

**Prospectus for the stock grant plan 2016-2018 for
Top Management of the Saras Group**

(prepared in accordance with art. 84-bis of the Consob Issuer Regulations
approved by Resolution 1971 on 14 May 1999, as subsequently amended and
supplemented)

Milan, 22 March 2016

Definitions

The terms used in this information prospectus (“Prospectus”) have the following meanings:

“Allocation”	The allocation of Rights approved by the Board of Directors to each Beneficiary.
“Allotment”	The calculation, subject to verification that the Performance Targets have been achieved, of the number of Shares that each Beneficiary will receive, as approved by the Board of Directors at the end of the Performance Period.
“Shares”	The Company’s ordinary shares listed on the Italian MTA (electronic stock market) organised and managed by Borsa Italiana SpA.
“Beneficiaries”	The recipients of the Plan, pursuant to paragraph 1 of the Prospectus, as identified by the Board of Directors, the Executive Vice President, and the General Manager.
“Change of Control”	A change in control of the Company pursuant to current legislation.
“Delivery”	Shares delivered to each Beneficiary of the Plan following Allotment by the Board of Directors at the end of the Performance Period.
“Remuneration and Nomination Committee”	The Committee of Saras set up within the Board of Directors pursuant to article 6 of the Corporate Governance Code adopted by Borsa Italiana SpA.
“Board of Directors”	The Board of Directors of the Company.
“Rights”	The rights allocated to the Beneficiaries entitling them to receive free Shares at the end of the Performance Period based on the attainment of the Performance Targets.
“EMC Benchmark Margin”	The EMC Benchmark Margin is an indicator of operational capacity, calculated with respect

to the benchmark margin produced by EMC (Energy Market Consultants). The indicator is a refining margin after the variable costs, which reflects the blend of the crude oils processed and Saras' benchmark market prices.

“Performance Targets”	The targets of the Plan, the achievement of which will determine the number of Shares that will be allocated to each Beneficiary at the end of the Performance Period.
“Lock-up Period”	The window of time, after the allotment of the Shares, during which the Beneficiaries may not dispose of the allotted shares.
“Performance Period”	The three-year period from 2016 through 2018 over which the attainment of the Performance Targets will be assessed.
“Plan”	The Stock Grant Plan 2016/2018 based on financial instruments and reserved for the <i>top management</i> of Saras SpA and of its Italian and foreign subsidiaries pursuant to art. 2359 of the civil code. (hereafter the “Saras Group”).
“Relationship”	The employment and/or collaboration and/or management relationship existing between the Beneficiary and the Company or one of its Subsidiaries.
“Plan Regulations”	The regulations specifying the dates and terms of implementation of the Plan, together with any changes thereto, as approved by the Board of Directors.
“Company”	Saras SpA, with registered office in Sarroch 09018 (CA), SS 195 Sulcitana Km 19.
“Subsidiaries”	The Italian and/or foreign companies controlled by the Company pursuant to Article 2359 Italian Civil Code.

“Total Shareholder Return (TSR)”

Indicator which measures the overall return of the equity investment in a specific time interval, calculated as the change of the value of the share, taking into account the net dividend disbursed in said period and considering that they are immediately reinvested in shares.

Introduction

The Prospectus has been prepared pursuant to Article 84-*bis* of the Issuer Regulations, and its paragraphs numbered, in line with the instructions contained in Schedule 7 of Appendix 3A of the Issuer Regulations, for the purpose of providing the Annual General Meeting of Shareholders with the information required to vote on the approval of the Plan for the Saras Group's Top Management.

The AGM called upon to vote on the Plan was convened on 22 April 2016, by way of a notice from the Board of Directors dated 14 March 2016.

The Plan is to be regarded being “of particular significance” as set out by art. 114-*bis*, paragraph 3 of the TUF and art. 84-*bis*, paragraph 2, sub-paragraphs a) and b) of the Issuer Regulations.

This Prospectus is available to the public at the registered office of Saras SpA and on the Company's website www.saras.com.

