

**AMPLIFON S.P.A.**

**INFORMATIVE DOCUMENT OF THE “*SUSTAINABLE VALUE SHARING PLAN 2022-2027*”**

**Informative document relating to the co-investment scheme (“*Sustainable Value Sharing Plan 2022-2027*” or the “*Scheme*”) drafted pursuant to Article 114-*bis* of the Legislative Decree No. 58 dated February 24, 1998 (“Consolidated Financial Act” or “CFA”), and Article 84-*bis* of CONSOB resolution No. 11971/99 (“Consob Issuer Regulation”) and Annex 3A, Scheme 7 of Consob Issuer Regulation.**

## Introduction

According to the provisions of Article 114-*bis* of Legislative Decree No. 58, dated 24 February 1998, (the “**Consolidated Financial Act**” or “**CFA**”), as well as those of Article 84-*bis* of Consob Resolution No. 11971/99 (the “**Consob Issuer Regulation**”) concerning information to be disclosed to the market in relation to compensation plans based on financial instruments in favour of members of the Board of Directors, employees or self-employees not linked to the Company by any employment agreement, as well as in favour of members of the Board of Directors, employees or self-employees of other parent companies or controlled companies, this informative document (the “**Informative Document**”) has been prepared for the ordinary Shareholders’ Meeting of Amplifon S.p.A. (the “**Company**” or the “**Issuer**”, and, jointly with the companies directly or indirectly controlled by the same, the “**Group**”), convened by the Board of Directors held on March 1, 2023, on April 21, 2023, on single call (the “**Ordinary Shareholders’ Meeting 2023**”), to resolve upon, *inter alia*, on the amendments, approved by the Board of Directors on March 1, 2023 (the “**Amendments**”), of the co-investment scheme named “*Sustainable Value Sharing Plan 2022-2027*” (hereinafter referred to as the “**Scheme**”) originally intended exclusively in favor of Enrico Vita, in his capacity as MD/GM of the Company according to the resolution of Amplifon’s ordinary shareholders’ meeting of April 22, 2022 (as subsequently implemented by the Board of Directors through the approval of the relevant Regulation). The Amendments are aimed at extending the Scheme to the Group’s key management personnel and as well as other recipients, individually identified on the basis of predefined criteria, in order to consolidate a policy of involving the Company’s key personnel in the achievement of value creation objectives (together with the Company’s MD/GM, already a beneficiary of the Scheme, the “**Beneficiaries**”). The Scheme - after an initial period of operation - is confirmed as an effective incentive tool aimed at rewarding management’s co-investment choices, according to the mechanisms better described in the following paragraphs. As a result, the increase of the number of Shares underlying the Scheme is also subject of the Amendments.

This Informative Document replaces the previous informative document, resolved by the Board of Directors on March 3, 2022 and made available to the public and Shareholders in compliance with statutory and regulatory provisions for the purpose of the relevant resolution passed by the Ordinary Shareholders’ Meeting 2022 (as defined below), and reflects the amendments submitted for approval to the Ordinary Shareholders’ Meeting 2023 by virtue of the resolution adopted by the Board of Directors on March 1, 2023. The Scheme is a two-fold instrument, being composed of two distinct phases (“**Phase A**” and “**Phase B**”), where the latter is optional and depending on the development of the former, as better described below.

Phase A: the Target MBO Bonus achieved and theoretically available to the Beneficiaries under the applicable MBO Bonus Plan applicable in the previous financial year shall not be paid; instead of the Target MBO Bonus, the Beneficiaries shall be assigned Rights to receive Shares after a Vesting Period (the “**Coinvested Rights**”)<sup>1</sup>.

Phase B: if, in a certain financial year, the Beneficiaries receive Coinvested Rights based on the above mechanism, the Beneficiaries will then be eligible to take part in an autonomous and distinct equity-based instrument. Under that plan, the Company will offer further rights, in a number equal to the Coinvested Rights, entitling the Beneficiaries to receive Shares, provided that certain pre-determined KPIs are achieved at the end of a Vesting Period (the “**Matched Rights**”).

The Scheme is offered to the Beneficiaries as an incentive instrument with intrinsic retention purposes and is aimed at rewarding the co-investment choice made by the Beneficiaries thus fostering the alignment with the shareholders’ interest and at the same time supporting the Company’s medium/long term value creation, combined with sustainability objectives (ESG).

Considering that the creation of value for Shareholders in the medium/long term is the Company’s primary

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<sup>1</sup> Unless the Beneficiaries notify the choice to receive the Target MBO in cash, as further described herein.

objective, the Board of Directors believes that the Scheme – based on the accrual of the right to the free assignment of shares, hinged on performance objectives linked to the creation of value and the Group’s sustainability – ensures the alignment of the interests of the management with those of the Shareholders and constitutes the most effective incentive and loyalty tool that best meets the Company’s interests.

