

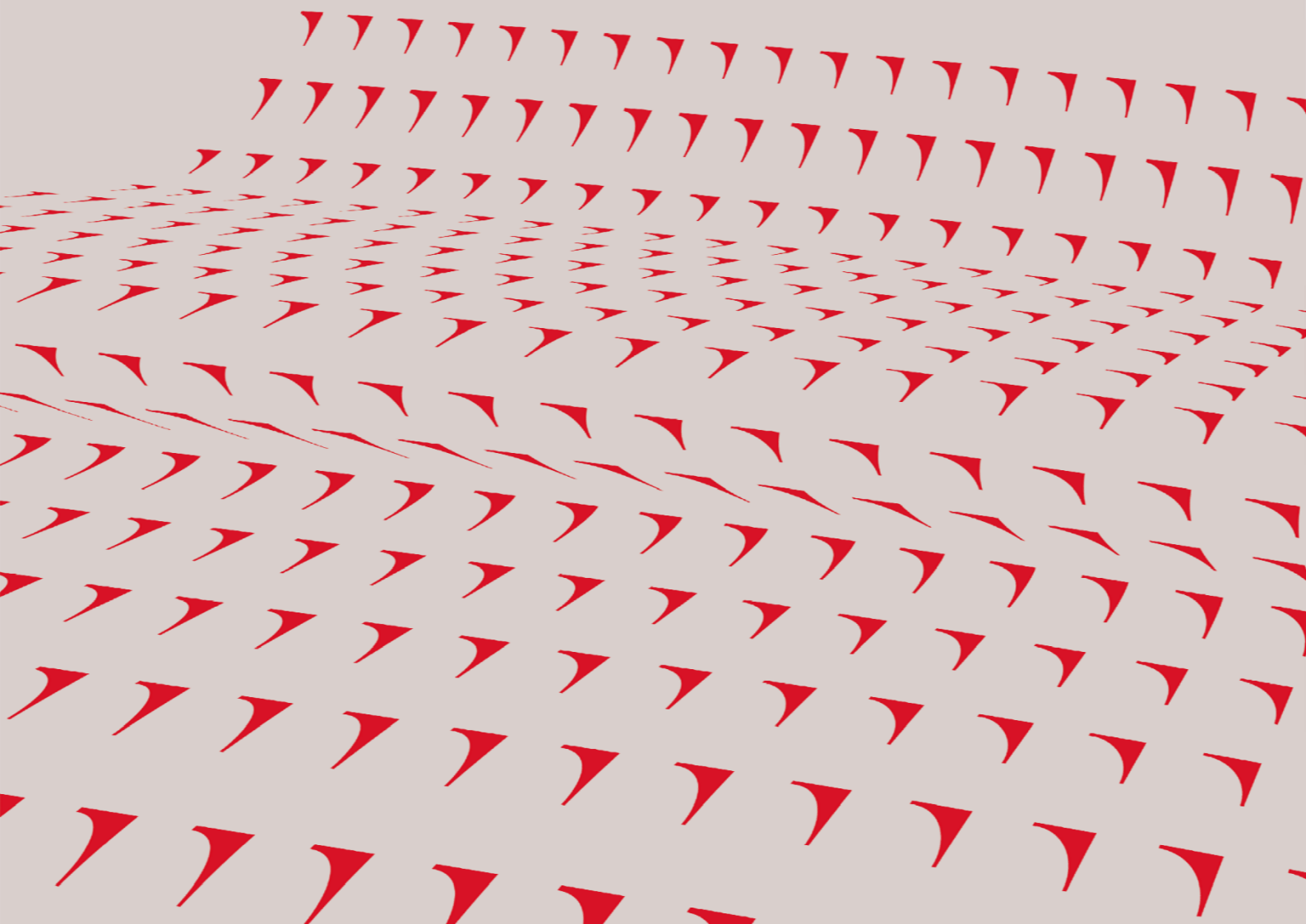


# Rules for Related Party Transactions

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**Approved by the Board of Directors on 28 June 2021**

**Effective 1<sup>st</sup> July 2021**



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## 1. FOREWORD

This procedure for related party transactions (“**Procedure**”) has been adopted pursuant to Article 2391-*bis* of the Italian Civil Code, Articles 113-*ter*, 114, 115 and 154-*ter* of Italian Legislative Decree no. 58 of 24 February 1998 (the “Consolidated Law on Finance” or “**TUF**”) and Consob Regulation no. 17221 of 12 March 2010, as last amended by Consob resolution no. 21624 of 10 December 2020 (the “**RPT Rules**”).

The Procedure was initially adopted by the Board of Directors of CIRS.p.A. (the “**Company**”) on 28 October 2010, and last updated, following the favourable opinion of the RPT Committee, on 28 June 2021. The current version of this Procedure shall be effective from 1 July 2021 and has been published on the Company’s website under Governance section.

