



*Unieuro S.p.A. registered office in forli, giovanni schiaparelli, no. 31
share capital euro 4,000,000 fully paid
tax identification number and number of
registration in the business register of forli-cesena 00876320409*

**INFORMATION DOCUMENT ON THE COMPENSATION
PLAN CONCERNING THE ALLOCATION OF ORDINARY
UNIEURO S.P.A. SHARES SUBJECT TO APPROVAL AT THE
SHAREHOLDERS 'MEETING**

"2020 - 2025 PERFORMANCE SHARE PLAN"

*(pursuant to Article 114-bis of Legislative Decree 58/98 and Article 84-bis, paragraph 1,
Regulation adopted by Consob by means of Resolution No. 11971 of 14 May 1999 as
subsequently amended)*

INTRODUCTION

This Information Document has been drawn up pursuant to art. 84-*bis* and Scheme 7 of Annex 3A to the Issuers' Regulation for the purpose of providing information on the "2020 - 2025 Performance Shares Plan". This Plan envisages the grant of Rights on a gratuitous basis, further to which an interested party would be allocated shares, also on a gratuitous basis, upon the achievement of certain Performance Objectives. The number of shares for allocation shall be determined with reference to results achieved equal to or exceeding the aforementioned performance objectives and conditional upon occurrence of the Vesting Conditions.

Worthy of note is the fact that, on occasion of the approval of the Unieuro Remuneration Policy adopted at the Company's Shareholders' Meeting which took place on 12 June 2020, the Shareholders were advised that, as concerns the pursuit of long-term interests, and mindful of the emergency situation due to the SARS-Cov-2 or Covid-19 epidemic and the impact thereof, the Board of Directors deemed it appropriate to postpone the definition of any long-term incentive plan based on financial instruments, in conformance with the responsibility and sustainability requirements that underpin the choices of the Issuer.

It was also stressed that the Board of Directors was in any case desirous to proceed with the definition of a medium/long-term plan - and in particular a performance share plan - and to submit said plan for approval at the Shareholders' Meeting to take place in December 2020, should the conditions caused by the impact of the aforementioned emergency situation allow it.

Mindful of the above and respecting its commitment towards shareholders, the Board of Directors of Unieuro, upon proposal of the Remuneration and Appointments Committee, approved the Plan by resolution dated 27 October 2020, which plan benefits the management of the Company. The approval of the Plan pursuant to TUF shall be put to vote by shareholders' resolution thereon during the meeting called for 17 December 2020.

Therefore: (i) this Information Document exclusively discusses the Plan proposal approved by the Board of Directors of the Company on 27 October 2020; (ii) any reference to the Plan contained in this Information Document is to be interpreted as that Plan as shall be put forward for approval at the shareholders' meeting.

As better described hereinbelow, certain aspects of Plan implementation shall be determined by the Board of Directors in virtue of powers that shall be conferred on said Board at the Shareholders' Meeting.

Information concerning the resolutions that the Board of Directors shall adopt to implement any such Plan as may have been approved by the Shareholders' Meeting and in compliance with the general criteria indicated therein, shall be provided, where

necessary, in the manner and within the timelines indicated by article 84-*bis* paragraph 5 letter a), of the Issuers' Regulation and in any case by the regulatory provisions in force from time to time.

This Information Document is accessible to the public at the Company's registered office, as well as on the Company's website in the section "Unieurospa.com / Corporate Governance / Shareholders' Meetings / Shareholders' Meeting December 2020", as well as in the manner and within the timelines established by the regulatory provisions in force from time to time.

We underline that the Plan is deemed of "particular relevance" for the purposes of art. 114-*bis*, paragraph 3 TUF and art. 84-*bis* paragraph 2 Issuers' Regulation, on grounds that its interested parties are, *inter alia*, directors with delegated powers and managers with strategic responsibilities of the Company.

Index of defined terms is set forth below.

DEFINITIONS

For the purposes of this Information Document, the below-listed defined terms are ascribed the meanings set forth below:

Allocation	Means the allocation of Shares on a gratuitous basis to each Beneficiary as described in the relevant resolution of the Board of Directors, in accordance with his/her degree of achievement of the Performance Objectives and in general subject to the continuance of the Vesting Conditions.
Bad Leaver	Means a Beneficiary whose relationship with the Company and/or the Group has ceased for the reasons specified in paragraph 4.8 letter b) of this Information Document.
Base Number of Shares or BNS	Means, for each Beneficiary, the number of Shares that he/she may obtain upon reaching 100% of the Performance Objectives.
Beneficiary or Beneficiaries	Means recipients of the Plan, as identified by the Board of Directors for each of the Plan Cycles.
Board of Directors	Means the Board of Directors of Unieuro S.p.A.
Cash Bonus	Cash bonus payable to each Beneficiary for an amount commensurate to any dividends as have been distributed and paid out by the Company, for each Cycle, up to Share Allocation Date. Such Cash Bonus shall be payable at the time of and conditional upon the Delivery relating to each Cycle of the Plan, provided moreover that all the Vesting Conditions are met.
Claw-Back and Malus	Mean the contractual mechanisms that provide for possible forfeiture of the right to and/or requirement for repayment of, including partial, both proceeds of sale of Shares that have become available and the Shares themselves, even if subject to a Lock Up Commitment as well as the Cash Bonus.

Company	Means Unieuro S.p.A., having its registered office in Via Schiaparelli N. 31, Forlì.
Consolidated Adjusted EBIT (hereinafter "Adjusted EBIT")	Means EBIT (comprising the company's consolidated earnings (before interest and taxes) adjusted post application IFRS 16 for (i) non-recurring charges/(income) (ii) non-recurring depreciation and write-downs and (iii) the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance services, as a consequence of the change in the business model for directly managed assistance services. The cumulative Consolidated Adjusted EBIT of the accounting years 2020/2021, 2021/2022, 2022/2023 is one of the Performance Objectives of the 1 st Cycle of the Plan.
Consolidated Adjusted Free Cash Flow (hereinafter also "Adjusted Free Cash Flow")	Means the consolidated cash flow generated/absorbed by operating investment activities comprehensive of financial obligations pre-adoption of IFRS 16. Consolidated Adjusted Free Cash Flow is that adjusted by operative flows and by non-recurring investments and includes adjustments for non-recurring charges (income), their non-monetary component and the related tax impact. The cumulative Consolidated Adjusted Free Cash Flow of the accounting years 2020/2021, 2021/2022, 2022/2023 is one of the Performance Objectives of the 1 st Cycle of the Plan.
Corporate Governance Code	Means the new Corporate Governance Code for listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in January 2020, which will come into effect as of the first financial year starting after 31 December 2020.
Cycle of the Plan or Cycle	Means, individually, a cycle of the Plan comprising of: (i) the Grant of Share Rights to the Beneficiaries; (ii) the Vesting Period; (iii) any Allocation of Shares to be made on the Allocation Date and (iv) any Lock Up Period, where applicable.
Delivery	Means the delivery of the Shares to each of the Beneficiaries of that Cycle of the Plan following Allocation approved by the Board of Directors at the end of the relevant Vesting Period. The delivery of any Shares allocated will take place

in the years 2023 (1st Cycle), 2024 (2nd Cycle) and 2025 (3rd Cycle).

