

REGULATIONS OF THE
"LONG TERM INCENTIVE PLAN 2021-2023"
OF BIESSE S.P.A.

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This document is strictly confidential and reserved for the Beneficiaries (as defined in these Regulations). The person to whom it is handed over will be held responsible for disclosing it, in whole or in part, to unauthorised third parties.

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1. Definitions

In addition to the terms otherwise defined in this document, the following terms, when capitalized, shall have the meanings set forth below, it being understood that terms and expressions defined in the masculine shall also include any terms and expressions defined in the feminine and that terms and expressions defined in the singular shall also be understood as defined in the plural.

Chief Executive Officer	means the director entrusted by the Board of Directors with the management of this plan.
Shareholders' Meeting	means the Biesse shareholders' meeting.
Bad Leaver	means the following cases of termination of the Relationship: <ul style="list-style-type: none">(i) voluntary resignation of the Beneficiary;(ii) termination of the Relationship on the Company's initiative for just cause pursuant to Article 2119 of the Italian Civil Code;(iii) revocation or non-renewal of the office of director for just cause;(iv) early termination of the self-employment contract for just cause.
Beneficiaries	means the beneficiaries of this Plan and, specifically, the "CO-CEOs" (General Manager and Chief Executive Officer), the first level <i>managers</i> of Biesse or the Group and the second level <i>managers</i> identified by the Board of Directors on 12 May 2021,

on a proposal made by the Chairman or Chief Executive Officer, after consulting the Remuneration Committee. The Beneficiaries are listed in Annex 1 to these Regulations.

Biesse or the Company

means Biesse S.p.A., with registered office in Via della Meccanica, 16, Pesaro, tax code and VAT no. 00113220412, registered in the Pesaro Urbino Register of Companies under no. 56612, share capital €27,393,042, divided into 27,393,042 shares with a nominal value of €1.00 each.

Cycle

means the time period encompassing the financial years containing the objectives to whose achievement the payment of the bonus is subject.

Remuneration Committee

means the Remuneration Committee appointed by the Company within the Board of Directors pursuant to the Corporate Governance Code for Listed Companies and the regulations issued by Borsa Italiana S.p.A.

Notice of Termination

means the communication in written form (unilateral act or bilateral agreement) concerning the termination of the Relationship. If the same Beneficiary has both an employment relationship and an administrative relationship, only the Notice of Termination of the employment relationship shall be taken into account for the purposes of the Regulations.

Individual Conditions

means the individual conditions envisaged for each Beneficiary under the LTI, as set out in Annex 1.

Board of Directors

means the Board of Directors of the Company in office or the directors to whom it has delegated or will delegate in each instance the execution of the provisions of these Regulations.

Grant Date

means the date on which the Bonus will be allocated to the Beneficiaries, pursuant to Articles 4.2 and 6.1 (a).

Date of Termination

means the date (i) of receipt by the recipient of the Notice of Termination (in case of unilateral act and regardless of any different termination date indicated therein), or (ii) of termination

	of the Relationship (in case of bilateral agreement, expiry of term or death of the Beneficiary).
Commencement Date of Participation in the Plan	means the date on which the Board of Directors resolves on the Beneficiary's participation in the Plan.
Entitlement Vesting Date	Indicates the date on which the Beneficiary, following the exercise of the Option, will accrue the entitlement to receive the Bonus pursuant to Article 6.2 of these Regulations.
Payout Date	means the date on which the Beneficiaries will receive the Payout, corresponding to the date on which they will be paid their remuneration for the second month following the month in which the consolidated financial statements for the financial year ending on 31 December 2023 of the Group are approved by the Board of Directors.
Human Resources Department	means the Human Resources Department of Biesse.
Good Leaver	means all cases of termination of the Relationship other than Bad Leaver.
Group	means Biesse and the companies controlled by it pursuant to Article 2359, first paragraph, number 1), of the Italian Civil Code or which may become so in the future, directly or indirectly, pursuant to current legislation.
Permanent Disability	Any illness, proven by appropriate medical documentation, that permanently deprives the Beneficiary of the ability to work and that leads to the termination of the Relationship.
LTI 18-20	means the "Long Term Incentive Plan 2018-2020" of Biesse approved by the Board of Directors on 14 May 2018.
MTA	means the Mercato Telematico Azionario (Italian Electronic Stock Exchange) organised and managed by Borsa Italiana S.p.A.
Objectives	means the economic and financial objectives of the Group, the achievement of which is related to the payment of the Bonus under the Plan. The Objectives for the LTI are as follows:

- (a) EBITDA objective: average consolidated EBITDA of the Group 2021-2023, equal to the average EBITDA foreseen for each year in the three-year plan 2021-2023;
- (b) turnover objective: consolidated Group turnover 2021-2023, equal to the average turnover foreseen for each year in the three-year plan 2021-2023;
- (c) NIC/Sales objective: ratio between net invested capital and consolidated group turnover 2021-2023, equal to the average of net invested capital and turnover foreseen for each year of the plan in the three year plan 2021-2023.

The EBITDA, turnover and NIC/Sales figures foreseen in the three-year plan, will be communicated to the Beneficiaries as provided for in the article 11.

Option	means the option to receive the Bonus pursuant to Article 6 of these Regulations, which the Beneficiaries will acquire free of charge upon acceptance of the Plan Proposal.
Payout	means the payment of the Final Bonus to each Beneficiary in accordance with Article 8 of these Regulations.
Plan or LTI	means the “ <i>Long Term Incentive Plan 2021-2023</i> ” of Biesse approved by the Board of Directors on 12 May 2021.
Vesting Period	means the period beginning on the Commencement Date of Participation in the Plan and ending on the date of approval by the Company of its consolidated financial statements for the 2023 financial year.
Remuneration Policy	means the Remuneration Policy approved by the Board of Directors of Biesse on 11 November 2011, as amended and supplemented from time to time.
Bonus	means the nominal Bonus granted to each Beneficiary pursuant to Article 6.1 (a), corresponding to a sum of money equal to the percentage of the Total Fixed Annual Remuneration indicated for each Beneficiary in the Individual Conditions attached hereto and

Final Bonus	<p>recalculated in the final settlement as per letter (b) of these Regulations,</p> <p>means the Bonus attributable to each beneficiary, pursuant to Article 6.1 (c) and (d) of these Regulations</p>
Chairman	<p>means the Chairman of the Board of Directors of the Company.</p>
Plan Proposal	<p>means the written communication with which each Beneficiary shall be invited to participate in the Plan, with the Regulations attached as an integral part thereof, the signing and delivery of which to the Company by the Beneficiaries shall constitute, for all purposes of these Regulations, their full and unconditional acceptance of the Plan.</p>
Payout Proposal	<p>means the quantification of the Final Bonus carried out by the Board of Directors pursuant to Article 6 of these Regulations.</p>
Relationship	<p>means the employment, self-employment or directorship relationship existing between the Beneficiaries and the Company or one of the companies of the Group. If the same Beneficiary has both an employment relationship and an administrative relationship, for the purposes of the Regulations the employment relationship shall be taken into account.</p>
Total Fixed Remuneration	<p>means, solely for the purposes of these Regulations, the sum of the annual fixed remuneration, net of the variable component, of each Beneficiary as of the Grant Date increased, for each Beneficiary who holds the position of director in a company of the Group, by the remuneration due to him/her for such positions as of the Grant Date.</p>
Regulations	<p>means these Regulations applicable to the Plan.</p>

2. Aims of the Plan

- 2.1 This *Long Term Incentive Plan 2021-2023* is aimed at maintaining incentive tools for the Beneficiaries, with a view to developing within the *top management* of the Group a culture strongly oriented towards the creation of value and the continuous

improvement of the Company's results as well as its *shareholder performance*. The Plan aims in particular:

- to involve and incentivise the Beneficiaries, to align their behaviour with the long-term interests of the shareholders, focusing the *top management* on actions aimed at the lasting improvement of the Group's results;
- to align top management actions with the objectives of the three-year strategic plan and in particular the "One Company" project
- to foster the loyalty of the Group's *top management* through the introduction of medium/long-term forms of variable remuneration, to improve the Group's *retention* capacity;
- to increase the variable part of beneficiaries' remuneration, in order to reinforce the culture of results;
- to improve the Group's competitiveness in the labour market, in order to attract the best talent.