As required by law, the Prospectus will also be sent to Consob and Borsa Italiana.

1. Intended recipients

1.1 *Names of the recipients who are members of the Board of Directors or the management board of the issuer of the financial instruments, of the companies controlling the issuer and of the companies directly or indirectly controlled by the issuer.*

The only recipient of the Plan who is also a member of the Company's Board of Directors is Dario Scaffardi. Moreover, Mr. Scaffardi benefits from the Plan solely in his capacity as General Manager of the Company, the Company's directors not being included among the intended recipients of the Plan.

The other plan beneficiaries will be identified by name subsequent to the approval of the Plan by the Shareholder Meeting. The names of the Beneficiaries and the other information specified by paragraph 1 of Schedule 7 of Appendix 3A of the Issuer Regulations shall be provided pursuant to art. 84-*bis*, para. 5 A) of the Issuer Regulations.

1.2 *Categories of employees who are recipients of the Plan or people working for the issuer of the financial instruments and the controlling shareholders or subsidiaries of said issuer.*

Potential Beneficiaries of the Plan include persons in the following categories:

- Senior personnel with strategic responsibility
- Other top managers in the Group, including those with a self-employment contract.

1.3 *Names of the recipients of the Plan belonging to the groups specified in 1.3, a), b), c) of Appendix 3A, Schedule 7, of the Issuer Regulations.*

The General Manager, Dario Scaffardi, is a Beneficiary of the Plan

The names of the other Beneficiaries who might fall within the groups specified in paragraph 1.3, a), b), c) of Appendix 3A, Schedule 7 of the Issuer Regulations shall be provided subsequently pursuant to art. 84-bis, para. 5 a) of the Issuer Regulations.

1.4 *Description and numbering of the recipients of the Plan, divided into the categories specified in 1.4, a), b), c) of Appendix 3A, Schedule 7, of the Issuer Regulations.*

Based on the Plan Regulations, the Beneficiaries shall be identified by the Board of Directors and, for the various other top roles other than senior personnel with strategic responsibility, by the Executive Vice President and by the General Manager, after the Plan has been approved by the Shareholder Meeting.

The other information stipulated by paragraph 1 of Schedule 7 Appendix 3A of the Issuer Regulations shall be provided as set out in art. 84-bis, para. 5 a) of the Issuer Regulations.

2. Reasons for adopting the Plan

2.1 Plan Objectives

The Plan incorporates the following aims:

- To ensure that the interests of top management are aligned with those of shareholders;
- To implement a long-term incentive scheme that can create a strong link between remuneration, company performance, and the creation of value for shareholders;
- To support retention of key resources in the medium to long term;
- To ensure that the relationship between share-based payments and other pay components are in line with common practice among listed companies in Italy.

2.2. Performance indicators and key variables.

The Allotment of Shares is subject to achievement of the three-year Performance Targets assigned and communicated at the time the Plan was implemented – such Performance Targets being a condition precedent - that will be measured over the three years in which the Plan will be in effect.

More specifically, Performance Targets used to measure Saras's performance are:

- 1) Total Shareholder Return (“TSR”), calculated with respect to a peer group belonging to the FTSE Italia Mid Cap. The attainment level of the TSR target is measured in terms of relative positioning.
- 2) The EMC Benchmark Margin is an indicator of operational capacity, calculated as the absolute distance from the benchmark margin produced by EMC.

2.3 Criteria for determining the number of shares to be allocated.

The Board of Directors determines the maximum number of Rights to be allocated to the General Manager and to each Beneficiary who is a senior manager with strategic responsibilities.

For the various other top roles, the maximum number of Rights to be allocated is determined by the Executive Vice President and the General Manager at the time of Allocation, mainly taking into account the Beneficiary’s role in the Company and the Subsidiaries and his/her role within the Saras Group, and the goal of correctly defining a balanced compensation package.

2.4 Reasons for allotting compensation plans based on financial instruments not issued by the Company.

Not applicable. The Plan shall be solely based on Shares of Saras SpA.