Executive Directors	Means those Company directors who fall within the remit of 'executive' pursuant to the Self-Regulation Code or the Corporate Governance Code as well as those directors vested with particular duties by the Board of Directors.
Good Leaver	Means a Beneficiary whose relationship with the Company and/or the Group has ceased for the reasons specified in paragraph 4.8 letter a) of this Information Document.
Grant of Share Rights	Means the grant, on gratuitous basis, to each Beneficiary of the number of Rights to Shares set forth in the related resolution passed by of the Board of Directors having obtained the opinion of the Remuneration and Appointments Committee, for each Cycle of the Plan.
Grant of Share Rights Date	Means, with reference to each Beneficiary and to each Cycle of the Plan, the date of the resolution passed by the Board of Directors which identifies the particular Beneficiary and his/her Grant of Share Rights.
Group	Means collectively the Company and those companies controlled by it, whether directly or indirectly as provided for by the laws in force.
Information Document	Means this Information Document drawn up pursuant to art. 114- <i>bis</i> TUF and art. 84- <i>bis</i> Issuers' Regulation describing the Plan.
Issuers' Regulations	Means the regulations approved by Consob resolution No. 11971 as subsequently amended.
Lock Up Commitment	Means the commitment not to carry out any sale, transfer, disposal or in any case any transaction having as its purpose or effect the assignment or transfer of Shares to third parties (including the granting of option rights, pledges or other

constraints, any loan security), under whatever title, in whatever manner and whether directly or indirectly (save that a number of Shares having a value corresponding to the tax, social security and welfare charges connected to the Delivery of the Shares may be freely disposed of).

Lock Up Period	Means the duration of the Lock Up Commitment.
Managers with Strategic Responsibilities	Means those managers of the Company who are entrusted with responsibility, directly or indirectly, for the planning, management and control of the Company's activities.
Meeting	Means the shareholders' meeting of the Company.
Performance Objectives	Means the objectives of each cycle of the Plan, the achievement of which is a condition of the Allocation of Shares to each Beneficiary at the end of the Vesting Period fixed by the Board of Directors, having heard the Remuneration and Appointments Committee at the time of the Allocation.
Plan	Means the 2020 - 2025 Performance Share Plan for the benefit of certain key officers of the Company, the guidelines of which have been approved by the Board of Directors under resolution dated 27 October 2020 and which shall be subject to Shareholders' approval at the Shareholders' Meeting to be held on 17 December 2020.
Regulations	Mean the regulations that shall provide the terms and conditions for implementation of the Plan which regulations shall be put to the Company Board of Directors for approval.
Relationship	Means the relationship of directorship and/or employment in being between each Beneficiary and the Company or any Group company.
Remuneration and Appointments Committee	Means the Remuneration and Appointments Committee of Unieuro S.p.A.

Rights or Unieuro Rights	<p>Means the conditional, gratuitous and non-transferable right granted to a Beneficiary to be allocated Shares free of charge conditional upon achievement of the Performance Objectives at the end of the Vesting Period and provided the Vesting Conditions are met at the Share Allocation Date for each of the three Cycles of the Plan.</p> <p>More particularly:</p> <ul style="list-style-type: none"> - 1st cycle rights: the rights granted with reference to the business years 2020/2021, 2021/2022, 2022/2023; - 2nd cycle rights: the rights granted with reference to the business years 2021/2022, 2022/2023, 2023/2024; - 3rd Cycle Rights: the rights granted with reference to the business years 2022/2023, 2023/2024, 2024/2025;
Scheme	Means Scheme 7 of Annex 3A of the Issuers' Regulations.
Self-Regulation Code	Means the Self-Regulation Code for listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. July 2018 version.
Shares	Mean shares of Unieuro S.p.A., a company admitted to trade on the MTA - Star Segment, organized and managed by Borsa Italiana S.p.A., ISIN IT0005239881.
Share Allocation Date	Means, with reference to each Beneficiary and to each Cycle of the Plan, the date of the resolution passed by the Board of Directors providing for the Allocation of Shares to that particular Beneficiary.
Share Delivery Date	Means the date upon which the Shares are delivered to the Beneficiaries.
TUF	Means legislative decree No. 58 dated 24 February 1998 as subsequently amended.
Vesting Conditions	Means the conditions subject to which the Unieuro Rights vest in the Beneficiary being: (i) achievement of the Performance Objectives; (ii) continuation of the Relationship as better described in paragraph 2.2 below of this Information Document.

Vesting Period

Means the period in which the Performance Objectives are to be achieved. For 1st Cycle, this period runs from March 2020 and ends on 28th February 2023. For 2nd Cycle this period runs from 1st March 2021 and ends on 29th February 2024. For 3rd Cycle this period runs from 1st March 2022 and ends on 28th February 2025.

1. INTENDED RECIPIENTS

1.1 Recipients who shall be members of the board of directors or the management bodies of the issuer of financial instruments or of companies controlling the issuer or companies controlled by it directly or indirectly.

The Plan is intended for Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of Group companies.

Identification of Beneficiaries, determination of the number of Rights to be granted to each of them and any other decision in relation thereto shall be undertaken by the Board of Directors, subject to the prior opinion of the Remuneration and Appointments Committee, taking into account the relevance of the respective position covered within the Company and/or the Group and the function the Beneficiary performs in the value creation process. A Board member shall abstain from any decision hereunder in relation to which he/she is a Beneficiary.

The Beneficiaries of the First Cycle shall be identified by the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the Plan; those of the second Cycle by the 30th (thirtieth) calendar day following the date of the Meeting that approves the annual financial report closed on 28 February 2021; those of the third Cycle by the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting at which the annual financial report as at 28 February 2022 is approved. The Beneficiaries may vary for each of the three Cycles of the Plan. The participation of a Beneficiary in any one Cycle of the Plan does not oblige the Board of Directors to identify that Beneficiary as a Beneficiary in any of the subsequent Cycles. The Board of Directors shall have ample discretion to decide whether to include a Beneficiary in one or more Cycles of the Plan and may also recognise further benefits for Beneficiaries in each Cycle including outside the above-mentioned timescales.

Names of the Beneficiaries and the other information provided for in paragraph 1 of Scheme 7 of Annex 3A to the Issuers' Regulations shall be provided at the time of the Grant of Share Rights in the manner set forth in art. 84-*bis* paragraph 5 letter a) of the Issuers' Regulations and in any case in the manner and within the timelines provided by the laws in force from time to time.

As of the date of this Information Document, no Plan has been approved by the Shareholders' Meeting and no Beneficiaries have been named by the Board of Directors.