The Procedure establishes the rules of conduct and regulations adopted by the Company to ensure the transparency and substantial and procedural correctness of transactions with related parties carried out by the Company directly or through subsidiaries, to which it applies within the limits set forth under Article 7 of this Procedure.

The Procedure is an essential part of the system of internal control of the Company and of the group headed by the Company and of the organisational model as per the provisions of the Italian Legislative Decree no. 231 of 8 June 2001. The Procedure has validity as instructions given by the Company to its subsidiaries in accordance with the terms of Article 114, paragraph 2, of the TUF.

The Board of Directors of the Company updates the Procedure, following the opinion of the RPT Committee, whenever circumstances require it or make it appropriate; by way of example but not limited to, in case the ownership structure is materially modified, laws, regulations and application practices are changed, and the accounting standards applicable on the matter vary. In any case, the Board of Directors will evaluate at least once a year whether it is appropriate to make changes and/or additions to the Procedure.

## 2. DEFINITION

Unless indicated otherwise, definitions given in the RPT Rules and its annexes shall apply. For the purposes of the Procedure the following definitions shall also apply:

- 2.1 **“Directors Involved in the Transaction”**: the directors of the Company who, in relation to a specific Related Party Transaction, have an interest, on their own behalf or on behalf of third parties, that conflicts with that of the Company.
- 2.2 **“Independent Directors”**: means the directors recognised as independent by the Company in accordance with the terms and criteria of the Corporate Governance Code.
- 2.3 **“Unrelated Directors”**: the directors of the Company other than the counterparty to a particular transaction and the Related Parties of the counterparty.
- 2.4 **“Corporate Governance Code”**: the Corporate Governance Code adopted by the Company in accordance with the principles and recommendations of the Corporate Governance Code for Listed Companies promoted by the Business Associations (ABI, ANIA, Assonime, Confindustria), Borsa Italiana S.p.A. and the Association of Professional Investors (Assogestioni), to which the Company adheres.
- 2.5 **“RPT Committee”**: the board committee for transactions with related parties, consisting only of Independent Directors, as defined by the Corporate Governance Code.
- 2.6 **“Standard or Market Equivalent Terms”**: conditions are applied similar to those usually applied to unrelated parties for transactions of a corresponding nature, extent and risk, or are based on regulated rates, fixed prices or those applied to individuals or entities with whom the Company is obligated by law to contract at a certain price.
- 2.7 **“Key Management Personnel”**: means those individuals so defined under current International Accounting Standards, i.e., as of the date of adoption of this Procedure, those individuals who have the power and responsibility, directly or indirectly, for planning, managing and controlling the Company’s activities, including the directors (executive or otherwise) of the Company. For the purposes of the Procedure, the Company has identified the following subjects as Key Management Personnel:
  - (i) the members of the Board of Directors of the Company;
  - (ii) the members in office of the Board of Statutory Auditors of the Company;
  - (iii) the General Manager of the Company;
  - (iv) the manager charged with preparing the Company’s financial reports, as per Article 154-*bis* of the TUF;
  - (v) any other persons who may be identified by the Board of Directors of the Company including upon proposal of the Chief Executive Officer; and
  - (vi) individuals as per the above items (i) to (v) of the parent company of the Company, if any.
- 2.8 **“Manager Responsible for Financial Reporting”**: the manager in charge of preparing corporate accounting documents, as per Article 154-*bis*, TUF.

**2.9 “Relevance Indexes”:** means the Countervalue Relevance Index, the Asset Relevance Index and the Liability Relevance Index, as defined below.

**2.10 “Countervalue Relevance Index”:** is the ratio between the countervalue of the Transaction and the shareholders’ equity resulting from the most recent consolidated balance sheet published by the Company (annual or half-yearly financial report) or, if higher, the capitalisation of the Company as recorded at the close of the last open market day included in the reference period of the most recent periodic accounting document published (annual or half-yearly financial report).

If the economic conditions of the transaction are determined, the countervalue of the Transaction is:

- (i) for cash components, the amount paid to/by the contractual counterparty;
- (ii) for components consisting of financial instruments, the fair value determined at the date of the Transaction in accordance with International Accounting Standards;
- (iii) for financing or guarantee Transactions, the maximum amount granted.

If the economic terms of the Transaction depend in whole or in part on values not yet known, the countervalue of the Transaction is the maximum value receivable or payable under the agreement.

**2.11 “Asset Relevance Index”:** is the ratio between the total assets of the entity subject to the Transaction and the total consolidated assets of the Company as resulting from the most recent consolidated balance sheet published by the Company (annual or half-yearly financial report); where possible, similar data must be used to determine the total assets of the entity subject to the Transaction.