2.2 To this end, the Plan provides for mechanisms for the payment of cash bonuses under the terms and conditions specified below, based on the objectives defined in the corporate planning process.

3. Management of the Plan

3.1 The body responsible for the management of the Plan shall be the Board of Directors and, on its behalf, the Chief Executive Officer or the Chairman. They have all the operational powers for the management of the Plan, which may also be delegated, including, by way of example, those of including other persons among the Beneficiaries of the Plan after its approval by the Board of Directors, in accordance with the provisions of Article 4.4 below. In managing the Plan, the Board of Directors and, on its behalf, the Chairman or Chief Executive Officer shall also work through the Human Resources Department. The decision to exclude Beneficiaries from the Plan, even partially, remains the exclusive competence of the Board of Directors.

3.2 Beneficiaries who are also members of the Board of Directors shall refer to the Board of Directors any decision concerning the Plan in which they have an interest and shall not take part in the decision regarding any resolution concerning their participation in the Plan and the attribution of the Bonus to them; they shall also refrain from taking any actions in implementing the Plan that would have an impact on them, and shall

refer the performance of such activities to the Board of Directors or the persons indicated by it.

3.3 These Regulations may be subject to adjustments or corrections, made with the exclusive competence of the Board of Directors, in order to reflect any mergers, demergers or other extraordinary operations of the Company or if the opportunity arises in any case, also as a result of future legislative or regulatory changes; such adjustments and corrections shall be final and binding on the Beneficiaries in the absence of manifest error.

3.4 The Remuneration Committee shall generally monitor the execution of the Plan, verifying, in particular, the actual achievement of the *performance* objectives indicated therein.

4. Participation in the Plan and identification of Beneficiaries

4.1 The Beneficiaries of the Plan were identified by the Board of Directors on 12 May 2021. In identifying the Beneficiaries, the Board of Directors acted with absolute discretion, having regard exclusively to the pursuit of the Group's interest, taking into account, among other things, the criticality of the resource for the Group's results, the strategic importance of the position, the resource's potential and any other useful element.

4.2 Within 45 days from the approval of the Plan by the Board of Directors, the Human Resources Department shall send the Plan Proposal to the participants in the Plan, with which the Beneficiary shall be invited to join the Plan and in which the Bonus due to him/her shall be identified, determined according to the criteria set forth in Article 6 below. A copy of these Regulations, together with the Individual Conditions applicable thereto, shall be attached to the Plan Proposal and each Beneficiary shall return it duly signed, also as a sign of full acceptance of the Regulations.

4.3 The Plan Proposal and these attached Regulations must be sent to the Human Resources Department within 30 days from the date of delivery of the Plan Proposal, under penalty of ineffectiveness (also pursuant to Article 1326, fourth paragraph, of the Italian Civil Code) and/or inadmissibility. After this period, and in the absence of acceptance, all effects of the Plan Proposal shall cease. Upon acceptance of the Plan Proposal, the Beneficiaries will acquire the Option.

4.4 The Board of Directors and, on its behalf, the Chairman or the Chief Executive Officer may, at their own discretion and unquestionable judgement, assess whether to extend participation in the Plan, even in partial form, to employees, collaborators or directors

of a company of the Group, including those hired, designated or appointed after the Grant Date, where such participation is deemed instrumental in maintaining or acquiring significant skills within the Group, setting the relevant Individual Conditions in line with the provisions of the Remuneration Policy and in proportion to the period of participation in the Plan, provided that the condition of participation for at least one full financial year is satisfied.