1.2 Categories of employees or collaborators of the issuer of financial instruments and of the parent or subsidiary companies of said issuer

A maximum of No. of 45 persons, including the Executive Directors of Unieuro, yet to be identified by name may take part in the 1st Cycle of the Plan. Such persons shall be personnel with an employment relationship with the Company and/or the Group and must fall within one of the following categories:

- a) personnel classified as Company and/or Group company manager;
- b) Company or Group company personnel classified as middle management employees (*Quadro* level) (or higher);

In the event the Board of Directors does not grant all Rights provided for in the Plan, then it may make a grant of Rights, also by means of subsequent resolution, to Beneficiaries or to any other persons as may be identified by the Board of Directors on the proposal of the Chief Executive Officer and subject to the favorable opinion of the Remuneration and Appointments Committee.

The identification of Beneficiaries from the employee category of the Company or of the Group and the determination of the number of any Rights to be granted to any of them shall be carried out by the Board of Directors which may delegate such decision to the Chief Executive Officer, having regard to the relevance of the respective position covered within the Company and their enhancement of the Company value.

The information provided for in paragraph 1.2 of this Information Document and the other information provided for in paragraph 1 of Scheme 7 of Annex 3A to the Issuers' Regulations shall be provided at the time of the Grant of Share Rights in the manner set out in art. 84-*bis*, paragraph 5 letter a) of the Issuers' Regulations.

As of the date of this Information Document, no Plan has been approved by the Shareholders' Meeting and no Beneficiaries have been named by the Board of Directors.

1.3 Identification of persons who may benefit from the plan belonging to the following classes:

a) *general managers of the issuer of financial instruments.*

Not applicable since, as at the date of this Information Document, Unieuro has not appointed any general managers.

b) *other managers with strategic responsibilities of the issuer of financial instruments not considered of "lesser importance", pursuant to Article 3 paragraph 1 letter f) of Regulation No. 17221 of 12 March 2010, in the event that during the reference year they have received overall remuneration (obtained by adding together cash remuneration and remuneration based on financial instruments) that is greater than the highest overall remuneration between those attributed to the members of the board of directors, the management board and general managers of the issuer of financial instruments.*

As of the date of this Information Document, no Plan has been approved by the Shareholders' Meeting and no Beneficiaries have been named by the Board of Directors.

During the financial year that ended on 29 February 2020, no Manger with Strategic Responsibilities of the Company received overall remuneration greater than that of the highest overall remuneration attributed for any reason to the members of the Board of Directors.

c) *any natural persons controlling the share issuer, who are employees or who collaborate with the share issuer.*

Not applicable as Unieuro is not controlled by natural persons.

1.4 Description and number of beneficiaries, separated into the categories laid down in point 1.4 letters a), b) and c) of Annex 3A, Scheme 7 of the Issuers' Regulation

As of the date of preparation of this Information Document, names of the Beneficiaries to whom the Rights shall be granted are unavailable (identifying information is limited to that stated above) on grounds that the Company Board of Directors shall use powers given at the Shareholders' Meeting to name Beneficiaries, having obtained the opinion of the Remuneration and Appointments Committee.

Such information will be subsequently communicated pursuant to art. 84-*bis* paragraph 5 of the Issuers' Regulations.

We underline that the Plan would be generally the same for all Beneficiaries, differing Beneficiary-by-Beneficiary only as regards the following aspects:

- precise period of the Lock Up Commitment to which the Shares assigned to each Beneficiary will be subject (for further information, please refer to paragraph 4.6 of this Information Document);
- application of the Claw-Back and Malus clauses (for further information, please refer to paragraph 4.10 of this Information Document).

2. REASONS UNDERPINNING THE ADOPTION OF THE PLAN

2.1 Objectives to be achieved through the implementation of such a plan

In line with national and international best market practices, the Company believes that share-based compensation plans constitute an effective incentive and loyalty instrument for personnel who hold key roles as well as for employees, so as to maintain high levels of - as well as improve - performance which in turn contributes to an increase in the growth and success of the Company. Indeed, the Plan is part of a set of instruments used by the Company to integrate the fixed component of the remuneration package of strategic resources with a variable component connected to continuance of the employment relationship, in line with best market practices.

The Plan includes the following objectives:

- (i) to focus the attention of Plan Beneficiaries on factors of strategic interest of the Company and direct key resources towards the pursuing of medium-long term results;
- (ii) build loyalty among the Plan Beneficiaries and incentivize their continuance with the Company by developing retention policies;
- (iii) align the interests of the Beneficiaries with those of the shareholders, with a view to developing the growth of the Company's value; and
- (iv) ensure that the overall remuneration of recipients of the Plan remains competitive whilst at the same time developing policies to attract new talent to managerial and professional roles.

The reasons and criteria on the basis of which the Company established the relationship between the Allocation of the Shares under the Plan and other components of overall remuneration are grounded, on the one hand, in the facilitation of loyalty and on the other, in recognition of an overall benefit for the interested parties in line with market practices.

In addition, the adoption of a share-based remuneration plan responds to the recommendations under art 6 of the Self-Regulation Code which acknowledges that such plans constitute an instrument which is apposite to align the interests of executive directors and managers with strategic responsibilities of listed companies with those of shareholders, thus facilitating the priority objective which is creation of value in the medium-long term.

The Plan shall be developed over a medium-long term horizon since this is considered the most suitable timespan for achievement of the incentive and loyalty objectives that said Plan pursues.

2.2 Key variables, including any performance indicators considered for the purposes of realising plans based on financial instruments

Each Beneficiary shall be awarded Shares free of charge, provided that the Performance Objectives applicable to the single Cycle are achieved.

The incentive levels shall be defined, in terms of the maximum number of shares that may be awarded, in accordance with the following principles of the remuneration policy adopted by Unieuro, foreseeing in particular an adequately balanced management remuneration structure with coherent weighting given to:

- the fixed component and the powers and/or responsibilities assigned;
- a variable component having maximum limits and aimed at anchoring the remuneration to the performance actually achieved;
- variable remuneration of those managerial roles having greater influence on company results and characterized by a significant incidence of the long-term incentive components, such remuneration more appropriate for deferral over a period of at least three years.

For each of the Performance Objectives, an achievement parameter is provided that links the number of shares as may be allocated, to the level of Performance Objectives achieved by the Company in accordance with different thresholds:

- a minimum performance threshold below which no Shares shall be allocated and to the attainment of which a minimum number of shares will be allocated;
- an average performance threshold (target) upon achievement of which a Base Number of Shares will be allocated;
- a maximum performance threshold (cap) upon achievement or exceeding of which a maximum number of Shares will be allocated.

The Performance Objectives applicable to each Plan Cycle shall be determined by the Board of Directors having consulted with the Remuneration and Appointments Committee prior to the Grant of Share Rights and shall be formulated with reference to the 1st Cycle by Adjusted EBIT and Adjusted Free Cash Flow.

The Allotment of Shares to each of the Beneficiaries based on the relative Share Rights granted shall be conditional upon achievement of specific Performance Objectives for the three-year period 2021-2023 (1st Cycle), and the three-year periods 2022-2024 and 2023-2025 (respectively 2nd and 3rd Cycle) to be determined in due course by the Board of Directors.