For transactions involving the acquisition and sales of shares in companies affecting the scope of consolidation, the value of the numerator is the total assets of the investee company, regardless of the percentage of capital involved.

For transactions involving the acquisition and sales of other assets (other than the acquisition and sales of an equity investment), the value of the numerator is:

- (i) in the case of acquisitions, the value of the Transaction plus any liabilities of the acquired company assumed by the purchasing company;
- (ii) in the case of sale, the consideration for the asset sold.

For transactions involving the acquisition and sales of other assets (other than the acquisition and sales of an equity investment), the value of the numerator is:

- (i) in the case of acquisitions, the highest value between the consideration and the book value that will be attributed to the asset;
- (ii) in the case of sales, the book value of the asset.

**2.12 “Liability Relevance Index”:** is the ratio between the total liabilities of the entity acquired and the total consolidated assets of the Company as resulting from the most recent consolidated balance sheet published by the Company (annual or half-yearly financial report); where possible, similar data must be used to determine the total liabilities of the company or business unit acquired.

- 2.13 **“Significant Interest”**: refers to the interest of a Related Party of the Company that is such that an independent individual acting with professional diligence might consider that the said Related Party could either directly or indirectly obtain an advantage or a disadvantage of any kind from a Transaction entered into with one or more other Related Parties. There is no Significant Interest in the event of participation in a tax consolidation agreement in which there are other Related Parties involved, when these transactions are carried out at the same reciprocal conditions.
- 2.14 **“Related Party Transaction” or “Transaction”**: means a transaction defined as such, in accordance with the International Accounting Standards in force, i.e. a transfer of resources, services or obligations between the Company and one or more Related Parties, regardless of whether a consideration has been agreed upon. Such transactions include: (i) mergers, demergers by incorporation or non-proportional demergers in the strict sense, if carried out with Related Parties; (ii) decisions relating to the assignment of remuneration and economic benefits, in any form, to Key Management Personnel, as defined for the purposes of the Procedure, except for Transactions that are exempt under article 4 of the Procedure.
- 2.15 **“Transactions for Smaller Amounts”**: means a Related Party Transaction whose value does not exceed the amount of Euro 200,000, if the counterparty is a legal person, or Euro 100,000, if the counterparty is a natural person or a legal person or other entity (including professional associations) that is a Related Party by virtue of links with that natural person. If, in the course of the same financial year, Transactions are concluded with the same Related Party, being the transaction individual value lower than the above amount, but exceeding, if considered cumulatively, this amount, the Transaction causing the threshold of irrelevance to be exceeded, as well as all subsequent Transactions (concluded during the financial year) even if of an amount lower than the above amount, shall be subject to the procedures provided for Transactions of Lesser Importance.
- 2.16 **“Transactions of Greater Importance”**: refer to a Related Party Transaction in which at least one of the Relevance Indexes, applicable depending on the specific Transaction, is higher than the 5% threshold or, for Transactions entered into with the listed parent company or with related parties that are themselves related to the Company, the 2.5% threshold (such thresholds, the **“Relevance Thresholds”**).

For the purposes of identifying Transactions of Greater Importance, Transactions being homogeneous or carried out in execution of the same plan with the same Related Party or with parties related both to the latter and to the Company are also considered, which, although not being individually qualified as a Transaction of Greater importance, during the year, when considered cumulatively, exceed the Relevance Thresholds indicated above; for the purposes of determining the cumulative amount, Transactions excluded under the provisions of Article 4 of the Procedure are not considered. In the event of more than one Transaction, the relevance of each Transaction is determined first of all on the basis of the Relevance Index or Indexes applicable to it. For the purposes of verifying whether the Relevance Thresholds are exceeded, the results relating to each Relevance Index are then added together.

- 2.17 **“Transactions of Lesser Importance”**: refer to a Related Party Transaction other than Transactions for Smaller Amounts and Transactions of Greater Importance.
- 2.18 **“Ordinary Transaction”**: refers to a transaction that falls within the ordinary course of business and related financial activity.
- 2.19 **“Related Parties”**: refers to parties defined as such by current International Accounting Standards<sup>1</sup>, which, as of the date of adoptions of the Procedure, provides that:
- (a) an individual person or a close family member of that individual is related to the Company if s/he:
    - (i) has control or joint control of the Company;
    - (ii) has significant influence over the Company; or
    - (iii) is one of the Company’s Key Management Personnel;
  - (b) an entity is related to the Company if any of the following conditions occur:
    - (i) the entity is part of the same group as the Company (which means that any parent, subsidiary and group company is related to the others);
    - (ii) the entity is an associate company or joint venture of the Company or vice versa (or the entity is an associate company or joint venture that is part of a group of which the Company is a member or vice versa);
    - (iii) the entity and the Company are both joint ventures of the same third counterparty;
    - (iv) the entity is a joint venture of a third entity of which the Company is an associate company or is an associate company of a third entity of which the Company is a joint venture;
    - (v) the entity is a supplementary pension fund, collective or individual, Italian or foreign, set up for the benefit of the employees of the Company or of any other entity related to it;
    - (vi) the entity is controlled or jointly controlled by a person identified in (a);
    - (vii) a person who has control or joint control of the Company has significant influence over the entity or is a Key Management Personnel of the entity (or of a parent company);
    - (viii) the entity, or any member of a group to which it belongs, provides key managerial services to the reporting entity or the reporting entity’s parent company.