This Informative Document has been drafted, also with respect to the numbering of relevant paragraphs, in compliance with Scheme 7 of Annex 3A of Consob Issuer Regulation and is aimed at providing the shareholders and the market with all information necessary to exercise their voting right in the context of the Shareholders’ Meeting.

Pursuant to Article 114-*bis*, paragraph 3, of TUF, and Article 84-*bis*, paragraph 2, of Consob Issuer Regulation, the Scheme, considering its Beneficiaries, shall be considered as a “plan of significant relevance”, as it is addressed to a person having strategic functions within the Company.

This Informative Document is available to the public at the Company’s legal office in Milan, Via Ripamonti no. 131/133, as well as on the Company’s website at [www.amplifon.com](http://www.amplifon.com) (section “Governance” – “Remuneration”) and on the storage mechanism “eMarket Storage”.

## DEFINITIONS

<b>Ordinary Shareholders' Meeting 2022</b>	means the ordinary shareholders' meeting of the Company held on 22 April 2022 that approved the Scheme.
<b>Ordinary Shareholders' Meeting 2023</b>	means the ordinary shareholders' meeting of the Company of 21 April 2023 called to deliberate on the Amendments.
<b>Share</b>	means an ordinary share of the Company.
<b>Beneficiaries</b>	means the beneficiaries of the Scheme.
<b>Consolidated Financial Statements</b>	means the consolidated financial statements of the Company for each financial year.
<b>MBO Bonus</b>	means the short-term variable remuneration paid according to the performance achieved by the Beneficiaries with reference to a specific financial year.
<b>Remuneration Committee</b>	means the Remuneration and Appointments Committee of the Company.
<b>Notice of Vesting</b>	means the letter in which the Company communicates, within [15 (fifteen)] Business Days from the Date of Vesting of the Coinvested Rights, the number of Coinvested Rights in favour of the Beneficiaries.
<b>Notice of Vesting under Phase B</b>	shall have the meaning under point 4.2 of this Informative Document.
<b>MBO Communication</b>	shall have the meaning under point 4.2 of this Informative Document.
<b>Board of Directors</b>	means the Board of Directors of the Company.
<b>Date of Assignment</b>	means the date on which the Shares are assigned to the Beneficiaries, as indicated in the Letter of Assignment Under Phase A.
<b>Date of Vesting</b>	means (i) in relation to Phase A, the date on which the Board of Directors approves the Consolidated Financial Statements for the third financial year following the financial year to which the MBO Bonus refers, and (ii) in relation to Phase B, the Date on which the Board of Directors assesses the achievement of the Target KPIs during the Performance Period.
<b>Coinvested Rights</b>	shall have the meaning under the Introduction of this Informative Document.
<b>Scheme Rights</b>	means the rights attributed to the Beneficiary to receive Shares under Phase A.
<b>Matched Rights</b>	shall have the meaning under the Introduction of this Informative Document.
<b>Assigned Matched Rights</b>	shall have the meaning under point 4.2 of this Informative Document.
<b>Matured Matched Rights</b>	shall have the meaning under point 4.2 of this Informative Document.

<b>Matured Rights</b>	shall have the meaning under point 4.2 of this Informative Document.
<b>MBO Bonus Possible Cash Election</b>	shall have the meaning under footnote n. 2 of the Informative Document
<b>Business Day</b>	means a day other than Saturday, Sunday or other public holiday in Milan.
<b>Group</b>	means Amplifon S.p.A. and the companies directly or indirectly controlled.
<b>Laws</b>	means any laws, judicial or arbitration ruling (even if provisionally effective), administrative ruling or regulation, or any other provisions binding on the person to which it is addressed; and “Law” means any of the aforesaid.
<b>Letter of Assignment Under in Phase A</b>	means the letter in which the Company informs the Beneficiaries of the total number of the Coinvested Rights [10] Business Days after the MBO Possible Bonus Cash Election.
<b>Letter of Assignment Under in Phase B</b>	means the letter, to be released by the Company at the same time as the Letter of Assignment under Phase A, whereby the Company will notify the total number of Assigned Matched Rights and which will also identify and detail the Target KPI.
<b>Amendments</b>	means the amendments to the Scheme aimed at extending it to additional Beneficiaries.
<b>Theoretical MBO Bonus</b>	shall have the meaning under point 2.2 of this Informative Document.
<b>Vesting Period</b>	means: (i) under Phase A means the period running from the date of delivery of the Letter of Assignment Under Phase A and the date of approval of the Consolidated Financial Statements related to the third financial year following the year to which the MBO Bonus refers; and (ii), while under Phase B means the period running from the date of delivery of the Letter of Assignment Under Phase B and the date on which the Board of Directors assesses the achievement of the Target KPIs during the preceding three years (including the fiscal year in which the Letter of Assignment Under Phase B is delivered).
<b>Performance Period</b>	means the three-year period to which the key performance indicators underlying the Target KPI refer, as it will be indicated in the Letter of Assignment Under Phase B.
<b>MBO Bonus Plan</b>	Indicates the terms and conditions for the recognition of the MBO Bonus in a certain financial year.
<b>Regulation</b>	means the document setting out the terms and conditions of the Scheme, as it may be amended from time to time pursuant to the same.
<b>Consob Issuers Regulation</b>	means to Consob Regulation No. 11971/1999, as amended.
<b>Company or Issuer</b>	means Amplifon S.p.A., with registered office at Via Giuseppe Ripamonti, 131/133, Milan, tax code and registration number with the Companies’ Register of Milan - Monza - Brianza - Lodi 04923960159.
<b>Target KPIs</b>	means the <i>performance</i> indicators identified in the Letter of Assignment Under Phase B, which represent a condition for the vesting of the Matched