The Shares shall be allocated at the end of the Vesting Period and in any case no later than the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting which approves the annual financial report as at: 28 February 2023 for the 1st Cycle of the Plan; 29 February 2024 for the 2nd Cycle of the Plan; 28 February 2025 for the 3rd Cycle of the Plan. Allocation shall occur provided that the Board of Directors is satisfied that the following Vesting Conditions have been fulfilled:

- on the Share Allocation Date, the Beneficiary's Relationship with the Company and/or with a Group company is still in continuance, unless the Beneficiary is deemed a Good Leaver.
- the Performance Objectives have been achieved during the Vesting Period.
- in consideration of the individual allocations to be made by the Board of Directors or by any other body they may entrust with such task, there is from time to time

sufficient available reserves, as reported in the last approved accounts of the Company, to carry out the Capital Increase or the purchase of Shares pursuant to arts. 2357 and 2357-ter of the Italian Civil Code to service the Plan. It is understood that the Board of Directors may, at its sole discretion, proportionally reduce the number of Shares to be made available for allocation to Beneficiaries for each Cycle of the Plan.

For more information on the Performance Objectives, please refer to paragraph 2.3 below of this Information Document.

2.3 Elements underpinning the determination of the amount of remuneration based on financial instruments; the criteria for its determination

On the Grant of Share Rights Date, the Board of Directors shall set the number of Rights to be granted to each Beneficiary, having duly: heard the opinion of the Remuneration and Appointments Committee; evaluated the importance and strategic value of each Beneficiary in creating new value for the Company and/or the Group; taken into account the particular relevance of the office held; evaluated the importance of the Beneficiary in terms of loyalty.

The amount of maximum share incentive recognised for a particular Beneficiary shall be determined with reference to the level of responsibility/criticality of the office held.

For the 1st Cycle, the Performance Objectives shall be linked to the following parameters:

- **Adjusted EBIT indicator**

Meaning the consolidated EBIT adjusted post application IFRS 16 for (i) non-recurring charges/(income) (ii) non-recurring depreciation and write-downs and (iii) the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance service, as a consequence of the change in the business model for directly managed assistance services.

The Adjusted EBIT indicator has a percentage weighting equal to 60% of the total Shares subject to Allocation. It coincides with the Unieuro adjusted aggregate EBIT relating to the accounting periods of a Cycle. Achievement of Performance Objectives shall be calculated with reference to the target as per Adjusted EBIT set forth in the budget forecasts as may be amended and approved from time to time by the Board of Directors;

- **Adjusted Free Cash Flow indicator**

Meaning the consolidated cash flow generated/absorbed by operating and investment activities comprehensive of financial obligations pre-adoption of IFRS 16. Consolidated Adjusted Free Cash Flow is that adjusted by operative flows and by non-recurring investments and includes adjustments for non-recurring charges (income), their non-monetary component and the related tax impact.

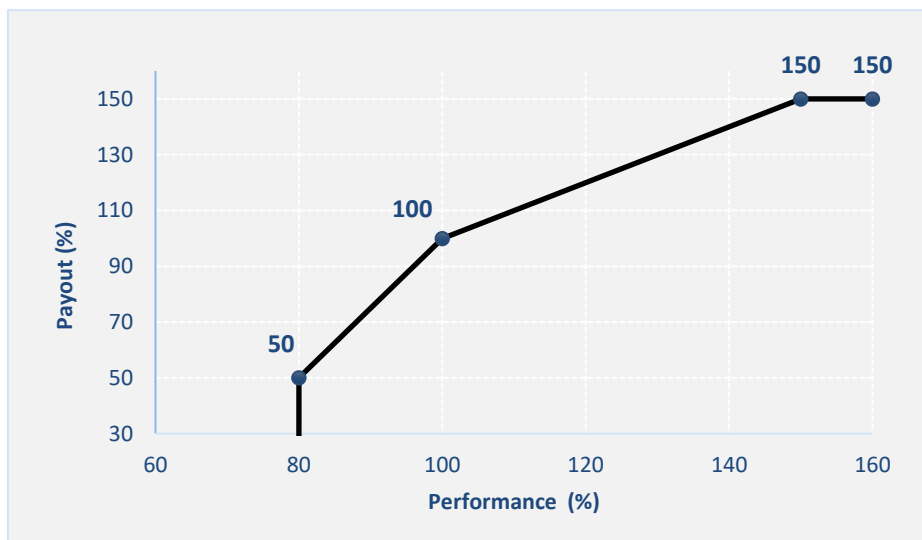
The Adjusted Free Cash Flow indicator has a percentage weighting equal to 40% of the total Shares subject to Allocation. It coincides with the Unieuro aggregate Free Cash Flow relating to the accounting periods of a Cycle. Achievement of Performance Objectives shall be calculated with reference to target in terms of Free

Cash Flow as defined in the budget forecasts as may be amended and approved from time to time by the Board of Directors.

The achievement of the performance objectives of the Plan shall be checked at the end of each three-year period of accrual through a timely process of verification on the part of the Board of Directors having consulted with Remuneration and Appointments Committee, of the results actually achieved.

The overall Company performance shall be calculated by adding together the annual results of the individual parameters in the Vesting Period.

The achievement of Performance Objectives entails the accrual of the Rights (for each performance objectives) in the relationships indicated in the chart and table below:



More specifically:

<u>Performance Objective achieved compared to estimated Performance Objective</u>	<u>Accrued Rights</u>
threshold 80%	target weight % x 50% x BNS
target 100%	target weight % x 100% x BNS

cap 150% or + 150%	target weight % x 150% x BNS
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As regards intermediate values between 80% and 100% and between 100% and 150%, linear interpolation will be applied to determine the accrued Rights.

2.4 Reasons underpinning any decision to implement compensation plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or parent companies or third-party companies with respect to the group to which they belong. In the event that such instruments are not traded on regulated markets, indication of the criteria used to determine the value attributable to them

Not applicable on grounds that the Plan is based exclusively on financial instruments issued by the Company.

2.5 Evaluations of significant tax and accounting implications that have impacted the definition of the plan

No significant implications of a tax and accounting nature have impacted the definition of the Plan.

2.6 Any support of the plan from special funds for incentivizing the participation of workers in the company as referred to in Article 4, paragraph 112, of the Law of 24 December 203, No. 350

The Plan subject of this Information Document is not supported from any special Funds for incentivizing the participation of workers in the company as referred to in Article 4 paragraph 112 of Law No. 350.

3. APPROVAL PROCESS AND TIMING FOR ASSIGNMENT OF FINANCIAL INSTRUMENTS

3.1 Scope of powers and duties delegated at the Shareholder's Meeting to the Board of Directors so as to implement the Plan.

The Plan guidelines and its general structure were subject to approval by the Board of Directors on 27 October 2020, upon the proposal of the Remuneration and Appointments Committee which convened on 22 October 2020.

The Plan is subject to Shareholders' approval at the ordinary Shareholders' Meeting, to be held on 17 December 2020.

