



**Illustrative Report on item 1 on the Agenda of the Ordinary Shareholders' Meeting**

**Approval of a long-term incentive plan for the Chief Executive Officer and the Senior Executives called the "2022-2024 Performance Shares Plan". Resolutions thereon.**

Dear Shareholders,

The Ordinary Shareholders' Meeting called for July 28, 2022 is called to discuss and consider, pursuant to Article 114-*bis*, paragraph 1 of Legislative Decree No. 58/1998, as subsequently amended and supplemented (the "CFA"), this proposal regarding the long-term incentive plan called the "2022-2024 Performance Shares Plan" (the "**Plan**") for the Chief Executive Officer and the Senior Executives (the "**Beneficiaries**") of Zignago Vetro S.p.A. (the "**Company**"), according to the criteria that are further described in the related prospectus attached to this illustrative report (the "**Prospectus**"). Capitalised terms that are not explicitly defined in this illustrative report have the meaning ascribed to them in the Prospectus.

### **1. Reasons for the adoption of the Plan**

The Plan is chiefly designed to incentivise and build loyalty amongst, including in the medium to long term, those individuals that play a key role in achieving the targets of the Company and the Group more generally, and to align the interests of the Company's key staff with those of the shareholders.

Specifically, the Plan is designed to (i) strengthen the involvement of the individuals who play a key role in the achievement of the Company's results, and (ii) align the interests of the Beneficiaries with those of the shareholders, with a view to the concrete pursuit of sustainable success for the Company.

### **2. Plan Beneficiaries**

The Beneficiaries of the Plan are Zignago Vetro's Chief Executive Officer, Mr. Roberto Cardini, and its Senior Executives.

### **3. Subject and duration of the Plan**

The Plan provides for the grant to Beneficiaries of Rights to receive shares held in portfolio by the Company, free of charge, at the end of a three-year Vesting Period, subject to and on the basis of the level of achievement of the Performance Targets in accordance with the provisions of the Plan and its Regulation.

Rights are personal, named, non-transferable and not negotiable in any way or under any title.

The Shares allocated have full rights and, therefore, the attached rights devolve to each Beneficiary from the point at which they become holders of the Shares.

The Rights will vest after the Vesting Period ending 31 December 2024, and the relative Shares will vest in 2025. 20% of the allocated Shares will then be subject to a two-year Holding Period, during which they may not be subject to Transfer as follows:

- 5% for a period of 6 months from the date of delivery of the Share Allocation Letter
- 5% for a period of 12 months from the date of delivery of the Share Allocation Letter
- 5% for a period of 18 months from the date of delivery of the Share Allocation Letter
- 5% for a period of 24 months from the date of delivery of the Share Allocation Letter

A maximum of 109,500 Shares will be allocated under the Plan, assuming that all Beneficiaries achieve the highest levels of performance.

Also assuming 100% achievement of the Performance Targets, there is provision to award:

- to the Chief Executive Officer, a maximum of 43,500 Shares;
- to the Senior Executives, a maximum of 66,000 Shares.

The Performance Targets consist of the following parameters:

- three targets related to the Zignago Vetro Group's economic-financial performance in the medium to long term with a combined weighting of 75%;

- three targets related to ESG issues with a total weighting of 25% (understood as maintenance or improvement of current rating).

#### **4. Implementation of the Plan**

The Shares serving the plan will be shares already held in the Company's portfolio.

Participation in the Plan is subject to a continuing employment relationship with the Company. Should this relationship cease to exist, in the scenarios covered by the Plan, Shares are allocated according to the terms and conditions set out in the Plan Regulation.

The LTI Plan Regulation includes clawback clauses.

#### **Resolutions proposed to the Ordinary Shareholders' Meeting**

You the Shareholders, in relation to the above, and referring you to the related Prospectus for an analytical overview of the Plan, are invited to approve the following proposal:

*“The Ordinary Shareholders' Meeting of Zignago Vetro S.p.A.,*

- having examined the Illustrative Report of the Board of Directors on the resolution proposal; and*
- having examined the Prospectus,*

#### **RESOLVES**

- 1. to approve the long-term incentive plan called the “2022-2024 Performance Shares Plan” according to the information set out in the related Prospectus:*
- 2. to grant the Board of Directors, with the faculty to sub-delegate, the widest powers necessary or useful to execute the “2022-2024 Performance Shares Plan”, including, merely by means of non-exhaustive example, the power to:*
  - approve the Regulation, amend and/or supplement it;*
  - grant Rights to the Chief Executive Officer and Senior Executives;*
  - define Performance Targets;*
  - verify achievement of Performance Targets;*
  - including through delegation to the Chief Executive Officer, with the power to sub-delegate to the company and Group company structures, carry out all the tasks related to the execution of the Plan;*
  - perform any act, fulfilment, formality, communication which is necessary or appropriate for the management and/or implementation of the Plan.”*

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Fossalta di Portogruaro, June 21, 2022

for the Board of Directors  
the Chairperson  
Dott. Nicolò Marzotto