Rights, it being agreed that such indicators will refer to: (i) Sustainability Plan targets; (ii) Absolute Total Shareholder Return targets.

**Target MBO Bonus**

means the MBO Bonus attributable to the achievement of 100% of the performance targets in a given year.

**Consolidated Financial Act  
or CFA**

means Legislative Decree No. 58 of 24 February 1998, as amended.

## **1. Beneficiaries**

### **1.1 The indication of the name of the beneficiaries who are members of the board of directors or management board of the financial instrument issuer, of the companies controlling the issuer and the companies directly or indirectly controlled by it.**

According to the Amendments, the Scheme is offered, in addition to Mr. Enrico Vita in his role as MD/DG of the Company, to executives with strategic responsibilities as well as to additional managers, whether Executives (“*Dirigenti*”) or non-Executives (“*Quadri*”), who perform functions relevant to the Group’s long-term value creation; the recipients will be individually identified by the Board of Directors, upon delegation of the Ordinary Shareholders’ Meeting 2023, based on the criteria defined in the Scheme. The Board of Directors may delegate the identification of the Beneficiaries, other than executives with strategic responsibilities, to the MD/DG.

Please note that the participation of the Beneficiaries in the Scheme, as per the Amendments, shall be determined exclusively according to the managerial role they hold in the organizational structures of the Company and/or of the Company’s subsidiaries and, therefore, disregards any positions held by the Beneficiaries in the governing bodies of the Company and/or the Company’s subsidiaries. For this reason, the names of such individuals are not provided.

### **1.2 The categories of employees or collaborators of the financial instrument issuer and companies controlling or controlled by this issuer.**

The Scheme, as a result of the Amendments, is extended to executives with strategic responsibilities and additional managers, whether Executives (“*Dirigenti*”) or non-Executives (“*Quadri*”), performing significant tasks for the Group’s long-term value creation.

### **1.3 Names of the beneficiaries of the plan belonging to the following groups:**

#### **a) general managers of the financial instrument issuer:**

The Scheme includes among the Beneficiaries Mr. Enrico Vita, Managing Director and General Manager of the Company.

**b) other executives with strategic responsibilities of the issuer of financial instruments that is not of “smaller size”, pursuant to Article 3, paragraph 1(f), of Regulation no. 17221 of March 12, 2010, in the event that they received during the fiscal year total compensation (obtained by adding monetary compensation and compensation based on financial instruments) higher than the highest total compensation among those awarded to the members of the board of directors, *i.e.*, the management board, and the general managers of the issuer of financial instruments;**

Please note that, as of the date hereof, information regarding the identification, by name, of the Beneficiaries, excluding the Company’s MD/GM, is not available, as the Beneficiaries will be identified, by name, by the Company’s Board of Directors, or the MD/GM by delegation, on the basis of the powers granted to the same by the shareholders’ meeting.

Therefore, such information will be disclosed later pursuant to Article 84-*bis*, paragraph 5, of the Consob Issuer Regulation.

#### **c) natural persons controlling the share issuer who are employees or who perform collaborative activities**

**in the share issuer.**

Not applicable.

#### **1.4 Description and numerical indication, broken down according to category:**

##### **a) executives with strategic responsibilities other than those specified under letter b) of paragraph 1.3;**

Please note that, as of the date hereof, information regarding the naming of the Beneficiaries, excluding the Company's MD/GM, are not available as the Beneficiaries will be identified, by name, by the Company's Board of Directors, or the MD/GM by delegation, on the basis of the powers granted to the same by the shareholders' meeting.

Therefore, such information will be disclosed later pursuant to Article 84-*bis*, paragraph 5, of the Consob Issuer Regulation.

##### **b) for "minor" companies, the indication of all the managers with strategic responsibilities of the financial instruments' issuer.**

Not applicable.

##### **c) any other category of employees or self-employees for whom a different treatment is envisaged under the plan (e.g executives, middle management, employees, etc.).**

The Scheme is intended for the MD/GM, Executives with Strategic Responsibilities, as well as - possibly - for a selection of managers, whether Group Executives (*Dirigenti*) or Managers (*Quadri*), performing functions relevant to the Group's long-term value creation. The information required in paragraphs 1.2, 1.3 and 1.4 above will be provided, where applicable, when implementing the Scheme, pursuant to Art. 84-*bis*, paragraph 5, of the Consob Issuer Regulation.

