



2018 ITALY BENEFITS SUMMARY

Employees are eligible for most benefits programs on the first day of employment.

Holidays: Employees are entitled to be paid for the national bank holidays as well as certain local municipal bank holidays.

Vacation: Employees (quadri & impiegati) are entitled to a minimum of 22 days of vacation (prorated new hires) and 88 hours of permissions as from the 5th year of employment (1st & 2nd year 32 hours, 3rd & 4th year 60 hours), while managers (dirigenti) are entitled to 30 days of vacation (prorated new hires) and 32 hours of permissions per year (for a full time employment).

Retirement: Employees (quadri & impiegati) have the possibility to join the complementary pension fund Fon.te. The optional employee contribution of 0,55% will be matched by an additional employer contribution of 1,55%. For dirigenti the NCA grants private pension benefits through the funds Mario Negri.

Healthcare insurance: In case of hospitalization, the insurance company refunds the expenses supplied according to insurance terms, maximum rates and supplied rates. Additional services, such as pre and post hospitalization fees, clinic transfer, oncology therapies, visits and exams by a specialist, dental costs ...are paid back up to a certain max. The premium for the employee is paid for by the company. Additional cover for the relatives is possible and paid for by the employee. The premium paid by the employer does not constitute a taxable benefit up to a maximum amount of 3.615,20 as it is provided by an institute authorized by the decree of Minister of Health (Cassa di Assistenza AreaSalus). This threshold is build up both by the annual policy premium and by the premium required by funds such as FASDAC/QUAS.

Illness or short term disability: This is covered through the National Collective Bargaining Agreement of the trade sector. Where an employee's absence from work for reasons of illness or injury is justified and they provide evidence of the illness or injury, they will not lose any rights.

- Managers (dirigenti) are paid 100% of the regular salary by the employer the first 12 months.
- Employees (quadri & impiegati) are entitled to the following payouts:
 - from day 4 to day 20, the employee has the right to an indemnity of 50% of daily normal salary;
 - from day 21, the employee has the right to an indemnity of 66% of his/her normal salary.

This indemnity is charged to the National Social Security Institute (INPS) and simply advanced by the employer.

The employer shall increase the INPS's treatments, if any, up to:

- 100% of salary from 1st to 3rd day of sickness;
- 75% of salary from 4th to 20th day of sickness;
- 100% of salary from the 21st day on.

Permanent disability or death:

- **National Security:** For total disability, the disability pension calculation uses projected or current accrued retirement benefits depending on the disability %. In case of death, INPS pays widow and/or orphan pensions.
- **Accident insurance:** The policy covers permanent disability arising out of occupational and non-occupational accidents and accidental death (24 hours coverage).
 - Quadri & Impiegati:
 - Lump sum of 4 times salary payable in the event of accidental death (max 750.000€)
 - Lump sum of 5 times salary payable in the event of accidental permanent disability (max 750.000€)
 - Dirigenti:
 - Lump sum of 5 times salary payable in the event of accidental death (max 2.900.000€)
 - Lump sum of 6 times salary payable in the event of accidental permanent disability (max 2.900.000€)
 - The premium is paid 100% by the employer
- **Illness insurance:** The policy covers permanent disability due to illness.
 - Quadri & Impiegati:
 - Lump sum of 2 times annual gross salary (max 619.749€)
 - Dirigenti:
 - Lump sum of 2 times annual gross salary (max 650.000€)
 - The premium is paid 100% by the employer and considered as a benefit in kind.

Worldwide accident insurance (ACE): Applicable in case an accident occurs during a business trip:

- Lump sum of 3x salary payable in the event of accidental death (limit 1,000,000\$)
- Lump sum between 25% & 100% of the compensation paid out in case of accidental death in the event of disability (% depends on type of disability)

This insurance is paid for 100% by the employer.

Company car: The employees with a salary grade 15 and above are eligible to a company car. Sales employees in the following positions are eligible as well: field application engineers, field sales engineers, field application system engineers, sales account managers, global account managers, sales directors and VP sales. The lease budget is available in the EMEA car policy.

Fuel Card: Employees with a company car are entitled to a DKV fuel card. The DKV fuel card can only be used in Italy and the surrounding countries.

Restricted Stock Units (RSU's): A stock grant is a promise to award actual stock at some point in the future, subject to certain requirements (time restrictions). There is no purchase involved. Only exempt salaried employees are eligible (salary grade 12 and above).

Bonus: New employees (non-sales) as of grade 11 are eligible to the corporate bonus program. The target payout is a % of the base salary and linked to the pay grade.

Supplementary Salary: The salary is paid in 14 installments. The 13th installment is paid in December and the 14th installment is paid in June. The supplementary salary corresponds to a monthly salary paid during the year.

Meal vouchers: Employees receive a meal voucher per worked day for a total value of 9€/voucher. The employee pays tax and social security (for the amount > 5,29€).