At said Shareholders' Meeting, the Shareholders shall be invited to confer broad powers on the Board of Directors as required to implement the Plan (the opinion of the Remuneration and Appointments Committee having been duly obtained). Such powers shall be exercised in compliance with terms and conditions as shall likewise be established at the Meeting.

In this regard, at the next session convened for the Ordinary and Extraordinary Shareholders' Meetings, Shareholders will be asked to confer certain powers on the Board of Directors, *inter alia* powers, to:

- (i) determine the number of Beneficiaries and the particular number of Rights to be granted to each of them up to the maximum number as approved at the Meeting and - if appropriate, and as provided for under this Information Document - vary the Vesting Conditions;
- (ii) approve the Plan Regulations and any updates thereof and carry out any and all formalities and give all notices as may be necessary or appropriate to facilitate the management and/or implementation of the Plan, in compliance with the terms and conditions described in this Information Document; and
- (iii) increase Company share capital on a gratuitous basis for a period of five years to run as of the resolution approving such increase, in one or more *tranches* pursuant to art. 2349 Italian Civil Code up to a maximum nominal amount of Euro 180,000.00 to be fully imputed to capital, through the issuance of a maximum number of 900,000 ordinary shares not showing nominal value and having the same characteristics as those already in circulation, earmarked for allocation to Plan Beneficiaries under the terms and conditions of the Regulation; and/or
- (iv) purchase and dispose of treasury shares to service the Plan.

3.2 Persons appointed to administer the plan; their duties and competencies.

Competence for the administration and execution of the Plan will lie with the Board of Directors, which will be appointed at the Meeting in relation thereto.

Without prejudice to Shareholders' decision rights at the Shareholders' Meeting, the Board of Directors may delegate all or part of its powers, duties and responsibilities for the execution of the Plan to one or more of its members, to the Remuneration and Appointments Committee and/or to the competent corporate bodies in conjunction with the Remuneration and Appointments Committee.

3.3 Any existing procedures for the revision of the plan including changes to the basic objectives thereof

The Board of Directors shall be entitled, having heard the Remuneration and Appointments Committee, to amend or add to the Plan in the most appropriate manner as it deems useful or necessary for the most effective pursuit of the Plan's purposes, having regard to the interests of the Company and of the Beneficiaries. In case of events such as:

- (i) extraordinary transactions concerning the Company capital such as, but not limited to, capital reductions to account for losses through the cancellation of shares, increases of Company share capital, whether gratuitous or for consideration, offers to shareholder with or without option rights, possibly also to be conferred as a contribution in kind, any grouping or splitting of Shares;
- (ii) mergers or company splits, purchase or sales of equity investments, companies or a part of company business; or
- (iii) legislative or regulatory changes or other events likely to affect the Rights, the Shares and/or the Company and the Group,

Within the above context, the Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all amendments or integrations it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan itself, within the limits provided for by the legislation in force from time to time, autonomously and without any need to seek further approval at any Shareholders' Meeting.

If, during the Vesting Period:

- (i) any public offer to purchase or public tender to exchange Shares were to be promoted; or
- (ii) trading of the Shares on the electronic stock exchange (*Mercato Telematico Azionario*) organized and managed by Borsa Italiana S.p.A. were to be revoked;
- (iii) a Shareholder were to acquire control of the Company pursuant to and for the purposes of art. 93 TUF,

the Board of Directors shall be entitled to grant the Beneficiaries the right to receive the Shares *pro rata temporis* and *pro rata* performance. On the occurrence of any extraordinary event the impact of which materially impedes achievement of the performance parameters forming the base of the Plan objectives, the Company Board of Directors, upon proposal of the Remuneration and Appointments Committee, may make the necessary corrections to the objectives to ensure that there is no variation to the substantial and economic contents of the Plan.

For the purposes of the foregoing, "extraordinary event" means: (i) any material change in the macroeconomic and/or competitive scenarios or any other extraordinary event having a material impact beyond the management's control; and/or (ii) the occurrence of any material adverse effect whether or not of an economic or financial nature, e.g. the effects of the Covid-19 emergency.

Any variations to the Performance Objectives must be for the purpose of safeguarding the principles and guidelines which underpin the Plan and shall not be made to create undue advantages or penalties for either the Beneficiaries or the Company.

3.4 Description of the methods applied to determine the availability and allocation of the financial instruments on which the plans are based

The Plan concerns the grant of Rights on a gratuitous basis which, conditional upon achievement of the Performance Objectives, give rise to the allocation of Shares also on a gratuitous basis.

The number of Shares subject to any Allocation shall be fixed with reference to the level of achievement of - and/or any achievement in excess of - the Performance Objectives.

Shares deriving from a buy-back programme or from a capital increase may be used to service the Plan pursuant to the combined provision of articles 2349 and 2443 Italian Civil Code up to a maximum value of Euro 180,000.00 by means of issuance of a maximum of No. 900,000 ordinary shares with no indication of their nominal value and having the same characteristics as those in circulation, to be assigned free of charge to the Beneficiaries under the terms and conditions of the Regulations.

The proposed capital increase referred to above to service the Plan, together with the description of the terms and conditions thereof, are illustrated by a specific explanatory report prepared pursuant to art. 72 and Annex 3A of the Issuers' Regulations, available to the public on the Company's website in the section "Unieurospa.com / Corporate Governance / Shareholders' Meetings / Shareholders' Meeting December 2020" in the Governance Section as well as on the centralized storage mechanism e-market STORAGE within the timelines provided for by law and applicable regulations.

Such proposal shall be submitted to the Company's Extraordinary Meeting for due consideration and approval.

3.5 Role played by each director in determining the characteristics of the Plan; directors' conflicts of interest

The determination of the main features and guidelines of the Plan, as shall be submitted for approval by the Meeting pursuant to and for the purposes of art. 114-*bis* TUF, has been performed by the Board of Directors with the proactive and consultative support of the Remuneration and Appointments Committee in accordance with the recommendations of the Self-Regulation Code and in line with the best applicable corporate practice.

Attention is drawn to the fact that directors of the Company may also be Beneficiaries of the Plan. In such case, the board's decision on the Grant of Share Rights shall be adopted in compliance with the provisions of art. 2391 Italian Civil Code and, to the extent necessary, art. 2389 Italian Civil Code.

3.6 For the purposes of the requirements of article 84-*bis* paragraph 1 Issuer's Regulations, the date the decision was taken by the corporate organ competent to propose the approval of the plan at the shareholders' meeting and any proposal of the remuneration committee

On 22 October 2020, the Remuneration and Appointments Committee proposed the guidelines for adoption of the Plan to the Board of Directors.

On 27 October 2020, the Board of Directors, following the indications of the Remuneration and Appointments Committee, approved the Plan guidelines and agreed that they be submitted for approval at the Shareholders' Meeting. Moreover, on the same date, the Board of Directors, having obtained favorable opinion from the Remuneration and Appointments Committee, approved this Information Document and the directors' explanatory report on the plan pursuant to Article 114-*bis* TUF.