Please note that the planned incentive scheme is the same for all Beneficiaries, differing exclusively in the value of the award, which may vary according to the role held, the responsibilities assigned and the strategic nature of each specific employee.

## **2. Reasons for the adoption of the plans**

### **2.1 Objectives to be achieved through the implementation of the plans.**

The Scheme is extended to the Beneficiaries as an incentive instrument with intrinsic retention purposes and is aimed at rewarding the co-investment choice made by the Beneficiaries, thus fostering the alignment with the shareholders' interest and at the same time supporting the Company's medium/long term value creation, combined with sustainability objectives (ESG).

Considering that the creation of value for Shareholders in the medium/long term is the Company's primary objective, the Board of Directors believes that the Amendments to the Scheme – based on the accrual of the right to the free assignment of shares, hinged on performance objectives linked with the creation of value and the Group's sustainability - aligns the interests of management with those of the shareholders and constitutes the most effective incentive and loyalty tool that best meets the Company's interests.



Briefly, the Scheme is aimed at:

- (i) strengthening the retention and the motivation of the Beneficiaries and their alignment to the shareholders' interests in creating value for the Group;
- (ii) consolidating, in the context of the remuneration policy, the importance of the variable part, in particular the mid-long term period one, underlining the pay-for-performance concept;
- (iii) reinforcing the appeal and the competitiveness of the Company's remuneration package; and
- (iv) combining the performance of the Company with sustainability objectives (ESG).

## **2.2 Key variables, including in the form of performance indicators considered in order to attribute the financial instrument based plans.**

In Phase A, the Scheme provides that the Target MBO Bonus theoretically attributable to the Beneficiaries with reference to the previous financial year under the applicable MBO Bonus Plan (the "**Theoretical MBO Bonus**") shall not be paid and in lieu of the Theoretical MBO Bonus the Beneficiaries shall be assigned Rights to receive Shares after a Vesting Period<sup>2</sup>.

To the extent the Beneficiaries actually receives the Coinvested Rights under Phase A, then the Company will offer Matched Rights also entitling the Beneficiaries to receive Shares upon condition that certain pre-determined Target KPIs are achieved by the Company at the end of a Vesting Period.

The award of Shares is conditional upon achievement, in full or in part, of the following Target KPIs (as better described under point 4.5 below):

- (i) Sustainability Plan targets;
- (ii) Absolute Total Shareholder Return.

## **2.3 Elements underlying the determination of the entity of the financial instrument based compensation, namely the criteria with which to determine it.**

In Phase A, in lieu of the Theoretical MBO Bonus pertaining to the Beneficiaries in a certain year, as stated in the MBO Communication, the Beneficiaries shall be assigned a number of Rights to receive Shares, based on conversion criteria that will be determined in the Letter of Assignment Under Phase A

To the extent the Beneficiaries have received Coinvested Rights in Phase A, in Phase B the Company shall assign to the Beneficiaries the Matched Rights in a number which will equal in total the number of Coinvested Rights. The Matched Rights shall be assigned at same time as the Coinvested Rights.

In Phase B, the incentive levels are defined in terms of number of Matched Rights that can vest upon total or

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<sup>2</sup> Nevertheless, within [10] Business Days from the MBO Communication (see point 4.2 below) the Beneficiaries may still elect to receive payment in cash of the Theoretical MBO Bonus (the "**MBO Bonus Possible Cash Election**"). If the Beneficiaries elects to receive the Theoretical MBO Bonus fully in cash, the relevant amount shall be paid according to the timing and modalities set forth in the annual MBO Bonus Plan and Phase A shall not apply for that year. If the Beneficiaries elect to receive the Theoretical MBO Bonus partially in cash, the relevant portion shall be paid according to the timing and modalities set forth in the annual MBO Bonus Plan, whereas the remaining amount thereof shall not be due and the Beneficiaries will receive Coinvested Rights for the relevant value.

partial achievement of the Target KPIs (as better described in point 4.5 below), in line with the following remuneration policy principles adopted by the Company:

- remuneration structure suitably balanced between: a fixed part, in line with the powers and/or responsibilities assigned and a variable part, calculated, within maximum limits, and aimed at linking remuneration to the performance effectively achieved;
- consistency of comprehensive remuneration with respect to the market references applicable to similar positions entailing similar levels of responsibility and complexity, from peer groups of companies comparable with the Company;
- increased importance of variable remuneration of the Beneficiaries, in particular medium-/long-term remuneration, strictly linked to performance targets.

**2.4 The reasons underlying any decision to assign financial instrument based compensation plans not issued by the financial instrument issuer, such as financial instruments issued by subsidiaries or parent companies or third party companies with respect to the group of origin; in the event that said instruments are not traded on regulated markets, information on the criteria used to determine the value assigned to them.**

Not applicable.