In the definition of Related Party, an affiliate company includes the subsidiaries of the affiliate company and a joint venture includes the subsidiaries of the joint venture.

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<sup>1</sup> The definitions relevant to those of Related Parties and Related Party Transactions of "control", "joint control", "significant influence" and "joint ventures" are those identified pursuant to the International Accounting Standards

The same definition of Related Party shall apply with reference to Related Parties of parties other than the Company, where referred to, *mutatis mutandis*.

- 2.20 “**International Accounting Standards**” refer to International Accounting Standards adopted in accordance with the procedure set out in Article 6 of Regulation (EC) No. 1606/2002.
- 2.21 “**Unrelated Shareholders**”: refers to individuals who have the right to vote at the Shareholders’ meeting of the Company, who are not (i) the counterparty of a particular Transaction; or (ii) Related Parties of the Company and Related Parties of the counterparty of a particular Transaction.
- 2.22 “**Close Relatives**” of an individual: refers to subjects defined as such under applicable International Accounting Standards, i.e., as of the date of approval of this Procedure, relatives who are expected to influence, or be influenced by, such individual in their dealings with the Company, including: (a) the children and spouse or cohabiting partner of that person; (b) the children of that person’s spouse or cohabiting partner; and (iii) the dependants of that person or spouse or cohabiting partner.

### **3. PUBLICATION OF THE PROCEDURE AND COLLECTION OF INFORMATION**

#### **3.1. Dissemination of the Procedure**

The Chief Executive Officer of the Company shall ensure that a copy of the Procedure and any subsequent update of the same is sent to the Key Management Personnel, to all the managers of the Company with powers of representation of the same as well as to the legal representatives and managers with powers of representation of the subsidiaries and associate companies, so that each of them may ensure it is adopted and enforced according to the role they hold and the duties incumbent on them in accordance with the Procedure itself.

#### **3.2. Identification of Related Parties – Related Parties Register**

The Chief Executive Officer shall identify the department responsible for establishing, keeping updated and disseminating the list of Related Parties (the “**Related Parties Register**”, which may be kept in electronic form), and shall:

- (i) require Key Management Personnel to complete, sign and return the form shown in Annex 1 to the Company, no later than 5 (five) working days from submission of the Procedure;
- (ii) send a communication asking whether there have been any changes to the information given to the Company on the form contained in Annex 1 at least once a year;
- (iii) send Key Managers and all the managers of the Company with powers of representation of the same or of one of its subsidiaries the updated list of Related Parties.

Key Managers are required to promptly communicate any changes occurring with respect to the information already provided.



### **3.3. Register of Related Party Transactions**

The Manager Responsible for Financial Reporting shall create and keep the list of Related Party Transactions updated (the Register of Related Parties Transactions, which may be kept in electronic form).

### **3.4. Identifying Relevance Indexes and monitoring how transactions accumulate for the purposes of identifying Transactions of Greater Importance**

For the purposes of identifying Transactions of Greater importance the Manager Responsible for Financial Reporting shall:

- (i) quarterly identify the capitalisation value (from figures published by Borsa Italiana S.p.A.) and the consolidated net equity of the group and consolidated assets of the group (from the most recent financial accounts published) on the basis of which the Relevance Indexes shall be calculated;
- (ii) record and update the value of transactions of a homogeneous nature or which are part of a single strategy put in place with the same Related Party or with parties who are related parties both of the latter and of the Company.