- 4.5 The participation of a Beneficiary in the Plan does not determine any obligation on the part of the Board of Directors to identify him/her as a Beneficiary of other plans that may be implemented in the future. The participation of Beneficiaries in the Plan does not give rise to any right or expectation of a guaranteed minimum duration of the Relationship. Membership of the Plan does not give rise to any entitlements between the Beneficiaries and the Company other than those provided for in the Plan.
- 4.6 The right to participate in the Plan will be granted free of charge. The Beneficiaries will therefore not be required to pay any consideration to the Company for such allocation. The right to participate in the Plan shall be granted to the Beneficiaries in a personal capacity and may not be transferred by deed between living persons or be subject to restrictions or be the subject of other acts of disposition for any reason whatsoever.

5. Duration of the Plan

- 5.1 The Plan shall expire on 30 June 2024 or upon payment of the Final Bonus to the last of the Beneficiaries, whichever is earlier. The Shareholders' Meeting or the Board of Directors of Biesse may renew the Plan or extend its duration for successive three-year cycles, making any additions and amendments to the present Regulations considered necessary or appropriate to adapt them to the legislation applicable from time to time or to the changing needs of the Group.

6. Method of determining the Bonus

- 6.1 The Bonus to be granted to each Beneficiary shall be determined as follows:
- (a) the Human Resources Department, on the basis of the relevant Individual Conditions, will calculate the Bonus for each Beneficiary, which will be communicated to them through the Plan Proposal;
 - (b) for the purposes of determining the Final Bonus, the Bonus shall be redetermined on the basis of the shares of the same as identified below:

EBITDA	weight 50%
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TURNOVER	weight 25%
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NIC/SALES weight 25%

In the event that the percentage of achievement of the objective in the three-year period is $\leq 50\%$, the corresponding portion of the Nominal Bonus shall be set at zero for the purpose of calculating the Final Bonus.

- (c) unless otherwise provided for in the Individual Conditions, each Beneficiary shall be entitled to receive, on the Payout Date, the Final Bonus corresponding to the percentage of the Bonus, recalculated pursuant to letter (b), determined in accordance with the matrix set out below:

% achievement of Objectives	% of the Bonus
<60%	0%
$\geq 60\% \leq 85\%$	30% + 1% for each percentage point of the Objectives achieved above 60%, up to a maximum of 25 percentage points.
$> 85\% \leq 125\%$	85% + 1% for each percentage point of the Objectives achieved above 85%, up to a maximum of 40 percentage points.

- (d) the percentage of achievement of the Objectives will be the weighted average of the percentages of achievement of each Objective.

6.2 The Board of Directors and, on its behalf, the Chairman or the Chief Executive Officer shall quantify the Final Bonus within 15 days from the date of approval of the consolidated financial statements relating to the 2023 financial year by the Board itself and shall instruct the Human Resources Department to notify the Beneficiaries, within the following 5 working days, of the Payout Proposal. Each of the Beneficiaries, for the purposes of exercising the Option, shall notify the Human Resources Department - under penalty of forfeiture - of their acceptance of the Payout Proposal within 10 days of receipt of the aforementioned letter, by sending the form prepared for that purpose by the Company, duly signed. From the date on which the Company receives acceptance of the Payout Proposal (which shall be deemed, for the purposes of these Regulations, to be the Vesting Date), the Beneficiary shall accrue the right to receive the Final Bonus.

6.3 For all the Beneficiaries it is required that, both on the Entitlement Vesting Date and on the Payout Date, the employment relationship, in execution of the same

role/qualification held in Biesse on the Grant Date as described in Attachment 1, is still in existence and, therefore, in the absence of this prerequisite the Board of Directors and, on its behalf, the Chief Executive Officer or the Chairman will not quantify the Final Bonus due to the Beneficiary who is no longer in this position and the Beneficiary will forfeit the right to receive the Final Bonus, if already accrued.

