

REPORT BY THE BOARD OF DIRECTORS OF PRYSMIAN S.P.A. (“*PRYSMIAN*” OR THE “*COMPANY*”) TO VOTE, AS ITEM NUMBER TWO OF THE AGENDA OF THE EXTRAORDINARY SESSION OF THE SHAREHOLDERS’ MEETING SCHEDULED ON 12 APRIL 2022 (THE “*SHAREHOLDERS’ MEETING*”), THE PROPOSAL TO AMEND THE SHARE CAPITAL, PURSUANT TO ART. 125-TER OF ITALIAN LEGISLATIVE DECREE 58/98, AS AMENDED AND UPDATED, AND ARTICLE 72 OF THE CONSOB REGULATION NO. 11971/99, AS AMENDED AND UPDATED, DRAWN UP IN ACCORDANCE WITH APPENDIX 3A TO THE SAME CONSOB REGULATION.

- 2. Proposal for a free share capital increase, to be reserved for employees of the Prysmian Group in execution of a stock grant plan submitted to the approval of today's Ordinary Shareholders' Meeting, for a maximum nominal amount of Euro 300,000.00, by means of assignment to pursuant to art. 2349 of the Italian Civil Code, of a corresponding amount withdrawn from profits or from profit reserves, with the issue of no more than no. 3,000,000 of ordinary shares with a par value of Euro 0.10 each. Contextual amendment of Article 6 of the Articles of Association. Related resolutions.**

The Board of Directors on 1st March 2022 deliberated to submit to the ordinary Shareholders' Meeting the approval of a stock grant plan reserved for employees of Prysmian and of Prysmian Group's companies not involved in current individual incentive schemes (the "Plan"), described in the information document prepared in accordance with Art. 84-bis of the regulation adopted by Consob with Resolution No. 11971 of 14 May 1999, as subsequently modified, made available to the Shareholders for review of point six of the agenda of the ordinary session of the Shareholders' Meeting.

The information document, which we ask you to review for more information on the Plan, lists the criteria for identifying the recipients and the features of the Plan and describes, in detail, the basic reasons for its adoption.

The Plan envisages the granting to the recipients, free-of-charge, of ordinary shares of the Company, under the conditions of the Plan itself and described in the above-mentioned information document. These shares could be composed of newly issued shares resulting from increase in capital, by either of profit or of profit reserves under art. 2349 of the Italian Civil Code, to which treasury shares owned by the Company may be added.

In order to guarantee a sufficient supply of shares serving the Plan, the Board intends to submit to you the proposal to increase the share capital, free-of-charge, for a maximum amount of Euro 300,000, through the allotment, under art. 2349 of the Italian Civil Code, of an equivalent maximum amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", with the issue of up to no. 3,000,000 ordinary shares (equal to about the 1.1% of the current registered share capital) with a nominal value of Euro 0.10 each, to be offered to the employees of Prysmian Group.

We remind that, according to art. 23 of the Articles of Association: *"The Shareholders' Meeting may also resolve, in accordance with art. 2349 of the Italian Civil Code, an extraordinary allocation of profits by issuing bonus shares for a nominal amount corresponding to such profits"*.

1. Reasons and assignment of the Increase in Capital

The Board of Directors considers that the Plan constitutes an instrument capable of involving a high number of employees in Prysmian and in other Prysmian Group's companies, providing an innovative tool that enriches the remuneration structure of the employees who will be involved. This Plan also has the objective of contributing to the development of a culture of trust in the growth of the value of the Prysmian Group, by promoting the identification and the sense of belonging of the employees involved, with significant effects in terms of loyalty and retention.

These purposes justify the exclusion of the option's right in favour of the shareholders.

The Plan develops over a period, considered consistent with the aforementioned purposes, of three years and, therefore, from the current year, if the Plan is approved by the Shareholders' Meeting, until 2024.

The increase in the share capital is placed at the exclusive service of the Plan and is therefore solely intended for the employees of Prysmian S.p.A. and of Italian and foreign Prysmian Group's companies, in accordance with Article 2359 of the Italian Civil Code, not involved in current individual incentive schemes.

