

PRICING AND ALLOCATION POLICY

This summary policy document describes the principles that Intermonte SIM S.p.A. (hereinafter “**Intermonte**”) will follow in managing the process of pricing (the “**Pricing**”) and allocation (the “**Allocation**”) in the context of providing the services of placing of financial instruments for its clients (issuer or selling shareholders) (the “**Client**”).

By providing this document, Intermonte informs the Client about:

- the main organizational procedures and arrangements implemented by Intermonte to manage the conflicts of interest which may occur in providing placing services;
- the Allocation criteria applied during the placement of the financial instruments;
- the phases of the process related to the recommendations provided to the Client about the Pricing and Allocation;
- the estimated time related to each phase of the process concerning the Pricing and the recommendations provided to the Client about the Allocation.

This document is agreed with the other members of the syndicate (if any).

Main organizational procedures and arrangements implemented by Intermonte to manage the conflicts of interest which may occur in providing placing services

The placing services involve a conflict of interests when Intermonte supports the Client in the allocation of financial instruments because Intermonte may act in its own interests and/or in other entities belonging to the same group’s interest and/or in investors’ interests and not in the real interest of the Client.

In order to manage the conflicts of interest which may occur towards the Client in the Pricing and Allocation process, Intermonte has an internal organizational and procedural structure which foresees:

- the management of the Pricing and Allocation process in accordance with specific procedures which include, inter alia, the record-keeping of the Allocation process, also through specific IT instruments;
- in relation to the placing activity, the prohibition of accepting any third-party payments or benefits (including from the investors) unless such payments or benefits comply with law and regulation in force.

Pricing of the offering

The pricing of the offering of financial instruments, in line with market practice, and except for certain transactions (e.g. rights issues with pre-emptive right), is determined through a bookbuilding process which takes into account the quality and the quantity of the orders received from the investors.

During all the phases of the offering Intermonte will be in contacts with issuer / shareholder clients, providing them with book details, with evidence of the different price levels, and requesting opinions or instructions in this regard whenever it deems it appropriate.

The Intermonte department which provides recommendations to the Client for the Pricing definition is the Investment Banking Division.

Allocation criteria for the offering

In the Allocation process, Intermonte takes into account the following aspects: _____

- preferences indicated by the Client for specific investors (investor type, investor reference geography, etc.), taking into account the applicable selling restrictions;
- features of the order (price level, price limits, timing, size, potential real interest, etc.);
- features of the investor (tier, investment horizon, size, relative importance of the investment in the portfolio, knowledge of the sector, behavior in previous offering also in the aftermarket, etc.);
- attendance and commitment of investors in the various stages of the process to the extent applicable to the placement (e.g. early look, pilot fishing, pre-marketing, market sounding, roadshow);
- “free float” or similar requirements of the relevant listing, trading or indexation regime (where applicable);
- other aspects: features of the offering, inputs of the sales division to the extent permitted by law and regulation and Intermonte’s internal procedures, further specific Client’s requests and needs.

Without prejudice to the above, in order to ensure that the Allocation process is carried out in the interest of the Client, it is forbidden:

- favoring in an unjustified manner some investors with the exclusive goal of maintaining or developing business relationships with such investors;
- allocating only with the purpose to incentivize the payment of disproportionately high fees for unrelated services provided by Intermonte (“laddering”), such as disproportionately high fees or commissions paid by an investors or disproportionately high volumes of business at normal levels of commissions provided by the investor as a compensation for receiving an allocation of the offering;
- allocating to a senior executive or a corporate officer of an existing or potential issuer client, in consideration for the future or past award of corporate finance business (‘spinning’);
- making an allocation that is expressly or implicitly conditional on the receipt of future orders or the purchase of any other service from Intermonte by an investor, or any entity of which the investor is a corporate officer;
- favoring in an unjustified manner the proprietary trading desk of Intermonte or of other entities of the Intermonte group.

In the event of transactions carried out with a syndicate, the Allocation criteria are agreed with the other syndicate members.

Phases of the process related to the recommendations provided to the Client about the Allocation

The Allocation process implemented by Intermonte requires an ongoing discussion with the Client during the process.

In particular, the preparation of the Allocation recommendations foresees (in case of a syndicate the process involves the other syndicate members):

- a preliminary discussion with the Client regarding its objectives in connection with the offering;
- further discussions with the Client, regarding the evolution of the offering and the evolution of the bookbuilding;
- a “draft allocation” made after closing the books taking into account the Allocation criteria;
- the submission of the “draft allocation” to the Client for its review and approval which, in case of Client’s agreement, is considered final, except for the cases in which changes are needed (e.g. requests for cancellation of orders or reduction of order quantities given by investors before the completion of the settlement);
- communication to the investors of their final respective allocation.

Estimated time related to each phase of the process concerning the Pricing and the recommendations provided to the Client about the Allocation

The Pricing and Allocation process, including the relevant timing, is discussed with the Client starting from the early stages of the transaction. Intermonte keeps the Client updated and discuss with the Client all the relevant aspects during all phases of the process.

Intermonte keeps also the Client informed and updated on the strategy of hedging activities (if any) and on the strategy of stabilization activities (if any).