## **4. TRANSACTIONS EXEMPT**

### **4.1. Transactions Exempt**

The provisions of the Procedure, except as indicated in Article 4.2 below, shall not apply:

- (i) to the following resolutions regarding compensation and remuneration plans:
  - (a) resolutions adopted by the Shareholders' Meeting as per Article 2389, first paragraph, of the Italian Civil Code, in relation to compensation to which members of the Board of Directors are entitled;
  - (b) resolutions adopted by the Shareholders' Meeting as per Article 2402 of the Italian Civil Code, relating to the compensation to which members of the Board of Statutory Auditors are entitled;
  - (c) resolutions adopted by the Board of Directors on the subject of remuneration of directors holding particular offices which is part of a total amount previously approved by the Shareholders' Meeting as per Article 2389, third paragraph, of the Italian Civil Code;
  - (d) Board of Directors' resolutions on remuneration of directors holding particular offices, other than those indicated in points (a) and (c) above, and of other Key Management Personnel of the Company if, in compliance with Article 13, paragraph 3), letter b) of the RPT Rules, all the following conditions are met:
    - i. the Company has adopted a remuneration policy approved by the Shareholders' Meeting;
    - ii. a committee made up exclusively of non-executive directors, the majority of whom being independent, was involved in defining the remuneration policy;

- iii. the remuneration granted has been identified in accordance with said policy and valued on the basis of criteria that do not involve discretionary assessments.
    - (e) resolutions passed by the shareholders' meeting and related executive transactions carried out by the board of directors relating to compensation plans based on financial instruments approved by the shareholders' meeting pursuant to Article 114-bis of the TUF.
  - (ii) for transactions resolved by the Company and addressed to all shareholders on equal terms, including:
    - (a) option increase in capital, including transactions servicing convertible bonds, and free capital increases as provided for in Article 2442 of the Italian Civil Code;
    - (b) demergers in the strict sense, whether total or partial, with proportional share allocation criteria;
    - (c) reductions in share capital by means of reimbursement to shareholders pursuant to Article 2445 of the Italian Civil Code and purchases of treasury shares pursuant to Article 132 of the TUF.
  - (iii) Ordinary Transactions concluded at Standard or Market Equivalent Terms, carried out by the Company or -within the limits set forth by the Procedure as per Article 7 below- by the subsidiaries of the Company.
  - (iv) Transactions entered into by the Company with its subsidiaries or affiliates, referring to transactions put in place between the Company and its subsidiaries or between subsidiaries being controlled, even jointly, by the Company, and transactions that the Company enters into with affiliate companies when the subsidiaries or affiliate companies which are the counterparties of the transaction have no Significant Interest of Related Parties other than the subsidiaries or affiliate companies that are the parties of the concerned Transaction and this shall also be assessed in light of the criteria laid down by Consob.
  - (v) Transactions for Smaller Amounts.
- 4.2. On the occasion of the approval of the annual financial report, the Manager Responsible for Financial Reporting shall provide the board of directors with information on the Transactions of Greater Importance carried out during the year that have been deemed exempt pursuant to Article 4.1 above.
- 4.3. For the Transactions referred to in Article 4.1(iii) that are Transactions of Greater Importance, the Company shall notify Consob and the RPT Committee within seven days of the approval of the Transaction by the competent body or, if the competent body resolves to submit a contractual proposal, from the time when the contract, even preliminary, is entered into, and communicate the following information relating to the Transaction: (i) the counterparty; (ii) the object; (iii) the consideration; (iv) the reasons why the Transaction is considered Ordinary and concluded at Standard or Market Equivalent Terms, providing objective elements of verification.

In this case, during the first useful meeting following receipt of the Company's communication, and in any case on a quarterly basis, the RPT Committee verifies the correct application of the exemption conditions to Ordinary Transactions concluded at Standard or Market Equivalent Terms which are of Greater Importance, informing the Board of Directors at the first useful meeting thereafter.

- 4.4. In any case, the Chief Executive Officer, the Chairman or the Board of Directors may ask the RPT Committee to express an opinion on an Exempt Transaction pursuant to Article 4.1.

## **5. THE COMMITTEE FOR RELATED PARTY TRANSACTIONS**

- 5.1. The RPT Committee is composed only of Independent Directors.

- 5.2. The RPT Committee has the following duties and prerogatives:

- (i) assessing and expressing an opinion on all Related Party Transactions other than Exempt Transactions pursuant to Article 4.1;
- (ii) receiving, at least once a year, on the occasion of the approval of the annual financial report, information on the Transactions of Greater Importance carried out during the financial year to which the exemption pursuant to Article 4.1 has been applied;
- (iii) receiving information in accordance with the procedures set out in Article 4.3 above on Ordinary Transactions concluded at Standard or Market Equivalent Terms which are Transactions of Greater Importance, verifying the correct application of the exemption conditions;
- (iv) evaluate and express an opinion on Exempt Transactions if so requested by the Chief Executive Officer, the Chairman or the Board of Directors of the Company, as provided in Article 4.4;
- (v) verify if the Procedure is adequate, at least annually.