2.5 Assessment of significant tax and accounting implications.

The preparation of the Plan has not been influenced by significant tax or accounting implications. In particular, the prevailing tax regime applicable in the tax domicile of each Beneficiary will be taken into consideration.

2.6 Support for the Plan from the special fund to encourage employee participation in companies (“Fondo speciale per l’incentivazione della partecipazione dei lavoratori nelle imprese”), as per art. 4, para. 112 of Law 350 of 24 December 2003.

The Plan does not receive support from the special fund to encourage employee participation in companies, as per art. 4, para. 112 of Law 350 of 24 December 2003.

3. Approval process and timeframe for granting the instruments

3.1 Powers and functions delegated by the Shareholder Meeting to the Board of Directors for activating the Plan

On 14 March 2016, the Board of Directors, on the recommendation of the Remuneration and Nomination Committee, voted to submit the Plan for approval to the AGM to be held on 22 April 2016.

The Shareholder Meeting will be asked to vest the Board of Directors with the power, including the power of sub-delegation, having consulted the Committee, to: (i) activate the Plan; (ii) name the Beneficiaries; (iii) determine the number of Rights to be allocated to each Beneficiary; (iv) prepare and approve the documentation associated with the implementation of the Plan.

3.2 Parties involved in the administration of the Plan

The Board of Directors of Saras SpA, which is vested with the power of subdelegation, availing itself of the support of the Remuneration and Nomination Committee, is responsible for managing the Plan.

The Board of Directors is vested with all necessary powers for activating the Plan, including, by way of example:

- (i) the power to identify the Beneficiaries
- (ii) the power to approve the Plan Regulations
- (iii) the power to verify that the Performance Targets for the Allotment of the Shares have been achieved
- (iv) the power to change the Plan as specified in paragraph 3.3 below.

3.3 Existing procedures for revising the Plan

The Board of Directors, with the approval of the Remuneration and Nomination Committee, shall have the option to make any amendment or supplement to the Plan Regulations (once they have been approved) that it deems useful or necessary for the best pursuit of the purposes of said Plan, in particular also with reference to the EMC indicator of competitiveness and operational efficiency, were it prove to be non-representative of the business's actual sustainability.

Moreover, the Board of Directors shall regulate new rights and/or amend and/or supplement the terms and conditions of Allocation in the presence, among others, of the corporate actions listed below, where this is deemed necessary or appropriate in order to ensure that the key aspects of the Plan remain as far as possible unchanged, within the limits permitted by legislation in force at the relevant time:

- splits and reverse splits of the Shares;
- stock dividends or issues of new shares for consideration by the Company;
- distribution of extraordinary dividends on the Shares;
- retirement of shares due to loss-induced capital reductions.

In the event of a delisting or Change of Control, at the sole discretion of the Board of Directors, Shares may be allotted to the Beneficiaries in advance of the deadlines specified by the Plan Regulations. The Board of Directors may define the terms and conditions and deadlines for allotting the Shares in the case of a delisting. The Board of Directors is also authorised to amend the terms of the Lock-up Period .

3.4 Procedures for determining availability and Allotment of the Shares

The Plan is implemented through the use of Shares held in treasury and accounted for in a special restricted shareholders' equity reserve for use in relation the Plan.

3.5 Role of each Director in determining the characteristics of the Plan; possible existence of conflicts of interest.

The Remuneration and Nomination Committee of the Company, composed of non-executive and independent directors, is involved in various phases of drafting the Plan.

The Board of Directors voted on the proposal to submit the Plan for the approval of the Shareholder Meeting with potential Beneficiaries of the Plan abstaining from the vote.

3.6 Date of vote by the competent body to submit the Plan for approval of the Shareholder Meeting and of any proposal by the Remuneration and Nomination Committee.

In its meeting on 14 March 2016, the Remuneration and Nomination Committee voted to submit the proposal to approve the Plan to the Company's Board of Directors.