6.4 Notwithstanding the provisions of Article 6.3 above, in the event of termination by mutual consent of the relationship with Biesse - such as, by way of example, retirement or expiry of the fixed-term contract or termination by mutual consent of the employment relationship for directors - the Board of Directors shall have the right, at its own discretion and unquestionable judgement, to maintain the Beneficiary's right to receive all or part of the Final Bonus, at the conditions set out in the Regulations.

6.5 In the event of the death of the Beneficiary after the Entitlement Vesting Date, the Beneficiary's right to receive the Final Bonus shall be transferred to his/her heirs in accordance with the applicable inheritance law, it being understood that under no circumstances shall those heirs have any right or claim to the Bonus if the Beneficiary's death occurred before the Entitlement Vesting Date.

7. Regime of Beneficiary entitlements

7.1 Until the Payout Date, the right to receive the Bonus shall not be subject to any lien or otherwise transferred (other than pursuant to the laws of succession for the purposes of and subject to the provisions of clause 6.5 above) and any attempted lien or transfer made in breach of this provision shall be invalid and in any event ineffective against the Company and, without prejudice to any greater damages, shall immediately disqualify the Beneficiary who made them from any right under the Plan and these Regulations.

8. Payout

8.1 The Final Bonus shall be paid on the Payout Date by crediting the bank account in the name of the Beneficiary, identified by the Beneficiary in the form referred to in Article 6.2.

8.2 Biesse shall be deemed to have fulfilled its obligations under the Plan at the time of sending the request for crediting the Final Bonus to the bank designated by the Beneficiary.

8.3 Payment of a portion corresponding to 50% of the Bonus, may be made in advance in favour of the Beneficiary up to one year prior to the Payout Date, following the

approval of the budget of the second year of the three-year reference period and provided that the payout criteria, as indicated in point 6.1, calculated on the first two years of the three-year reference period, are fully satisfied.

The amount received as an advance on the Bonus shall be deducted from the amount due to the Beneficiaries as a Final Bonus on the Entitlement Vesting Date and any greater amount paid shall be withheld on the Payout Date.

9. Right of Clawback and Malus

- 9.1 Without prejudice to any other right or remedy however provided for in favour of the Company and of the Group by the applicable provisions of law or contract, the Company may withhold or not pay to the Beneficiaries the Bonus provided for under the Plan (the “*Right of Clawback*”) if the same have been determined on the basis of data which have subsequently proved to be manifestly erroneous due to violation by the Beneficiaries of company, contractual or legal regulations, or to their wilful or grossly negligent conduct aimed at altering the data used to measure the achievement of the Objectives.
- 9.2. The exercise of the Right of Clawback shall result, in whole or in part at the discretion of the Board of Directors, in (i) forfeiture of the Bonus and the consequent termination of the right to receive payment of the same; and (ii) after payment of the Final Bonus, the obligation of the Beneficiaries to return the corresponding amount to the Company.
- 9.3. The Company shall be entitled to set off any amount due to the Beneficiaries for any reason by the Company and/or other companies of the Group against the amount due by the Beneficiaries as a result of the exercise of the Right of *Claw Back*.
- 9.4. The Right of Clawback may be exercised by the Company: (i) in the case of culpable conduct, no later than 3 years from the date of expiry of the Vesting Period; and (ii) in the case of wilful misconduct, no later than 5 years from the date of expiry of the Vesting Period.
- 9.5. No remuneration shall be paid to persons who have behaved in breach of company, contractual or legal regulations or in the event of wilful or grossly negligent conduct to the detriment of the Company.
- 9.6. The aforementioned clauses are understood to apply to all hypothetical cases of payment of the Bonus, as governed by point 8 of these Regulations.

10. Particular events

10.1. Below are the terms and conditions that will govern the relationship between Biesse and the Beneficiary upon the occurrence of certain events.