- 5.3. Whenever in relation to a specific Transaction there are one or more Directors on the Committee who are counterparties or counterparty Related Parties, these shall be replaced by Unrelated Independent Directors who shall be selected in order of seniority in terms of length of service as directors of the Company or, where the seniority is identical, the more senior directors in terms of age shall be selected.

- 5.4. In the event of the chairman of the RPT Committee being a counterparty or counterparty Related Party in relation to a specific Transaction and therefore he/she is replaced pursuant to previous Article 5.3, the coordination of the activities of the RPT Committee shall be assigned to the RPT Committee member with most seniority in terms of length of service as director of the Company or, where the seniority is identical, to the more senior director in terms of age.

- 5.5. The functioning of the RPT Committee, the procedures for adopting decisions and calculating majorities are the same as those set out in the Company Articles of Association for the decisions adopted by the Board of Directors of the Company.

- 5.6. The RPT Committee may, at the Company's expense, seek the assistance of one or more independent experts to be selected among entities with recognised professionalism and competence on the subject of the resolutions.
- 5.7. It is the responsibility of the RPT Committee to assess the independence of the experts taking into account, pursuant to Article 2.4 of Annex 4 to the RPT Rules, any economic, capital and financial relationships between the independent experts and: (i) the counterparty being a Related Party (including its subsidiaries, controlling entities, companies under common control as well as the directors of the aforesaid companies); (ii) the Company (including its subsidiaries, controlling entities, companies under common control as well as the directors of the aforesaid companies). Where such relationships exist and the RPT Committee considers they have no relevance, reasons for this shall be stated. Information on any relationship may be provided by attaching a statement from the independent experts themselves.

## **6. RULES FOR RELATED PARTY TRANSACTIONS**

### **6.1. Exclusive competence and limits to the delegation of powers**

The Transactions of Greater Importance are in the exclusive competence of the Board of Directors of the Company except for matters reserved by law or by the Articles of Association to the competence of the Shareholders' Meeting.

Transactions of Lesser Importance may be delegated to one or more members of the Company's Board of Directors (including by virtue of management powers already granted), with single or joint signature power, provided, without prejudice to Article 2391 of the Italian Civil Code, first paragraph, second part, that (i) the above directors are Unrelated and (ii) the RPT Committee has expressed a favourable opinion pursuant to Article 6.3 below.

### **6.2. Examination of the Transaction and briefing of the RPT Committee**

Individuals who, on behalf of the Company or one of its subsidiaries, have the intention to carry out a transaction must:

- (i) check in advance whether the counterparty or, if the counterparty is a party acting on behalf of third parties, the ultimate beneficiary of the transaction, is included in the Related Parties Register, kept in accordance with Article 3.2 above;
- (ii) if the counterparty is a Related Party, promptly inform the Chief Executive Officer and the Manager Responsible for Financial Reporting about the intention to carry out a Related Party Transaction, providing the required information.

The Chief Executive Officer and the Manager Responsible for Financial Reporting shall verify whether the proposed Transaction is exempt pursuant to Article 4.1, or is a Transaction of Greater or Lesser Importance.

When, after the preliminary investigation, the Chief Executive Officer decides to proceed with the execution of the Related Party Transaction or to submit it to the approval of the Board of Directors, if it is a Transaction of Greater Importance or a Transaction that does not fall within his/her delegated powers, he/she submits the

Transaction to the evaluation of the RPT Committee, providing a report containing the following information:

- (i) the Related Party that is the counterparty of the transaction;
- (ii) the nature of the relationship with the Related Party;
- (iii) whether the transaction is a Transaction of a Greater Importance or a Transaction of a Lesser Importance;
- (iv) the methods for determining the consideration and the assessments of its fairness in relation to the market values of similar transactions;
- (v) the remaining terms and conditions of the transaction;
- (vi) the reasons behind the transaction and why it is in the interests of the Company to enter into the transaction; and
- (vii) any risks that could result from entering into it.

In any case, the Chief Executive Officer shall provide the members of the RPT Committee with any information and documents requested by them after the report has been sent.

### **6.3. Procedure for Transactions of Lesser Importance**

In the case of a Transaction of Lesser Importance, following the information received from the Chief Executive Officer on the Transaction pursuant to Article 6.2 above, the RPT Committee is required to:

- (i) issue a non-binding opinion on the Company's interest in carrying out the Transaction and if the terms relating to the Transaction are appropriate and formally correct;
- (ii) send the opinion to the Chief Executive Officer or to the board of directors, if the transaction falls within its competence, before the submission of the relevant contractual proposal, or in case of a decision entrusted to the Board of Directors, at least 3 days before the date scheduled for the relevant meeting;
- (iii) attach the opinion to the minutes of the meeting of the RPT Committee at which it was delivered.

