



**ORDINARY SHAREHOLDERS' MEETING**

**convened for 29 April 2021, in a single call**

*Explanatory report*

*as per art. 125-ter of Legislative Decree 58/1998*



**Point 5 on the items of the agenda**

*5. Approval of a shares compensation Plan in favour of all the employees, having as object the gratuitous assignment of SICIT's shares, and of the relevant Disclosure Document pursuant to article 114-bis of TUF and article 84-bis of the Issuers' Regulation ("Regolamento Emittenti").*

Dear Shareholders,

You have been convened to an Ordinary Shareholders' Meeting of SICIT Group S.p.A. ("**Company**" or "**SICIT**") to vote on a proposal to approve a plan for the free assignment of ordinary SICIT shares (respectively, "**Plan**" and "**Shares**") to employees of the Company and of SICIT Chemitech S.p.A. ("**Subsidiary**").

On 26 February 2021, the Company's Board of Directors passed a resolution to award an extraordinary bonus to all Employees, upon proposal by and with the favourable opinion of the Remuneration Committee. Subsequently, on 12 March 2021, again with the favourable opinion of the Remuneration Committee, the Board of Directors, resolved, pursuant to art. 114-bis of Legislative Decree 58/2008, as amended and supplemented ("**Consolidated Finance Act**" or "**TUF**"), to request approval from the shareholders for the Plan, which provides for the free assignment of Shares to all Employees, under the terms and conditions set out in the Plan and described in the Disclosure Document.

The Plan will be implemented by using the Company's Own Shares held in its portfolio at the date of the assignment of the relevant Shares covered by the Plan.

In light of the above, and pursuant to the provisions of arts. 114-bis and 125-ter TUF and art. 84-bis of the rules adopted by Consob with Resolution 11971/1999, as amended ("**Issuers' Regulation**"), the purpose of this Report is to provide an explanation of the characteristics of the Plan and the related proposal as set out in the agenda.

The disclosure document on the Plan ("**Disclosure Document**"), prepared in accordance with the provisions of art. 84-bis and Annex 3A, Schedule 7 of the Issuers' Regulation, will be made public as per law and will be made available on the Company's website ([www.sicitgroup.com](http://www.sicitgroup.com)), together with this Report, in the section "*Investor Relations / Shareholders' Meetings*" "*Investor Relations / Assemblee degli Azionisti*".

The Plan provides that each employee be granted the right to receive Shares from the Company free of charge. The Shares will be assigned, in a single package, on a date to be determined by the Board of Directors once the Plan has been approved by the Shareholders' Meeting, probably prior to the end of 2021 (the "**Assignment Date**").

On the Assignment Date each Employee will receive 100 Shares, irrespective of his/her position or rank and irrespective of whether any performance targets have been reached. Own Shares already held in the Company's portfolio will be used for the purposes of the Assignment.



It is estimated that, to date, 13,800 shares will be assigned, corresponding to approximately 4.3% of the Own Shares currently held by SICIT.

For more information on the structure and terms and conditions of the Plan, please refer to the Disclosure Document.

The Plan is aimed at all categories of employees (blue-collar workers, white-collar workers, middle managers or executives) who, on the Assignment Date, are bound to the Company or the Subsidiary by a permanent employment contract.

The Plan is aimed at giving a concrete sign of the Company's support and closeness to its employees and those of the Subsidiary, and to further highlight the constant attention given to enhancing its human resources, with a view to strengthening the long-term bond between the Group and its Employees.

It also seeks to make all employees feel part and protagonist of the Group, promoting the possibility of generating shared values with employee/Shareholders.

There are no restrictions on the transferability of the Assigned Shares, although there is a potential tax benefit for those Employees who keep the Shares for at least 36 months from the Assignment Date.

Lastly, taking into account the fact that the Company's Shares that are to be granted to the beneficiaries of the Plan are Company Own Shares, it should be noted that at the date of this Report SICIT holds 304,209 treasury shares, corresponding to 1.45% of the total number of its ordinary shares. These shares were acquired pursuant to the authorisation to purchase and dispose of treasury shares resolved upon in the Shareholders' Meetings of 1 March 2019 and 20 April 2020. A proposal for a similar authorisation is being submitted at the same Shareholders' Meeting called to approve the Plan.

### **Proposal of resolution**

In light of the above, the Board of Directors proposes that you pass the following resolution:

*"The Ordinary Shareholders' Meeting of SICIT Group S.p.A.,*

- *having acknowledged and approved the Disclosure Document prepared by the Board of Directors pursuant to art. 84-bis and Annex 3A, Schedule 7 of the Issuers' Regulations;*
- *having acknowledged and approved the Explanatory Report prepared by the Board of Directors pursuant to art. 125-ter of the Consolidated Finance Act;*
- *having acknowledged the proposal presented by the Board of Directors in the abovementioned Explanatory Report*

### **RESOLVES**

1. *to approve, pursuant to and for the purposes of art. 114-bis of Legislative Decree 58/1998, the Plan concerning the one-off free allocation of ordinary SICIT Group S.p.A shares to the employees of the*



- Company and/or SICIT Chemitech S.p.A., under the terms set out in the Disclosure Document, using for this purpose the Own Shares already available to the Company at the date of this Resolution;*
2. *to grant the Board of Directors all powers necessary and/or appropriate to implement the Plan, in accordance with the provisions thereof and described in the Disclosure Document, including the right to sub-delegate and, in particular (by way of example only), all powers to (i) approve the rules of the Plan, if any; (ii) identify the Employees to whom the Shares are to be allocated pursuant to the Plan; (iii) determine in detail the terms and conditions of the Assignment of the Shares to the employees and to proceed with the related Assignment; (iv) perform any action, obligation, formality, communication necessary or appropriate for the purposes of managing and/or implementing the Plan; and (v) make any amendments or additions to the rules of the Plan and to the terms and conditions set out in the Disclosure Document that may be necessary in the event of changes to applicable legislation or extraordinary events that may affect the Plan."*

Chiampo (VI), 12 March 2021

For the Board of Directors  
The Chairman  
Giuseppe Valter Peretti