(i) Unpaid leave of absence the Beneficiary, provided that he/she resumes work in accordance with the provisions of the leave of absence regulations, shall maintain the entitlements granted under the Plan, in accordance with the limits and conditions set forth in these Regulations, including the achievement of the Objectives set forth in Article 6, but the amount of the Bonus shall be redetermined by applying a *pro rata temporis* criterion which shall take into account - and consequently reduce the amount of the Bonus - the period of leave of absence.

(ii) Permanent disability pension: upon termination of the employment Relationship as a result of the award of a permanent disability pension, the Beneficiary shall retain the entitlements granted under the Plan, in accordance with the limits and conditions set out in these Regulations, except for the achievement of the Objectives set out in Article 6, but the amount of the Bonus shall be redetermined by applying a *pro rata temporis* criterion which shall take into account - and consequently reduce the amount of the Bonus - the period from the date of termination of the employment relationship.

11. Extraordinary transactions and legislative or regulatory changes

11.1 The approval of the Plan does not create any restrictions on Biesse in this respect:

- the adoption of additional monetary or equity-based incentive plans (e.g., M.B.O., stock options or similar);
- the approval of possible capital increases to service future incentive plans;
- the performance of any extraordinary operation.

11.2 In the event of: (i) extraordinary transactions regarding the Company's share capital not expressly governed by the Regulations, such as, by way of example but not limited to, mergers, spin-offs, reductions in the capital, including due to losses, increases in the Company's capital, free of charge or for cash, offered with or without option rights to shareholders, possibly also to be paid for by contributions in kind; (ii) events of an extraordinary and/or non-recurring nature and/or not attributable to the typical activity (such as, by way of example, acquisitions and/or disposals of shareholdings and/or business units), considered to be particularly significant, which entail a significant change in the perimeter of the Company and/or the Group; (iii) significant changes in the macroeconomic and/or competitive scenario, extraordinary events with a

significant impact beyond the management's control; (iv) changes in laws or regulations; (v) other events likely to affect the Plan, the Board of Directors shall make any amendments and additions to the Regulations, independently, after hearing the opinion of the Remuneration Committee, that it deems necessary or appropriate in order to adapt the Regulations to the changed situation, while keeping the substantial and economic contents of the Plan unchanged, as far as possible and within the limits allowed by the legislation in force from time to time.

- 11.3 In particular, in the cases referred to in the preceding paragraph, the Board of Directors may amend, supplement or reduce, inter alia, the following, by way of example and not limitation: (i) the amount of the Bonus; (ii) the Objectives and/or further terms and conditions of vesting of the Bonus under the Plan.

12. Effects of the Plan on the employment or workforce relationship of the Beneficiaries.

- 12.1 Any benefit recognised under the Plan:

- (a) constitutes a payment of an extraordinary nature and cannot under any circumstances be considered as part of the normal remuneration or compensation of the Beneficiaries;
- (b) is not useful for the purposes of calculating any indirect legal or contractual institution (such as, by way of example, indemnity in lieu of leave not taken, thirteenth month, fourteenth month, holidays, any supplementary pension plans, etc.) or deferred, and in any case must be considered absorbed by them;
- (c) shall not constitute the basis for the recognition of similar or further benefits under this Plan or otherwise, and shall not entitle the Beneficiaries, upon expiry of this Plan or while it is in force, to participate in any further incentive schemes, however implemented;
- (d) Nothing contained in these Regulations shall be deemed to confer on the Beneficiary or any other person any right to continue in the service of the Company or any subsidiary of the Company or any successor thereto, nor shall it alter any right of such companies to terminate their existing service relationship with the Beneficiary or any other person.

13. Consequences of termination of the Relationship

- 13.1 Since the right to receive the Bonus is genetically and functionally linked to the continuation of the Relationship between the Beneficiaries and the Company or the

other companies of the Group, in the event of termination of the relationship, the provisions of this Article 13 shall apply, unless the Board of Directors decides otherwise in a more favourable manner for the Beneficiaries.

