

ORDINARY SHAREHOLDERS' MEETING

DIRECTORS' REPORT

6) Request for authorisation for the purchase and disposal of treasury shares.

Dear Shareholders,

you have been called to this ordinary meeting to discuss and resolve on the proposal for authorisation of purchase and disposal of treasury shares, for the purposes and under the terms indicated below.

Firstly, it should be noted that authorisation for the purchase and disposal of treasury shares approved by the Shareholder's Meeting on 16 May 2019 will expire with approval of the 2019 financial statements by the annual Shareholders' Meeting.

1. Reasons behind the authorisation request

The Board of Directors has determined to resubmit to the Shareholders' Meeting the authorisation for the purchase and disposal of treasury shares as it considers this power a tool allowing management and strategic flexibility, which the Directors, in compliance with legislative and regulatory provisions, must continue to have available to them, despite the current context of uncertainty and following prior evaluation of compatibility of the individual buyback programme in relation to the equity and financial stability of the Group connected to development of the economic scenarios deriving from the Covid-19 emergency, in order to pursue the following goals:

- fulfil the obligations arising from any stock option programs or other allocations of the Company's shares to employees or members of the Boards of Directors and Statutory Auditors of ASTM S.p.A. or of associated companies, as well as to fulfil any obligations arising from debt instruments convertible into or exchangeable with equity instruments;
- acquire a portfolio of treasury shares to have at their disposal in the context of any extraordinary operations, including the exchange of shares, with other parties as part of the

operations of interest to the Company (so-called "treasury stock") or for other uses considered of financial, operational and/or strategic interest for the Company;

- operate on the market, in compliance with the provisions in force, with a view to investing or otherwise seizing opportunities to maximize the value of the stock that may result from market fluctuations;
- offer shareholders an additional means of monetizing their investment.

With particular reference to the authorisation request for sale of treasury shares, it is noted that currently this request is not pre-established for operations to reduce the share capital through cancellation of purchased treasury shares.

2. Indication of the maximum number of shares for which the authorisation is requested

The share capital subscribed and paid up by the Company is represented by 140,514,895 ordinary shares, without a nominal value, for a total value of EUR 70,257,447.50.

As of today, the Company holds a total of 10,741,948 treasury shares in the portfolio (around 7.6447% of the share capital), of which 8,571,040 directly and 21,500 shares indirectly through the subsidiary ATIVA S.p.A. and 2,149,408 through the subsidiary SINA S.p.A..

Considering the above, it is proposed to authorise the Board of Directors to purchase treasury shares of the Company, on one or more occasions, of a quantity freely determined by the Board, up to a maximum of 21,000,000 ordinary shares (around 15% of the share capital), taking into account the treasury shares held directly by the Company and any held by subsidiaries of the Company.

Purchases will be made, in observance of the provisions of Article 2357, paragraph 1 of the Italian Civil Code, within the limits of profits available and available reserves on the basis of the last approved financial statements.

3. Useful information for assessment of compliance with the provisions of Article 2357, paragraph 3 of the Italian Civil Code

The number of shares for which authorisation is requested cannot in any case exceed one fifth of the share capital, taking into account any shares that may be acquired by subsidiaries.

Subsidiaries shall be given specific provisions for the prompt communication of any purchase of shares pursuant to Art. 2359-bis of the Italian Civil Code, as well as any sales.

4. Duration of requested authorisation

The authorisation to purchase treasury shares is requested until approval of the financial statements at 31 December 2020 and, in any case, for a maximum period of 18 months from the date on which the Shareholders' Meeting adopts the corresponding resolution, whilst the duration of the authorisation for disposal of treasury shares is requested without time limit. The Board of Directors may proceed with authorised transactions on one or more occasions and at any time.

5. Minimum and maximum fee

The purchase price of the shares shall be identified case by case, having regard to the set procedures for the transaction and in compliance with any statutory or regulatory requirements, as well as accepted market practices. In any case, the purchase price shall not be more than 10% below, at the minimum, and not be more than 10% above, at the maximum, the reference price recorded on the trading day prior to each single purchase transaction or the date on which the price is fixed and, in any case, where purchases are carried out on the regulated market, the price cannot be greater than the highest between the price of the last independent transaction and the highest current independent purchase offer price on the same market, in accordance with the provisions of Article 3 of Commission Delegated Regulation (EU) 2016/1052.

For disposal and/or use of the treasury shares, the Board will establish criteria for determination of price and/or methods, terms and conditions of use of treasury shares in the portfolio on a case-by-case basis, considering the actual methods to be used, along with the trend in prices of the shares in the period prior to the transaction and the best interests of the Company, and in any case in compliance with legislative and regulatory provisions and accepted practices and also with reference to treasury shares in the portfolio at the date of the relative resolution.