If the Transaction is within the competence of the Board of Directors, pursuant to Article 6.1 above, the following provisions shall apply:

- (i) the minutes of the resolutions approving the Transaction must contain adequate reasons regarding the Company's interest in carrying out the Transaction, as well as opinion on the terms, if they are convenient and formally correct;
- (ii) the Directors involved in the Transaction, if any, must abstain from voting on the same, even though their presence is counted for the purposes of reaching the quorum required by law or by the Articles of Association;
- (iii) in the presence of a negative opinion of the RPT Committee, if the Board of Directors approves the Transaction, the Company is required to make available to the public the information as per Article 10.2 below.

The parties entitled to carry out the Transaction, having heard the chair of the RPT Committee and the chair of the Company's Board of Directors, may propose that the procedure provided for Transactions of Greater Importance be adopted also for Transactions of Lesser Importance.

#### **6.4. Procedure for Transactions of Greater Importance**

In the case of a Transaction of Greater Importance, following the sending of the information pursuant to Article 6.2 above, the Chief Executive Officer is required to:

- (i) inform the RPT Committee on the status of negotiations and the related analysis procedures;
- (ii) take into account the RPT Committee's observations for the purposes of further pursuing activities relating to the proposed Transaction;
- (iii) send the proposed resolution regarding the Transaction to the RPT Committee with sufficient notice, and in any case at the latest by the day on which the notice of call of the Board of Directors' meeting of the Company is sent out.

The RPT Committee shall:

- (i) issue its binding opinion on the Company's interest in carrying out the Transaction and if the terms relating to the Transaction are appropriate and formally correct, giving the reasons for its opinion and any conditions on which the conclusion of the Transaction is subject to;
- (ii) send the Board of Directors its binding opinion, at least 3 days before the relevant
- (iii) attach the opinion to the minutes of the meeting of the RPT Committee at which it was delivered.

In the event of a favourable opinion of the RPT Committee, the following provisions shall apply:

- (i) the minutes of the resolutions approving the Transaction must contain adequate reasons regarding the Company's interest in carrying out the Transaction, as well as opinion on the terms, if they are convenient and formally correct;
- (ii) the Directors involved in the Transaction must abstain from voting on the same, even though their presence is counted for the purposes of reaching the quorum required by law or by the Articles of Association.

In the event of an unfavourable opinion on the Transaction:

- (i) the Board of Directors of the Company may vote to submit the transaction to the decision of the Shareholders' Meeting, attaching to the proposed resolution the opinion (or opinions) of the RPT Committee and of any independent experts appointed;
- (ii) while respecting the quorums necessary for an ordinary or extraordinary Shareholders' meeting and its resolutions to be valid, the Transaction cannot be put in place if it is not approved by the Shareholders' Meeting with the vote in favour of the majority of the Unrelated Shareholders voting at the

meeting, provided that they represent at such a meeting at least 10% of the share capital with voting rights. To this end, before dealing with the items on the agenda, those entitled to exercise their voting rights are required to specify whether they have any related party relationship for the specific transaction on the agenda.

In any case, all this is without prejudice to the information obligations set out in Articles 9 and 10.

#### **6.5. Transactions within the competence of the Shareholders' Meeting**

If the transaction to be carried out is one of the subjects within the competence of the Shareholders' Meeting or has to be authorised by the latter, the same procedures contained in Articles 6.2, 6.3 and 6.4 must be observed *mutatis mutandis*, distinguishing between whether a Transaction of a Greater Importance or a Transaction of a Lesser Importance is involved.

In such cases the RPT Committee must give its reasoned opinion as to whether or not it is in the interests of the Company to carry out the transaction, and whether the conditions of the same are appropriate and substantially correct. This opinion shall be given when the proposed resolution to be submitted to the Shareholders' Meeting is approved by the Board of Directors of the Company.

The opinions of the RPT Committee and of any independent experts appointed shall be attached to the proposed resolution approved by the Board of Directors of the Company.

When, in relation to a Transaction of a Greater Importance, a proposed resolution to be submitted to the Shareholders' Meeting is approved by the Board of Directors of the Company in the presence of a negative opinion of the RPT Committee, the transaction – while respecting the quorums necessary for an ordinary or an extraordinary Shareholders' meeting and its resolutions to be valid – cannot be executed unless it is also approved with the vote in favour of the majority of the Unrelated Shareholders voting at the meeting, provided that they represent at such a meeting at least 10% of the share capital with voting rights. To this end, before dealing with the items on the agenda, those entitled to exercise their voting rights are required to specify whether they have any related party relationship for the specific transaction on the agenda.

