exercise of voting rights and for the allotment of equity rights.**

There are no limits on the exercise of equity and voting rights in relation to the Shares to be allotted under the Plan.

**4.15 Information on the assignment of Shares not traded on regulated markets.**

Not applicable. The Shares are listed for trading on the Euronext Milan market organised and managed by Borsa Italiana S.p.A.

**4.16.-4.23.**

Not applicable because the Plan is not a stock options plan.

**4.24. Table.**

Table No. 1 required by Annex 3A, Scheme 7, section 4.24 of the Issuers' Regulation will be provided in the manner and within the terms indicated in Article 84-*bis*(5)(a) of the same Regulation.