In its meeting on 14 March 2016, the Board of Directors approved the Plan and resolved to submit it for approval to the Shareholder Meeting convened on 22 April 2016.

3.7 Date of vote by the body responsible for allocating the instruments and of any proposal made to said body by the Remuneration and Nomination Committee.

Not Applicable.

3.8 Market price of registered shares on the dates specified in 3.6 and 3.7

On 14 March 2016, the date on which the Remuneration and Nomination Committee and the Board of Directors met to define the proposal to be submitted to the Shareholders' Meeting regarding the Plan, the official stock market price was EUR 1.412.

The price of the shares at the time of Allotment of the Rights by the Board of Directors shall be communicated pursuant to art. 84-bis, para 5 of the Issuer Regulations.

3.9 Procedures adopted by the Company if the date of Allocation of the Shares or of any decisions by the Remuneration and Nomination Committee is the same as the date on which the relevant information pursuant to art. 114, para 1 TUF is communicated.

The Board of Directors will make decisions concerning the implementation of the Plan in observance of regulations currently in force. Disclosure of any privileged information at the time the Rights are allocated would have no impact with regard to the Beneficiaries as they cannot carry out any transactions in the Shares at that time since physical delivery of the Shares takes place after Allocation of the Rights thereto.

4. Features of the instruments Allotted.

4.1 Plan structure

The objective of the Plan is to allocate to the Beneficiaries a maximum number of rights to receive free Shares at the end of the Performance Period, subject to achievement of the Performance Targets.

The Rights will be allotted to the Beneficiaries for their personal use only and may not be transferred by deed between living persons or subjected to restrictions or other disposition of any type.

4.2 Effective period of activation of the Plan, also with regard to different cycles that may be expected

The Plan provides for a single cycle of Allocation of Rights with a Performance Period covering the years 2016, 2017, and 2018.

Delivery of the Shares shall take place at the end of the Performance Period, by 30 June 2018, after the attainment of the Performance Targets has been verified.

4.3 Termination of the Plan

The Plan shall terminate at the earlier of 30 June 2018 or the date on which the Shares are delivered to the Beneficiaries. It is expected, however, that 20% of the Shares allotted is subject to an additional Lock-up Period of two years from the Allotment Date.

4.4 Maximum number of Shares allocated

The maximum number of Shares allocated to the Beneficiaries under the Plan is 6,500,000.

4.5 Terms and conditions for implementing the Plan

A maximum number of Rights, as indicated in preceding paragraph 2.3, shall be allocated to each Beneficiary on the Allocation date.

The actual number of Shares that will be allotted to the Beneficiaries upon conclusion of the Performance Period will be defined based on the attainment level of the Performance Targets each with a weight equal to 50% with respect to the Rights Allocated.

The Performance Targets will be summarised annually, for each of the years the Plan is in effect. Based on the attainment level of the Performance Targets as summarized, for each of the three years of the Performance Period, each Beneficiary may receive a maximum number of Rights amounting to 1/3 of the maximum number of the Rights allocated on the Allocation Date. In any case, the Shares will be allotted only at the

end of Performance Period, contingent upon compliance with the further conditions described under paragraph 4.5.

The Rights shall vest, for each of the indicators considered, as described in the tables shown below:

Total Shareholder Return (weight: 50%)			
Positioning with respect to the peer group	Less than the median	Equal to the median	Equal to or greater than the third quartile
No. of Rights vested as a % of the Rights allocated	0	50%	100%

In case of relative positioning between the median and the third quartile, inclusive, in terms of TSR, the number of the Rights allotted as a percentage of the Rights Allocated will be calculated by linear interpolation.

EMC Benchmark Margin (weight: 50%)			
Distance vs benchmark	< 1.5	1.5	>=3.5
No. of Rights accrued as a % of the Rights allocated	0	50%	100%

If intermediate Performance levels are attained with respect to the EMC Benchmark Margin, the number of Rights Allotted as a percentage of the Rights Allocated will be calculated by linear interpolation.