**2.5 Evaluations with regards to significant tax and accounting implications which have affected the definition of the plans.**

The preparation of the Scheme was not influenced by significant tax or accounting considerations.

**2.6 Any support of the plan by the special Fund to encourage workers to participate in businesses, pursuant to Article 4, paragraph 112 of Italian Law no. 350 of 24 December 2003.**

Not applicable.

**3. Approval procedures and timing for the allocation of instruments.**

**3.1 Scope of powers and functions delegated by the shareholders' meeting to the board of directors in order to implement the plan.**

The Scheme was approved by the Company's Ordinary Shareholders' Meeting held on April 22, 2022 ("Ordinary Shareholders' Meeting 2022").

The meeting held by Amplifon's Board of Directors on March 1, 2023, resolved, on the proposal of the Remuneration Committee, to submit the Amendments described in this Informative Document to the Ordinary Shareholders' Meeting 2023, in accordance with Article 144-*bis* of the Consob Issuer Regulation.

In exercising the authority delegated to by the Ordinary Shareholders' Meeting 2023, the Board of Directors will have the powers and functions in order to adjust the Regulation, already subject to approval on May 3, 2022 by proxy at the Ordinary Shareholders' Meeting 2022 (and of the documentation related thereto), in order to implement the Amendments, as well as to amend and/or integrate the Scheme in any way it deems appropriate, including without limitation in order to, *inter alia*: (i) take into account any changes to applicable

legislation, regulations or the Corporate Governance Code or in the event of events or transactions of an extraordinary nature; or (ii) allow the Beneficiaries to obtain or maintain a favorable regime.

### **3.2 Indication of the parties appointed to administrate the plan and their function and competence.**

The Board of Directors has the authority to manage the Scheme.

The Ordinary Shareholders' Meeting 2022 delegated powers, competences and responsibilities for the implementation of the Scheme to the Board of Directors of the Company.

### **3.3 Any procedures in place for the review of plans, including in relation to any alteration of the basic objectives.**

Without prejudice to the competence of the shareholders' meeting in the cases laid down by the Law, the Board of Directors is the body entitled to make any amendments to the Scheme, consulting the Remuneration Committee. When implementing the Scheme, the Board of Directors will determine, upon the proposal of the Remuneration Committee, the Scheme Regulation. These procedures may provide at any time for the faculty of the Board of Directors, with the abstention of the MD/GM, to amend and/or integrate the Scheme in any way it deems appropriate, including without limitation in order to, *inter alia*: (i) take into account any changes to applicable legislation, regulations or the Corporate Governance Code; or (ii) allow the Beneficiaries to obtain or maintain a favorable regime.

### **3.4 Description of the methods used to determine the availability and the assignment of the financial instruments on which the plans are based on (for example: the assignment of shares on a free-of-charge basis, share capital increases with the exclusion of pre-emptive rights, and the sale and purchase of its treasury shares).**

Each of the Scheme Rights is attributed to the Beneficiaries free of charge. Likewise, the Shares corresponding to the Scheme Rights will be assigned to the Beneficiaries free of charge and the Beneficiaries will not anyhow be required to pay any consideration to the Company in respect thereto. Shares will be assigned by committing treasury shares obtained from purchases made by the Company from time to time in accordance with Article 2357 *et seq.* of the Civil Code.

### **3.5 The role played by each director in determining the characteristics of said plans; any situations of conflict of interest arising concerning the relevant directors.**

After acquiring the favorable opinion of the Compensation Committee, and with the abstention of the MD/GM of the Company, the Board of Directors proposed to the Ordinary Shareholders' Meeting 2022 to adopt the resolution related to the Scheme.

For the approval of the Amendments proposal to be submitted to the Ordinary Shareholders' Meeting 2023, the meeting of the Board of Directors, with the abstention of the MD/GM, has taken into account the conclusions of the Remuneration Committee held on February 27, 2023.

### **3.6 For the purpose of the requirements of Art. 84-bis, paragraph 1, the date of the decision taken by the competent body to propose the approval of the plans to the shareholders' meeting and any proposal of a remunerations committee, where existing.**

On March 3, 2022, the Board of Directors approved the Scheme, based on the conclusion of the meeting of the

Remuneration Committee held on February 23, 2022, and resolved to submit the approval of the same to the Ordinary Shareholders' Meeting 2022, which adopted the Scheme.

The Board of Directors, having obtained the favorable opinion of the Remuneration Committee, proposes to the Ordinary Shareholders' Meeting 2023 to approve the Amendments to the Scheme.

**3.7 For the purpose of the requirements of Art. 84-bis, paragraph 5, letter a), the date of the decision taken by the competent body with regards to the assignment of instruments and the potential proposal to said body by a remunerations committee, where existing.**

The Board of Directors resolved to propose to the MD/GM of the Company to participate in the Scheme on May 12, 2022.