The shares can be issued also in several tranches over the lifetime of the resolution to increase the capital described, to the final date of 31 December 2026.

2. Features of the Shares

The shares of the Company that can be awarded to the beneficiaries of the Plan, will have the same rights as the currently outstanding ordinary shares of the Company and will therefore have the coupons in effect on that date.

3. Statutory modification as a result of the resolution proposing the capital increase

The operation described entails a modification of Article 6 of the Articles of Association in order to acknowledge the resolution of increase in the share capital.

In particular, a new paragraph will be added to Article 6 of the Articles of Association which states:

"The Extraordinary Shareholders' Meeting dated 12 April 2022 resolved to increase the share capital for a maximum amount of Euro 300,00.00, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", with the issue of up to no. 3,000,000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group's companies, beneficiaries of the stock grant plan approved by the Ordinary Shareholders' Meeting of 12 April 2022, and to be carried out by the final date of 31 December 2026".

Here below is the current text of Article 6 of the Articles of Association, compared with the text submitted for the approval of the Extraordinary Shareholders' Meeting, noted that the comparison also shows, as far as necessary, the elimination of the current second paragraph of Article 6 relating to an authorisation by the Shareholders' Meeting to increase the share capital to service the conversion of the bond called "Prysmian S.p.A. €500,000,000 Zero Coupon Equity Linked Bonds due 2022", which will be notified at the same time to the Register of Enterprises, since the period in which those entitled to request the conversion of the bonds held into shares has expired and the Shareholders' Meeting's authorisation to increase the share capital has not been executed, given the lack of requests for conversion.

Article 6 – Capital and shares (current text)	Article 6 – Capital and shares (modified text)
The authorised and paid-up share capital is equal to €26,814,424.60 (twenty-six million eight hundred fourteen thousand four hundred twenty-four point sixty) divided into 268,144,246 (two hundred sixty-eight million one hundred forty-four thousand two hundred forty-six) ordinary shares, with a par value of €0.10 (Euro zero point ten) each and may be increased in accordance with applicable laws, following a resolution by the Shareholders' Meeting	[unchanged text]

The Extraordinary Shareholders' Meeting held on 12 April 2017 resolved to increase the share capital against cash contributions, in installments, with exclusion of the option right pursuant to art. 2441, par. 5 of the Italian Civil Code, for a maximum nominal value of euro 1,457,942.70, to be paid in one or more installments through the issue of a maximum of 14,579,427 Company's ordinary shares having the same characteristics as the outstanding ordinary shares, to be reserved exclusively and irrevocably for the conversion of the "Prysmian S.p.A. €500,000,000 Zero Coupon Equity Linked Bonds due 2022" Bond, without prejudice to the fact that the subscription deadline for the newly issued shares is 17 January 2022 and, if on that date the capital increase is not entirely subscribed, it shall be considered as increased by an amount equal to the subscriptions collected.

The Extraordinary Shareholders' Meeting dated 28 April 2020 resolved to increase the share capital for a maximum amount of Euro 1,100,000.00, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", with the issue of up to no. 11.000.000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group's companies, beneficiaries of the incentive plan approved by the Ordinary Shareholders' Meeting of 28 April 2020, and to be carried out by the final date of 31 December 2024.

The Extraordinary Shareholders' Meeting held on 28 April 2021 resolved to increase the share capital against cash contributions, indivisible way, with exclusion of the option right pursuant to art. 2441, par. 5 of the Italian Civil Code, for a maximum nominal value of euro 1,864,025.50, to be paid in one or more tranches through the issue of a maximum of 18,640,255 Company's ordinary shares having the same characteristics as the outstanding ordinary shares, to be reserved exclusively and irrevocably for the conversion of the Bond, called "Prysmian S.p.A. Euro 750 million Equity Linked Bonds due 2026", without prejudice to the fact that the subscription deadline for the newly issued shares is 2 February 2026 and, if on that date the capital increase is not entirely subscribed, it shall be considered as increased by an amount equal to the subscriptions collected.