6. Methods for purchase and sale of treasury shares

Considering the various possible aims underlying treasury-share transactions, the Board of Directors proposes that the authorisation is given for performance of sales via any of the methods permitted by law and regulations, as well as by accepted market practices, to be identified on one or more occasions by the Board of Directors and, therefore, currently including:

- via takeover or swap bid;
- via purchases performed on regulated markets according to the operating methods established by Borsa Italiana S.p.A. and with the characteristics detailed in Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;
- via purchase and sale of derivatives traded on regulated markets that require the physical handover of the underlying shares and on condition that the market-management regulations establish methods for purchase and sale of the aforementioned instruments aligned with the provisions of Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;
- via proportional assignment to shareholders of sell options to be used within the term of the authorisation described in paragraph 4 above.

In relation to disposal transactions, the Board of Directors proposes that the authorisation allows adoption of any methods that are appropriate for achieving the relative objective, whether occurring directly or via intermediaries, in compliance with applicable laws and regulations at a national and EU level. Specifically, disposal of treasury shares may occur in one or more transactions and at any moment, also with a takeover bid, relative to shareholders, on the market or in the context of any special operations. Shares may also be sold via combination with bonds or warrants for their exercise and, in any case, according to the methods permitted by applicable laws and regulations, at the discretion of the Board of Directors.

The purchase and disposal transactions for treasury shares for which authorisation is requested shall be performed in compliance with applicable laws and, specifically, in compliance with national and EU legislation and regulations, also regarding market abuse.

Purchase and disposal transactions for treasury shares shall be the subject of appropriate

notices in compliance with applicable disclosure obligations.

7. Annulment of purchased treasury shares

The purchase of treasury shares is not aiming to the reduction of share capital by annulment of the purchased treasury shares.

With respect to the above, you are therefore invited to approve the following proposal:

"The Ordinary Shareholders' Meeting of ASTM S.p.A.,

- *having acknowledged the contents of the "Directors' Report" and the proposals contained therein,*

RESOLVES

- 1) *to authorise the Board of Directors to purchase treasury shares, without a nominal value, up to a maximum of 21,000,000 ordinary shares, corresponding to around 15% of the current share capital of the Company, taking into account the treasury shares held directly by the Company and any held by subsidiaries of the Company, and establishing that:*
 - a) *purchases may be made on one or more occasions up to the date of the shareholders' meeting for approval of the 2020 financial statements and in any case for a maximum period of 18 months from the date of this resolution;*
 - b) *the purchases may be made via any of the methods permitted by applicable laws and regulations, as well as accepted market practices, to be identified on a case-by-case basis by the Board of Directors and, therefore, currently including:*
 - (i) *via takeover or swap bid*
 - (ii) *via purchases performed on regulated markets according to the operating methods established by Borsa Italiana S.p.A. and with the characteristics detailed in Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;*
 - (iii) *via purchase and sale of derivatives traded on regulated markets that require the physical handover of the underlying shares and on condition that the market-management regulations establish methods for purchase and sale of the*

aforementioned instruments aligned with the provisions of Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;

(iv) via proportional assignment to shareholders of sell options to be used within the term of the authorisation described in letter a) above;

c) purchase and sale transactions for treasury shares shall be the subject of appropriate notices in compliance with disclosure obligations defined by applicable legislation;

d) the purchase price of the shares shall be identified case by case, having regard to the set procedures for the transaction and in compliance with any statutory or regulatory requirements, as well as accepted market practices. In any case, the purchase price shall not be more than 10% below, at the minimum, and not be more than 10% above, at the maximum, the reference price recorded on the trading day prior to each single purchase transaction or the date on which the price is fixed and, in any case, where purchases are carried out on the regulated market, the price cannot be greater than the highest between the price of the last independent transaction and the highest current independent purchase offer price on the same market, in accordance with the provisions of Article 3 of Commission Delegated Regulation (EU) 2016/1052.

e) purchases shall be made using available profits and available reserves on the basis of the last approved financial statements at the moment of the transaction, proceeding with the necessary accounting records with the methods and limits defined by law;

2) to authorise the Board of Directors for disposal, of all or part, both directly and via intermediaries, without time limits, of the treasury shares purchased pursuant to the resolution detailed under point 1), also before having fully exercised the authorisation for purchase of treasury shares, with the broadest powers to establish the criteria for determination of price and/or methods, terms and conditions of the use of treasury shares in the portfolio, considering the actual methods to be used, as well as the trend in the price of the shares in the period prior to the transaction and the best interests of the Company, in any case in compliance with the provisions of law and regulations and accepted practices.

Disposal of treasury shares may occur with one or more transactions and at any moment, also with a takeover bid, relative to shareholders, on the market or in the context of any special

operations. Shares may also be sold via combination with bonds or warrants for their exercise and, in any case, according to the methods permitted by applicable laws and regulations, at the discretion of the Board of Directors.

- 3) to give the Board of Directors, and the Managing Director as its representative, the broadest powers to perform, pursuant to Article 2357-ter, paragraph 3 of the Italian Civil Code, all accounting actions required or appropriate in relation to transactions on treasury shares, in observance of the provisions of applicable laws and accounting standards;*
- 4) to give the Board of Directors, and the Managing Director as its representative, the broadest powers for the purchase, sale, use or adoption of treasury shares, also via successive transactions, and in any case to implement the preceding resolutions, also via attorneys, in compliance with any requests from competent authorities."*