3.7 For the purposes of the requirements under Article 84-*bis*, paragraph 5 letter a) Issuer's Regulations, the date the decision was taken by the competent corporate body regarding the allocation of the instruments and any proposal to said body as may have been formulated by the remuneration committee

The Rights provided for in the Plan shall be granted to the Beneficiaries by the Board of Directors subject to the opinion of the Remuneration and Appointments Committee and following approval of the Plan at the Shareholders' Meeting.

The Shares shall be allocated to the Beneficiaries by the Board of Directors, subject to the opinion of the Remuneration and Nomination Committee, at the end of the Vesting Period provided that the Performance Objectives have been achieved, and, in general, to the permanence of the Vesting Conditions.

The dates of Grant of Share Rights and Allocation of Shares shall be communicated in the manner and within the timeline provided for in Article 84-*bis* paragraph 5 letter a) Issuers' Regulations.

3.8 Market price recorded on the above-mentioned dates, for the financial instruments on which the plans are based, if traded on regulated markets

On 22 October 2020 and on 27 October 2020 the Remuneration and Appointments Committee and the Board of Directors respectively met to establish the proposal for the Plan guidelines for submission at the Shareholders' Meeting. On said dates, the official closing price of the Stock Exchange was, respectively, Euro 11.32 and Euro 11.12.

The Share price at the time of the Grant of Share Rights and of Allocation of Shares by the Board of Directors shall be communicated in the manner and within the timeline provided for under art. 84-*bis*, paragraph 5 letter a) Issuers' Regulations.

3.9 For those plans based on financial instruments traded on regulated markets, and in the context of setting the timing of allocation of the instruments in implementation of the plan, the manner in which the issuer may co-ordinate timing between: (i) the allocation or any decisions taken in relation thereto by the remuneration committee; and (ii) the giving of notice of any relevant information pursuant to Article 114 paragraph 1 TUF

The task of establishing any safeguards shall be delegated to the Board of Directors at the time the Plan Regulations are drawn up. Execution of the Plan subject of this Information Document shall take place in full compliance with the disclosure obligations imposed on the Company, in such way as to ensure transparency and consistency of information to the market, as well as in compliance with the procedures adopted by the Company in relation thereto.

It is submitted that the structure of the Plan, its conditions and the manner of Grant of Share Rights and Allocation of Shares, are such that they shall not be influenced by any

dissemination of privileged information for the purposes of art. 17 of Regulation (EU) No. 596/2014, given that the procedure for the grant of rights will be performed in any case, in full compliance with the disclosure obligations imposed on the Company, in order to ensure transparency and consistency of information to the market, as well as in compliance with the internal procedures adopted by the Company for such matters.

The Beneficiaries are obliged to comply with the provisions governing the abuse of privileged information provided for under the applicable legislation and regulations, with specific reference to the prohibition on the conducting of Share transactions in the closed period pursuant to art. 19 paragraph 11 Regulation (EU) No. 596/2014, as well as with reference to transactions concerning the disposal of any Shares that may be subject to Allocation after verification of Performance Objectives achievement.

The Board of Directors, having consulted the Remuneration and Appointments Committee, may also provide for further closed periods that prevent disposal of the Shares and which may apply to all or only certain of the Beneficiaries.

4. CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

4.1 Description of the manner in which plans are structured

Subject matter of the Plan is the Grant of Share Rights on a gratuitous basis, which entitle a Beneficiary who achieves his/her Performance Objectives to be allocated Shares likewise on a gratuitous basis.

The number of Shares subject to any Allocation shall be decided with reference to the level of achievement - or any excess achievement - of the Performance Objectives.

The Shares subject to Allocation shall carry regular dividend rights which shall pass to each Beneficiary as of the moment in which title therein passes to him/her.

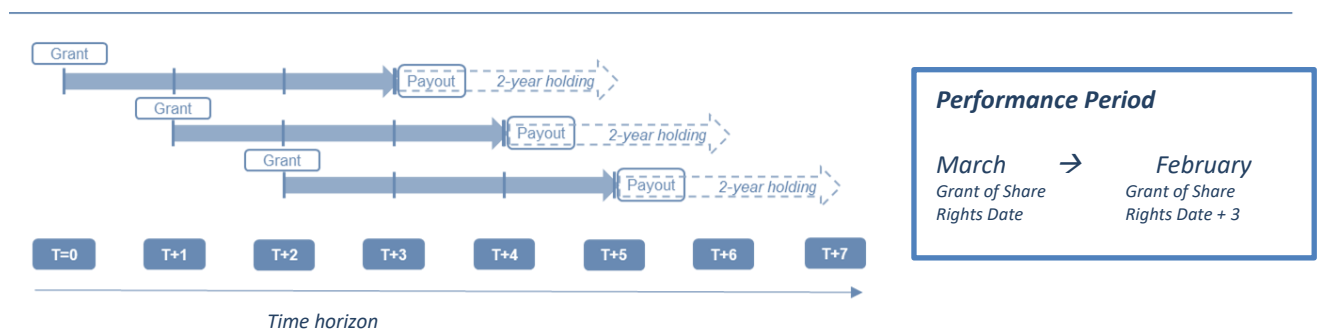
4.2 Period of effective implementation of the plan with reference also to any different cycles envisaged

The Plan has a time horizon of 5 years (2020-2025) running from 1 March 2020.

The Plan provides for three Cycles, each consisting of (i) the Grant of Share Rights to the Beneficiaries; (ii) relative Vesting Period; (iii) Allocation of the Shares on the Allocation Date and (iv) Lock Up Period where applicable.

More specifically: the 1st Cycle has a three-year duration (i.e., Grant of Share Rights to the Beneficiaries for 1st Cycle, Vesting Period relating to the business years 2020/2021, 2021/2022, 2022/2023 and any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 28 February 2023) in addition to the Lock Up Period where applicable. The 2nd Cycle has a three-year duration (i.e. business years 2021/2022, 2022/2023, 2023/2024 and any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 29 February 2024) in addition to the Lock Up Period where applicable. The 3rd Cycle has a three-year duration (i.e., Grant of Share Rights to the Beneficiaries for 3rd Cycle, Vesting Period relating to the business years 2022/2023, 2023/2024 and 2024/2025 and any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 28 February 2025) in addition to the Lock Up Period where applicable.

By way of illustration, the following graph shows the proposed three Cycles of the Plan each having a three-year duration:



Delivery of the Shares allocated to each Beneficiary shall take place once the relative civil and administrative-accounting obligations have been performed, by way of transfer to the securities account designated by that Beneficiary or, with reference to any part of Shares subject to a Lock Up Period, then to the escrow account in the name of the Beneficiary arranged by the financial intermediary appointed by the Company as Plan administrator, on the date set forth in the relevant Allocation notice and in any case within fifteen day of the date of Allocation notice.

- *Cash Bonus*

The Rights entitle each Beneficiary to receive a cash bonus for an amount commensurate to any dividends as have been distributed and paid out by the Company up, for each cycle, to Share Allocation Date (“**Cash Bonus**”). Such Cash Bonus shall be payable at the time of and conditional upon the Delivery relating to each Cycle of the Plan, provided moreover that all the Vesting Conditions are met.