~~The Extraordinary Shareholders' Meeting held on 12 April 2017 resolved to increase the share capital against cash contributions, in installments, with exclusion of the option right pursuant to art. 2441, par. 5 of the Italian Civil Code, for a maximum nominal value of euro 1,457,942.70, to be paid in one or more installments through the issue of a maximum of 14,579,427 Company's ordinary shares having the same characteristics as the outstanding ordinary shares, to be reserved exclusively and irrevocably for the conversion of the "Prysmian S.p.A. €500,000,000 Zero Coupon Equity Linked Bonds due 2022" Bond, without prejudice to the fact that the subscription deadline for the newly issued shares is 17 January 2022 and, if on that date the capital increase is not entirely subscribed, it shall be considered as increased by an amount equal to the subscriptions made.~~

[text subject to amendments by the Shareholders' Meeting in extraordinary session, in the context of another item on the agenda]

[unchanged text]

<p>In the resolutions passed for to increase the share capital by issuing share for cash, the option right may be excluded up to a maximum of 10% of the previously existing share capital, provided the issue price corresponds to the shares' market value and this is confirmed in a specific report from the firm appointed for the statutory audit of accounts.</p>	<p>The Extraordinary Shareholders' Meeting dated 12 April 2022 resolved to increase the share capital for a maximum amount of Euro 300,00.00, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", with the issue of up to no. 3,000,000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group's companies, beneficiaries of the stock grant plan approved by the Ordinary Shareholders' Meeting of 12 April 2022, and to be carried out by the final date of 31 December 2026.</p> <p>[unchanged text]</p>
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The modifications shown do not imply a withdrawal pursuant to Art. 2437 Italian Civil Code.

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In connection with the above, the following resolution is submitted for the approval of the Shareholders' Meeting in extraordinary session:

"The Shareholders' Meeting in extraordinary session of Prysmian S.p.A., having reviewed the Directors' Report,

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- 1) ***to increase the share capital to increase the share capital for a maximum amount of Euro 300,000.00, also in several tranches, with the issue of up to no. 3.000.000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", to the employees of Prysmian S.p.A. and of Prysmian Group's companies, beneficiaries of the stock grant plan approved by the Ordinary Shareholders' Meeting of 12 April 2022, and to be carried out by the final date of 31 December 2026;***
- 2) ***to modify Article 6 of the Articles of Association by adding the following penultimate paragraph "The Extraordinary Shareholders' Meeting dated 12 April 2022 resolved to increase the share capital for a maximum amount of Euro 300,000.00, through the allotment under art. 2349 of the Italian Civil Code, of an equivalent amount deriving from the "Reserve for share issue as per article 2349 of the Civil Code", with the issue of up to no. 3.000.000 ordinary shares with a nominal value of Euro 0.10 each, to be offered free of charge to the employees of Prysmian S.p.A. and of Prysmian Group's companies, beneficiaries of the stock grant plan approved by the Ordinary Shareholders' Meeting of 12 April 2022, and to be carried out by the final date of 31 December 2026";***

- 3) *to grant the Board of Directors, and on its behalf severally the Chairman and the Managing Director pro tempore in charge, the authority to implement the above resolutions, including:*
- (i) *the power to update Article 6 of the Articles of Association, in the section relative to the amount of the share capital and the number of shares that form it, with respect to the total or partial subscription of the increase in capital, thereby also filing such updates with the Companies' Register;*
 - (ii) *the power to carry out any activity, to prepare, submit, sign any document, or deed, requested, necessary or appropriate for the purpose of executing the deliberated share capital increase and performing every preparatory, ancillary, instrumental and consequent activity, with separate delegation to the legal representatives pro tempore for every and any activity not reserved by the law or internal regulations to the collegial body;*
 - (iii) *the power to perform any act necessary or opportune for the execution of the resolution, also granting separate delegation to the legal representatives pro tempore to introduce the changes allowed or requested for registration in the Companies' Register;*
- 4) *to approve that, if the increase of the deliberated capital was not totally underwritten by the final date of 31 December 2026, the share capital is intended in any case increased for an amount equal to the subscriptions collected”.*

Milan, 15 March 2022

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