The ordinary shareholders' meeting which shall resolve upon the approval of the Amendments is called on April 21, 2023, on single call.

Should the Amendment be approved, the Board of Directors will be held in order to resolve upon the proposal of the same to the Beneficiaries to be identified by the same body.

Therefore, without prejudice to what has been stated regarding the position of the MD/GM of the Company, at the time of this Informative Document, information about the date on which the decision and the proposal, if any, is not available and shall be subsequently communicated pursuant to Article 84-*bis*, Paragraph 5, of Consob Issuer Regulation.

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

The Shares' official closing market price on February 23, 2022 (date on which the Remuneration Committee gave its opinion on the Scheme) was equal to Euro 35,77.

The Shares' official market price on March 3, 2022 (date on which the Board of Directors approved the Scheme) was equal to Euro 37,91.

The Shares' official market price, as of May 3, 2022 (the date on which the Board of Directors proposed to the Group MD/GM the participation in the Scheme) was equal to Euro 37.08.

The Shares' official market price, as of February 27, 2023 (the date on which the Compensation Committee provided its opinion on the Amendments) was equal to Euro 27,67.

The Shares' official market price, as of March 1, 2023 (the date on which the Board of Directors approved the Amendments) was equal to Euro 27,39.

The official price of the Shares which will be recorded when the Board of Directors will assign the Rights on the basis of the powers granted by the Ordinary Shareholders' Meeting 2023, will be communicated pursuant to Article 84-*bis*, Paragraph 5, of Consob Issuer Regulation.

**3.9 In the case of plans based on financial instruments traded on regulated markets, in what terms and how the issuer considers, when identifying the timing of the assignment of instruments in implementation of the plan, of the possible timing coincidence of:**

**i) said assignment or any decisions taken in this regard by the remunerations committee; and**

**ii) the diffusion of any significant information in accordance with article 17 of Regulation (EU) No 596/2014; for example, if such information is:**

**a. not already public and able to positively affect market listings, or**

**b. already public and able to negatively affect market listings.**

Any disclosure of privileged information at the time of assigning the Scheme Rights would have no effect on the Beneficiaries who - based on the Scheme mechanism that grants the Scheme Rights to receive Shares - cannot carry out any transactions on the Shares since there is no physical delivery of Shares.

#### **4. Characteristics of the assigned instruments.**

**4.1 The description of the ways in which the compensation plans based on financial instruments are structured; e.g. specify if the plan is based on the attribution of: financial instruments (“restricted stock assignment”); the increase of value of these instruments (“phantom stock”); option rights that enable the subsequent purchase of financial instruments (“option grants”) with regulation for physical delivery (“stock option”) or for cash on the basis of the differential (“stock appreciation right”).**

The Scheme provides for the assignment of Rights entitling the Beneficiaries to receive Shares on a free-of-charge basis.

In Phase A, the Scheme provides that the Theoretical MBO Bonus available to the Beneficiaries under the applicable MBO Bonus Plan applicable in the previous financial year will not be paid, the Beneficiaries will be granted Coinvested Rights which will enable them to receive Shares after the Vesting Period.

If in Phase B the Beneficiaries receive Coinvested Rights the Company will offer to the Beneficiaries Matched Rights, which in turn will enable the Beneficiaries to receive Shares at the end of the Vesting Period and subject to the achievement of the Target KPIs.

**4.2 The indication of the period of effective plan implementation also with reference to any different cycles envisaged.**

The Scheme shall be implemented in two distinct phases, of which the latter is optional and depends on the development of the former; in particular:

In Phase A:

- The level of achievement of the performance-based targets assigned to the Beneficiaries in each financial year for the purposes of his annual MBO Bonus, and the amount of the corresponding Theoretical MBO Bonus, shall be ascertained and resolved by the Board of Directors once approved the Consolidated Financial Statements of the financial year to which the Theoretical MBO Bonus refers and communicated to the Beneficiaries within 60 Business Days from such resolution (the “**MBO Communication**”).
- The Rights will vest upon approval of the Consolidated Financial Statements related to the third financial year following the year to which the MBO Bonus refers (the “**Vested Rights**”).
- The overall number of Vested Rights assigned to the Beneficiaries shall be communicated by the

Company within 15 (fifteen) Business Days from the Date of Vesting of the Coinvested Rights (the “**Notice of Vesting**”).

In Phase B:

- The number of Assigned Matched Rights (the “**Assigned Matched Rights**”) shall be communicated to the Beneficiaries in the Letter of Assignment Under Phase B. Not later than 3 years thereafter, the Board of Directors shall assess the achievement of the Target KPIs during the Vesting Period and, accordingly, the portion of Matched Rights which have vested (the “**Vested Matched Rights**”).
- The number of Vested Matched Rights shall be communicated by the Company within 15 (fifteen) Business Days from the Date of Vesting (the “**Notice of Vesting Under Phase B**”). The Shares shall be assigned after the date of the Notice of Vesting under Phase B.