Upon delivery of the Shares, and at the time of payment of any extraordinary cash bonus as mentioned above, Unieuro has the right to withhold from the sums due for any reason to the Beneficiary - including for remuneration - the minimum amount deemed sufficient to meet any obligation to pay tax and/or contributions due at source. In the event that it is not possible for any reason to withhold the relative amounts from sums due to the Beneficiary, then the Company may, prior to Delivery, ask the Beneficiary to remit to the Company, or where appropriate to another Group company, those amounts as are necessary to satisfy the obligations for tax and/or contributions due at source.

4.3 Term of the Plan

Please refer to the information set forth in the previous paragraph 4.2 of this Information Document.

4.4 Maximum number of financial instruments, including in the form of options, allocated in each fiscal year to persons identified by name or qualifying category.

The Plan (inclusive of all three Cycles) provides for the Allocation of up to a maximum of 900,000 Shares to be allocated in one or more *tranches*. Any Shares to be assigned to the Plan for subsequent periods shall be subject to approval by the competent bodies in accordance with the legislation in force.

Within the maximum Shares' limit, there is no maximum number that must be assigned in each tax year.

The exact number of Rights to be granted and Shares allocated to each Beneficiary shall be established by the Board of Directors at the time of the Grant of Share Rights and of the Allocation of Shares respectively.

4.5 Manner of, and clauses for implementation of, plans stating whether the allocation of the instruments is dependent on the occurrence of conditions or the achievement of certain results, including performance; description of said conditions and results

With reference to the manner of and clauses for implementation of the Plan, please refer to the provisions of the individual sections of this Information Document.

The Allocation of the Shares on a gratuitous basis for each of the three Cycles of the Plan is dependent upon the achievement of specific Performance Objectives at the end of the Vesting Period and, in any case, no later than the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting at which the annual financial report is approved with reference to: 28 February 2023 for the 1st Cycle of the Plan; 29 February 2024 for the 2nd Cycle of the Plan; 28 February 2025 for the 3rd Cycle of the Plan, and subject to fulfilment of the following Vesting Conditions as shall be ascertained by the Board of Directors:

- on the Share Allocation Date, the Beneficiary's Relationship with the Company and /or a Group company is still in continuance, unless the Beneficiary is a Good Leaver;
- the Performance Objectives have been achieved during the Vesting Period;
- in consideration of the individual allocations to be made by the Board of Directors or by any other body they may entrust with such task, there is from time to time sufficient available reserves, as reported in the last approved accounts of the Company, to carry out the Capital Increase or the purchase of Shares to service the Plan pursuant to arts. 2357 and 2357-ter of the Italian Civil Code. It is understood that the Board of Directors may, at its sole discretion, proportionally reduce the number of Shares to be made available for allocation to Beneficiaries for each Cycle of the Plan.

4.6 Any constraints encumbering the allocated instruments including in relation to the exercise of options, with particular reference to any timeline within which the subsequent transfer to the company or to third parties is permitted or prohibited

Entitlement to receive Shares is personal, non-transferable and otherwise non disposable *inter vivos* and must not be pledged or used as security.

Up to the date of Delivery of Shares, Rights shall be exercised exclusively by the Beneficiaries or, in the event of incapacity or death of a Beneficiary then by his/her appointed attorney or guardian or by their successors in succession mortis causa, on grounds that such Rights are granted by the Company *intuitu personae* to the individual Beneficiary.

The Rights granted to each Beneficiary must not be traded, transferred or otherwise disposed of in any way and must not be subject to any third-party enforcement or interim legal measures. In case of breach of the provisions under this paragraph the Beneficiary shall forfeit the Rights granted to him/her.

Transfer of Rights means any and all transactions by means of which the Rights are disposed of to third parties, whether directly or indirectly, and including on a gratuitous basis, by exchange and or by conferment.

Any sale, assignment, encumbrance or transfer made in breach of the obligation in the previous paragraph will not be binding on the Company and the breaching Beneficiary shall forfeit the Rights granted to him/her.

Once the Shares have been duly delivered to a Beneficiary, he/she may freely trade them.

Beneficiaries who are also members of the Board of Directors and/or Managers with Strategic Responsibilities are obliged to make a Lock Up Commitment from the Share Delivery Date. Such commitment consists of the obligation to continuously and personally hold 100% of the Shares for at least 24 months starting from the Share Delivery Date (having deducted a number of Shares commensurate to the tax, social security and welfare charges arising in virtue of the Delivery of Shares which, instead, may be freely disposed of).

Malus and Claw-Back clauses are also envisaged. For more information on these concepts, please refer to paragraph 4.10 of this Information Document.

4.7 Description of any termination conditions in relation to the assignment of plans applicable in the event that the recipients carry out hedging operations that allow for the neutralization of prohibitions on the sale of the allocated financial instruments, including as options, or of the financial instruments deriving from the exercise of those options

The Plan regulations may provide for the prohibition of hedging operations aimed at limiting or neutralizing the restrictions on the Shares of the Shares assigned and subject to Lock Up Commitment where applicable.

4.8 Description of the effects of cessation of the employment relationship

The Rights are genetically and functionally linked to the continuation of the Relationship between the Beneficiary and the Company. Therefore, in the event of cessation of said Relationship - the following provisions a) and b) shall apply, unless the Board of Directors comes to a decision in favour of the Beneficiary in those cases and in the manner strictly provided for by the Regulations:

- a) In case of cessation of the Relationship due to: (i) dismissal without just cause or (ii) retirement, death or incapacity which renders impossible continuance by the Beneficiary of the relationship (each case considered a “**Good Leaver**” event), during the Vesting Period and in any case before the Share Allocation date, the Beneficiary (or, where appropriate, his/her legal guardian/heirs) maintains the right to receive, upon cessation of the Relationship and subject to the other conditions set out in the Regulations, a number of Shares to be determined *pro rata temporis* and *pro rata* performance, with reference to the Rights granted prior to the cessation of the Relationship.
- b) In the event of cessation of the Relationship on grounds of: (i) voluntary resignation from office/role; or (ii) dismissal for just cause; or (iii) any circumstances other than those mentioned in the preceding letter a), (each case considered a “**Bad Leaver**” event) during the Vesting Period and in any case before the Share Allocation Date, the Beneficiary shall definitively forfeit all the Rights granted to him/her.

In any event, the Board of Directors of the Company may, at its sole discretion, assign the relative Rights to other Beneficiary/ies.

4.9 Any other causes for cancellation of the plans

The Board of Directors may choose not to proceed with the Allocation:

- in the event of an effective and significant deterioration in the equity or financial situation of the Company, as may be ascertained by the Board of Directors; or
- if, following the entry into force of primary and/or secondary legislation (including of social security and tax nature) and/or following the publication of official interpretative clarifications and/or following variation of the current interpretations of the applicable rules, the implementation of the Plan could entail material increases of tax, social security or other charges for the Company.

In the aforementioned hypotheses, the Plan may be temporarily suspended, modified or cancelled.