- 13.2 If the Relationship is terminated before the end of the Vesting Period as a result of a “Bad Leaver” scenario, the Beneficiary shall permanently lose the right to receive the Bonus.
- 13.3 In the event of termination of the Relationship prior to the expiry of the Vesting Period as a result of a “Good Leaver” scenario, the Beneficiary (or his or her heirs) may possibly retain the right to a *pro rata temporis* fraction of the Bonus, calculated on the basis of the ratio of (i) the period between the Commencement Date of Participation in the Plan and the Date of Termination, and (ii) the Vesting Period.
- 13.4 It is understood that the right of the Beneficiaries to receive the Bonus shall remain suspended from the moment of the sending of a letter of disciplinary notice (pursuant to and for the purposes of Article 7 of Law 300/70), and until the moment of receipt of the communication with which the relevant sanction has been imposed or the communication from the Company or another company of the Group that it does not intend to proceed with the imposition of any sanction.
- 13.5 Finally, it is understood that in the event of a transfer of the Relationship to another company of the Group and/or in the event of termination of the Relationship and simultaneous establishment of a new Relationship within the Group, the Beneficiary shall retain, *mutatis mutandis*, all the entitlements granted to him/her under the Regulations, provided that he/she maintains the conditions of eligibility for the plan set forth in point 4.1.

14. Tax regime

- 14.1 The Bonus granted to the Beneficiary under the Plan shall be subject to taxation in the cases and in the manner provided for by the reference legislation in force in each instance.

15. Confidentiality

- 15.1 The Plan, the Regulations and their attachments, as well as any news or information relating to them or contained therein, are strictly confidential, without prejudice to the Company’s disclosure and market communication obligations. In any event, the

Beneficiaries undertake not to disclose the Plan, the Regulations and their attachments to third parties, and to maintain the strictest confidentiality regarding any news or information relating to the same or contained therein.

16. Communications

16.1 All communications provided for by the present Regulations must be made, if addressed to the Company, by registered letter with return receipt addressed to the registered office of Biesse for the attention of the Human Resources Department or by registered letter with return receipt, with acknowledgement of receipt signed by the Company, delivered at the company's premises or, if addressed to the Beneficiaries, by registered letter with return receipt at the residence of each Beneficiary shown in the register or by registered letter with return receipt, with acknowledgement of receipt signed by the addressee, delivered to the Company's premises, or to a different address or fax number that the Company or the Beneficiaries may communicate to each other at a later date in accordance with the provisions of this Article, it being understood that the Company and the Beneficiaries shall also elect to be domiciled at the aforementioned addresses, or at different addresses that may be communicated in the future, for all purposes relating to the Regulations, including for any legal communications.

17. LTI 18 - 20

17.1 Notwithstanding the provisions of these Regulations, the LTI 18-20 shall remain in force until its expiry - scheduled for 30 June 2021 or upon the disbursement of the individual bonus (as defined in the relevant Regulations) to the last of the beneficiaries provided for therein - in order to allow its full implementation.

18. Applicable law and arbitration

18.1 The Plan and these Regulations are governed by Italian law.

18.2 Any dispute or controversy between the Company and the Beneficiary arising out of this Plan shall be referred to a Board of Arbitrators, which shall settle such dispute or controversy irrevocably and definitively within thirty days of acceptance of the assignment.

The Arbitration Board shall consist of three members, one appointed by each party and the third appointed by the other two. If within fifteen days of the communication by one of the parties to the other - by registered letter containing the subject of the dispute, the invitation to the procedure and the designation of its arbiter - the other party does

not proceed, in the same form, to designate its arbiter or if within fifteen days of the designation of the second arbiter the two arbiters have not chosen the third arbiter, the appointment of the arbiter or arbiters not designated will proceed, at the request of the party concerned, the Presiding Judge of the Court of Pesaro.

In any case, the Board of Arbitration, which shall have its location in Pesaro, shall also decide on the amount and payment of the legal costs.

The arbitrators shall decide the matter referred to them with the power to settle, without any procedural formalities that are not essential to the adversarial process and also fairly, and the award shall be binding on the Parties.