#### **4.3 The plan terms.**

The Scheme will expire in 2028, following approval of the financial statements as of December 31, 2027.

#### **4.4 The maximum number of financial instruments, also in the form of options, assigned each tax year in relation to the entities identified or the specified categories.**

The Scheme provides for the assignment of up to an aggregate maximum of 1,260,000 Shares.

#### **4.5 The methods and clauses for the implementation of the plan, specifying if the effective attribution of the instruments is subject to conditions being met or given results being achieved, including performance-related; a description of said conditions and results.**

Under Phase A the actual achievement of the performance targets assigned to the Beneficiaries in each financial year for the purposes of his annual MBO Bonus, and the amount of Theoretical MBO Bonus pertaining to the Beneficiaries shall be ascertained and resolved by the Board of Directors once approved the Consolidated Financial Statements of the financial year to which the Theoretical MBO Bonus refers.

In Particular (i) in case of failure to achieve the above-mentioned performance targets, the Beneficiaries shall not be eligible for the annual MBO Bonus and Phase A shall not apply for that year; and (ii) the Theoretical MBO Bonus shall in no case exceed the Target MBO Bonus and, therefore, any portion of the MBO Bonus in excess of the Target MBO Bonus shall be settled in cash according to the timing and modalities of the applicable Bonus Plan and shall not be relevant for the purposes of this point 4.5.

The Phase A shall not apply in case the Beneficiaries will elect to receive the Theoretical MBO Bonus fully in cash (as better described under point 2.2 above).

The Phase B is an optional equity-based instrument and applies only to the extent Rights are actually assigned to the Beneficiaries under Phase A. Therefore, in case of (i) failure to achieve the above-mentioned performance targets or (ii) election by the Beneficiaries to receive the Theoretical MBO Bonus fully in cash, Phase A and, thereby, Phase B shall not apply for that year.

Furthermore, Phase B provides for the assignment and achievement of Target KPIs as a condition for the vesting of the Matched Rights, it being agreed that such indicators will refer to: (i) Sustainability Plan targets;

(ii) Absolute Total Shareholder Return.

After the Vesting Period indicated in the Letter of Assignment Under Phase B, the Board of Directors, shall assess and ascertain, at its absolute discretion, the full or partial achievement of the Target KPIs during the Vesting Period and, accordingly, the portion of Vested Matched Rights, as indicated below:

- (i) in case of achievement of both the KPIs, the Beneficiary shall automatically vest also all the Assigned Matched Rights;
- (ii) in case of achievement of only one of the KPIs, the Beneficiary shall automatically vest 50% of the Assigned Matched Rights;
- (iii) in case of failure to achieve the KPIs, then no Assigned Matched Rights shall vest.

The Matched Rights which will not vest according to this point 4.5 will be finally cancelled and forfeited by the Beneficiaries and the latter will not have any right whatsoever in connection thereto.

**4.6 The indication of any restrictions of availability affecting the instruments assigned or the instruments from the year of the options, with specific reference to the terms within which the subsequent transfer to the company or third parties is permitted or prohibited.**

The Scheme Rights assigned to the Beneficiary are personal, nominative, and may not be transferred, assigned or otherwise disposed by the Beneficiaries to any other person, except for transmission to his heirs in case of death (*mortis causa*), as better indicated below. The Coinvested Rights and Assigned Matched Rights shall automatically be forfeited and terminated in case of any attempt of transfer or negotiation, including but not limited to any transfer *inter vivos* or, based on applicable Law, any pledge or other charge, lien or encumbrance thereon.

**4.7 The description of any termination conditions in relation to the attribution of plans in the event that the addressees should carry out hedging operations that enable the neutralisation of any prohibitions of the sale of the financial instruments assigned, also in the form of options, or financial instruments arising from the exercise of these options.**

Not applicable.

**4.8 The description of the effects determined by the termination of the employment.**

Under Phase A:

The vesting of the Coinvested Rights will be accelerated, in case the following events occur before the Notice of Vesting:

- (i) the employment relationship of the Beneficiaries with the Company should cease upon initiative of the Company or the Beneficiaries for whatever reason;
- (ii) death or ascertained permanent disability of the Beneficiaries which prevents the continuation of the employment relationship.

In such a case, the Company shall send the Notice of Vesting within 10 (ten) Business Days following the date

of the events under (i) and (ii) above and the Shares corresponding to the Vested Rights shall be assigned to the Beneficiaries within 90 Business Days from said notice.