If that occurs, then the Company shall not have any liability for any damage, indemnity or responsibility on any other grounds towards the Beneficiaries and none of the Beneficiaries shall have any right or claim vis-a-vis the Company arising in virtue of the Rights assigned to them, to receive any free Shares not yet duly assigned.

Further causes for cancellation of the Plan may be determined by the Board of Directors, having consulted the Remuneration and Appointments Committee.

4.10 Grounds for any provision which envisages the company redeeming the financial instruments under the plans pursuant to articles 2357 et seq. of the Italian Civil Code. Beneficiaries subject to such redemption and indication of whether only particular categories of employees are subject to redemption: Effects of the cessation of the employment relationship on redemption

The Plan provides a Claw-Back clause which applies in the event that - within 3 (three) years from the Share Allocation Date - it transpires that the Performance Objectives ascertained by the Board of Directors were achieved:

- on the basis of data and/or information furnished by the competent company bodies, that is proven to be "manifestly incorrect", meaning a material or calculation error of the results that caused an objective to be achieved whereas, had the error not been made, such objectives would not have been achieved or would have been achieved differently;
- due to a wilful or grossly negligent alteration by a Beneficiary of the data used to achieve his/her objective/s;
- due to acts and/or conduct on the part of the Beneficiary in violation of laws, regulations or Company rules which impact on the achievement of the objective/s.

The Board of Directors reserves the right:

- (i) to demand the return of the Shares and any Cash Bonus paid out, less a number of Shares having a value commensurate to the value of the tax, social security and welfare charges connected with the Delivery of the Shares;
- (ii) to cancel any Cash Bonus accrued but not yet paid out;
- (iii) to demand payment of the proceeds of the Share sale, less the amount commensurate to the tax, social security and welfare charges for the Delivery of the Shares, in the case that the Shares have already been sold, transferred or otherwise disposed of. Such proceeds may be offset against the salaries and/or

any severance pay of the Beneficiary.

A Malus clause is also provided which envisages that the number of Shares may be reduced or that Shares subject of a Grant of Share Rights not be Allocated to a Beneficiary in the event that, in the period between the Share Allocation Date and the Share Delivery Date, it transpires that the Rights were granted or the Shares were allocated:

- on the basis of data and/or information furnished by the competent company bodies, that is proven to be "manifestly incorrect", meaning a material or calculation error of the results that caused an objective to be achieved whereas, had the error not been made, such objectives would not have been achieved or would have been achieved differently;
- due to a wilful or grossly negligent alteration by a Beneficiary of the data used to achieve his/her objective/s;
- due to acts and/or conduct on the part of the Beneficiary in violation of laws, regulations or company rules which impact on the achievement of the objective/s.

4.11 Any loans or other concessions to be granted for the purchase of the shares pursuant to Article 2358 paragraph 3 of the Italian Civil Code

No loans or other concessions are envisaged for the subscription or purchase of Shares.

4.12 Assessment of the expected burden for the company at the date of assignment, as determined on the basis of already defined terms and conditions, by the total amount of each financial instrument

Not applicable: As of the date of this Information Document, the Plan has not yet been approved at the Shareholders' Meeting of the Company and consequently the Board of Directors has not yet named the Beneficiaries or the number of Shares to be allocated to each of them.

The administrative and management expenses of the Plan are not yet quantifiable with precision. However, it is submitted that they will be of an insignificant amount.

4.13 Dilutive effect of the compensation plans on capital

Any dilutive effects arising as a result of the implementation of the Plan depend on the Company's decision whether to realise the plan by way of Allocation from Company's existing share capital or by way of issuance of new shares pursuant to the provisions of Articles 2443 Italian Civil Code.

In the event the maximum number of Shares serving the Plan are made available exclusively by issuance of new shares, then the diluting effect (in the event of any over performance) shall be a maximum of 4.5% for all three Cycles of the Plan.

4.14 Limits on the exercise of the right to vote and for the assignment of property rights

As concerns the Shares that would be allocated under the Plan, there are no limits on the exercise of property rights and voting rights.

Shares subscribed to following the exercise of the Rights shall carry regular dividend rights.

4.15 In the event that the shares are not traded a regulated market any information useful for a complete assessment of the value attributable to them

Not applicable as the Shares are traded on MTA Star Segment which is a regulated market.

4.16 Number of financial instruments underlying each Option

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.17 Expiry of the options

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.18 Methods (American/European) timing (for example, any periods valid for exercise) and exercise clauses (for example knock-in and knock-out clauses)

Not applicable on grounds that Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.19 Exercise price of the option or the manner and criteria for its determination, with particular regard to: a) the formula for calculating the exercise price in relation to fair market value (for example: exercise price at 90%, 100% or 110% of the market price), and b) the 26 methods for determining the market price taken as a reference for determining the exercise price (for example: the day's closing price on day before assignment, average of the day, average of the last 30 days, etc.)

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.20 Reasons for the difference in the exercise price compared to the market price as indicated in point 4.19 (fair market value)

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.21 Criteria on the basis of which different exercise prices are envisaged between various subjects or various categories of recipients

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.22 In the event that the financial instruments underlying the options are not traded on regulated markets, the value attributable to the underlying instruments or the criteria for determining this value

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

4.23 Adjustments in the event of extraordinary capital transactions and other transactions involving a change in the number of underlying instruments

The Board of Directors shall have the right, having heard the Remuneration and Appointments Committee, to vary or integrate the Plan in the most appropriate manner and as it deems useful or necessary to ensure better pursuit of the aim of the Plan and having regard to the interests of the Company and the Beneficiaries.

In the case of events such as:

- (i) extraordinary transactions concerning the Company capital such as, but not limited to, capital reductions to account for losses through the cancellation of shares, increases of Company share capital, whether gratuitous or for consideration, offers to shareholders with or without option rights, possibly also to be conferred as a contribution in kind, any grouping or splitting of Shares as may affect the Shares;
- (ii) mergers or company splits, purchase or sales of equity investments, companies or a part of company business; or
- (iii) legislative or regulatory changes or other events likely to affect the Rights, the Shares and/or the Company and the Group.

The Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all modifications and additions it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan itself, within the limits provided for by the legislation in force from time to time, autonomously and without any need to seek further approval at any Shareholders' Meeting.

Any such decision shall be binding on the Beneficiaries.

If, during the Vesting Period:

- (i) any public bid to purchase or public tender to exchange the Shares were promoted;
or
- (ii) the listing of the Shares for trading on the electronic stock market (*Mercato Telematico Azionario*) organized and managed by Borsa Italiana S.p.A. were revoked;
- (iii) a Shareholder were to acquire control of the Company pursuant to and for the purposes of art. 93 TUF;

the Board of Directors shall be entitled to grant the Beneficiaries the right to receive the Shares *pro rata temporis* and *pro rata* performance.

4.24 Table

The table referred to in Paragraph 4.24 of the Scheme shall be completed in detail and made known during the implementation phase of the Plan in the manner set out in art. 84-*bis* paragraph 5, letter a) of the Issuers' Regulations, or in any case pursuant to the laws and regulations applicable from time to time.