The Allotment of Shares is also contingent upon the actual existence of an employment relationship with Saras SpA or one of the Group companies as at the end of the Performance Period.

For Allotment Purposes, the Beneficiaries must not be subject to a notice period of resignation or dismissal as at the end of the Performance Period; if the Beneficiary is a director of a Group company, he/she must not have resigned or have had his/her appointment revoked as at the end of the Performance Period.

4.6 Lock-up periods affecting the Shares

The Rights allocated are personal and may not be transferred or disposed of in inter vivos and may not be pledged or used as collateral. The Rights shall become ineffective if any attempt is made to transfer or sell them, including, but not limited to, any attempt to transfer them by deed between living persons, or, in application of legislation, by way of pledge or other real right, or attachment or seizure.

After Allotment has taken place, the following shall apply:

- a portion amounting to 80% of the Shares allotted shall be freely tradable.
- the remaining 20% portion of the Shares allotted shall be subject to a lock-up period of 24 months starting on the Delivery date of said Shares.

The adoption of a so-called claw back clause is also envisaged.

In particular, without prejudice to the attempting of every other action in the Company interests, the possibility will be envisaged of requesting the restitution (in whole or in part) of sums equivalent to the value of the Shares, within two years after the Delivery, from parties who, with fraud or gross negligence, were responsible for (or have concurred in the) facts relative to Economic/Financial Indicators included in the annual financial report adopted as parameters for the determination of the aforesaid variable component, as indicated below:

- proven and significant errors that result in a non-conformity with the accounting standards that the company applies;
- ascertained fraudulent behaviour meant to obtain a specific representation of the financial position, operating performance or cash flows of Saras.

4.7 Conditions for terminating the Plan if the recipients conduct hedging transactions.

If the Beneficiaries conduct hedging transactions on the Rights before the Rights are allocated, the Beneficiaries shall lose the Rights.

4.8 Cessation of the employment relationship and its impact.

If the Relationship ceases before the Shares are allotted due to: (i) dismissal by the Company for just cause or (ii) voluntary resignation by the Beneficiary, the Beneficiary shall lose the Rights allocated.

If, in all cases where the Relationship is terminated, as outlined above, the date the Relationship terminates is before the Shares are allotted, the Beneficiary (or his/her heirs) may only retain all or some of the Rights allocated subject to approval by the Board of Directors, which shall rule in its sole discretion.

It shall be understood that if the Relationship is transferred by the Company or the Subsidiary to another company in the Group and/or if the employment contract ceases and a new employment contract is established at the same time within the Group, the Beneficiary shall retain, *mutatis mutandis*, the Rights allocated.

4.9 Reasons for cancelling the Plan

There are no provisions for cancelling the Plan.

4.10 Reasons for “redemption” by the Company of the financial instruments underlying the Plan.

The Plan does not envisage a right of redemption on the part of the Company.

4.11 Loans and other facilities for acquiring the Shares

The Shares are allotted free of charge.

4.12 Assessment of costs expected by the Company on the date of Allocation, as determined on the basis of the terms and conditions previously defined, with regard to total amount and to each instrument in the Plan.

The anticipated cost to the Company is the fair value of the Shares used in the Plan, which shall be promptly determined on the date the Rights are allocated. Information regarding the total cost of the Plan shall be provided pursuant to art. 84-bis, para. 5 a) of the Issuer Regulations.

4.13 Dilution effects of the Plan.

If, subject to the attainment of the objectives specified in 4.5 above, the maximum number of ordinary Shares subject to the Plan, namely 6,500,000, are allotted, such Shares will represent 0.68% of the Company’s total share capital.

4.14 Limits on exercising voting rights and granting property rights

There are no limits on exercising property rights and voting rights relating to the Shares to be allocated under the Plan.

4.15 - 4.23

Not applicable

TABLE

4.24 Table 1, as specified in paragraph 4.24 of Schedule 7 3A of the Issuer Regulations, shall be provided as set out in the procedures in art. 84-bis, para. 5 a) of the Issuer Regulations.