Under Phase B:

- (i) should the employment relationships of the Beneficiaries be terminated before the Notice of Vesting under Plan B:
  - (x) with respect to the MD/GM of the Company:
    - (a) at the Company's initiative, for just cause or in certain instances of failure to achieve the Company's performance objectives as identified in existing understandings with the Company's MD/GM; or
    - (b) upon initiative of the Company's MD/GM, for reasons other than those under (ii)(x)(b) below,
  - (y) with respect to Beneficiaries, other than the MD/GM of the Company, as a result of the receipt by the Beneficiary of a letter of termination of employment or delivery by the Beneficiary of a letter of resignation

then the Assigned Matched Rights shall not vest and will be finally cancelled and forfeited.

- (ii) should the employment relationships of the Beneficiaries be terminated before the Notice of Vesting under Plan B:
  - (x) with respect to the MD/GM of the Company:
    - (a) upon initiative of the Company, in the absence of just cause or certain situations of failure to achieve the business performance objectives as identified in the understandings already in place with the MD/GM; or
    - (b) upon initiative of the Beneficiary, for just cause or pursuant to Article 16 or 24 of the National Collective Labor Agreement, in certain eventualities of substantial reduction of powers, or due to disagreement on strategy;
  - (y) with respect to the Beneficiaries, other than the MD/GM of the Company, in the event of retirement as well as in the event of death and permanent disability such as not to allow the continuation of the employment relationship of the Beneficiary (as well as in the event that (i) the Company or Company' subsidiary of which the Beneficiary is an employee or collaborator is no longer a Group Company, (ii) there is a suspension of the activity carried out at the Company or the Company' subsidiary which is followed by the non-payment of the relevant remuneration salary (*e.g.* leave of absence) for a period of 6 (six) consecutive months or more, or (iii) there is a transfer of the company or part of the company in which the Beneficiary performs his/her work to a company other than a Company of the Group.

then the Assigned Matched Rights shall not vest and the Beneficiaries shall not be entitled to receive any Shares, but the following rules will apply:



- if termination occurs within the first 12 months after the Letter of Assignment Under Phase B, an amount equal to 30% of the Matched Rights will be paid and settled in cash to the Beneficiaries;
- if termination occurs from the 13th to the 24th month after the Letter of Assignment Under Phase B, an amount equal to 45% of the Matched Rights will be paid and settled in cash to the Beneficiaries;
- if termination occurs 24 months after the Letter of Assignment Under Phase B, an amount equal to 60% of the Matched Rights will be paid and settled in cash to the Beneficiaries.

The terms and conditions under point (ii) above shall apply also in case of death of the Beneficiaries or ascertained permanent disability which prevents any continuation of the employment relationship with the Company occurring before the Notice of Vesting Under Phase B, with effects on his successors *mortis causa* as the case may be.

The amounts in cash under point (ii) above shall be calculated on the basis of the average stock exchange price of the Shares in the month preceding each of the above event.

#### **4.9 The indication of any other causes for the cancellation of the plans.**

In the event of extraordinary transactions such as a takeover bid on the Company, delisting of the Company or merger of the Company into another entity, the Board of Directors, on a discretionary basis, may resolve to accelerate the vesting of the Coinvested Rights.

#### **4.10 The reasons in relation to the potential provision for “redemption” by the company of the financial instruments concerned by the plans, arranged in accordance with Article 2357 et seq. of the Italian Civil Code; the beneficiaries of the redemption, specifying if it is only intended for specific categories of employees; the effects of the termination of employment on said redemption.**

Not applicable.

#### **4.11 Any loans or other benefits intended to be granted for the purchase of shares in accordance with Art. 2358 of the Italian Civil Code.**

Not applicable.

#### **4.12 The indication of assessments of the forecast burden for the company on the date of the related assignment, as can be determined on the basis of the terms and conditions already defined, for the total amount and in relation to each plan instrument.**

The Company’s expected cost shall be determined on the Date of Assignment. Information on the total cost of the Scheme shall be provided in accordance with the procedures set out in Article 84-*bis* (5)(a) of the Consob Issuers’ Regulations.

Notwithstanding the above, with regard to the allocations under the Scheme in favor of the MD/GM, a number of rights amounting to 48,000 has been allocated for the 2022-2024 cycle.

#### **4.13 The indication of any dilution effects on the capital determined by the compensation plans.**

Not applicable.

**4.14 Any limits envisaged for the exercise of voting rights and the attribution of equity rights.**

Not applicable.

**4.15 If shares are not traded on regulated markets, all information that will help fully assess the value that can be assigned to them.**

Not applicable.

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Table No. 1 of Scheme No. 7 of Annex 3A of Consob Issuer Regulation, duly filled in in the sections applicable to the Scheme (as the subject of the Amendments) will be provided during the implementation of the Scheme when the Rights will be assigned to the Beneficiaries (other than the MD/GM of the Company).

Regarding the MD/GM of the Company, please refer to the corresponding table included in the Report on the Remuneration Policy and compensation paid 2023 submitted to the Ordinary Shareholders' Meeting 2023 and available to the public on the Company's website [www.amplifon.com](http://www.amplifon.com) (section "Governance" – "Remuneration") and on the authorized storage mechanism "eMarket Storage".