### **7. TRANSACTIONS EFFECTED BY SUBSIDIARIES**

- 7.1. The procedures specified in Articles 6.2, 6.3 and 6.4 above shall apply even when a Related Party Transaction is effected by a subsidiary of the Company and the Board of Directors of the Company or the Chief Executive Officer of the Company (or another individual who has been assigned powers to carry out specific transactions) examine or give its prior approval to the Transaction to be effected, in accordance with the regular practice adopted by the Company in dealing with its subsidiaries.
- 7.2. The Chief Executive Officer (and/or another individual who has been assigned powers to carry out specific transactions), having heard the chair of the RPT Committee and the chair of the Board of Directors of the Company, can at any one time put before the Board of Directors of the Company the proposal that the

procedures described in Articles 6.3 and 6.4 above be applied by the Company even to related party transactions entered into independently by the subsidiaries of the Company.

- 7.3. The subsidiaries provide to the Company all necessary information for the purposes of the Procedure (including those provided under Article 9) to the maximum extent allowed under applicable law.

## **8. FRAMEWORK RESOLUTIONS**

- 8.1. The Board of Directors of the Company can adopt framework resolutions for homogeneous transactions to be contracted with certain categories of Related Parties and/or with parties related both to the latter and to the Company. In this case the procedures indicated in Articles 6.2, 6.3 and 6.4 must be followed *mutatis mutandis*, distinguishing on the basis of the foreseeable maximum global amount of the transactions needing resolution between transactions requiring application of the procedures for Transactions of Greater Importance or those for Transactions of Lesser Importance. These procedures shall not be applicable to individual transactions concluded under the framework resolution approved by the Board of Directors of the Company.
- 8.2. Framework resolutions shall not be effective for more than one year, they must be adopted for an annual disbursement figure identified by the Board of Directors of the Company when the resolution is approved and must contain specific reasons for the conditions identified.

## **9. OBLIGATIONS FOLLOWING EXECUTION OF THE TRANSACTIONS**

- 9.1. The Manager Responsible for Financial Reporting sends the chair of the RPT Committee, the Board of Directors of the Company and the Board of Statutory Auditors at least once every three months, detailed information on the Transactions previously approved by the Board of Directors of the Company and/or executed by the Chief Executive Officer (or by another individual authorised by the Company to carry out specific transactions), including the individual transactions put in place in execution of the framework resolutions previously approved by the Board of Directors of the Company in accordance with Article 8 and specify the terms and conditions applied to the transaction.
- 9.2. In order to allow drafting the disclosure required by Article 9.1, individuals who, on behalf of the Company or one of its subsidiaries, have entered into transactions with Related Parties shall promptly notify the Manager Responsible for Financial Reporting of the Transactions executed. The Manager Responsible for Financial Reporting shall record these transactions in the list of Related Party Transactions.



## **10. INFORMATION TRANSPARENCY**

### **10.1. Periodic information**

Pursuant to Article 154-*ter* of the TUF and Article 5, paragraph 8, of the RPT Rules, the Manager Responsible for Financial Reporting ensures that information is provided in the *interim* financial report and the annual financial report:

- (i) on individual Transactions of Greater Importance concluded during the reference period;
- (ii) on any other individual Transaction with Related Parties, pursuant to Article 2427, paragraph 2, of the Italian Civil Code, concluded in the reference period, which have had a significant impact on the Company's financial position or results;
- (iii) on any modification or development of the Related Party Transactions described in the last annual report that had significant effects on the financial position or results of the companies during the reference period.

### **10.2. Transactions of Lesser Importance**

Without prejudice to the obligations provided for in Article 17 of Regulation (EU) No. 596/2014 and Article 6 of the RPT Rules, in the case of Transactions of Lesser Importance, approved despite the negative opinion of the RPT Committee, within 15 days from the end of each quarter, a specific information document shall be made available to the public.

The information document shall include the counterparty, the object and the consideration of the transactions of lesser importance approved in the quarter of reference as well as the reasons why it was decided not to share the opinion of the RPT Committee, which must be attached to the information document.

The information document shall be published in the manner indicated in Section II, Chapter I of the Rules for Issuers and made available at the Company's registered office.

### **10.3. Transactions of Greater Importance**

Without prejudice to the obligations provided for in Article 17 of Regulation (EU) No. 596/2014 and Article 6 of the RPT rules, in case of Transactions of Greater Importance, to be carried out also by Italian or foreign subsidiaries, the Manager Responsible for Financial Reporting ensures that an information document is drafted in accordance with Annex 4 of the RPT Rules.

The information document is made available to the public, at the registered office and according to the procedures indicated in Part III, Section II, Chapter I, of the Rules for Issuers, within seven days (or fifteen days in the cases provided for by Article 5, paragraph 4 of the RPT Rules) of the approval of the transaction by the competent body or, if the competent body resolves to submit a contractual proposal, from the moment when the contract, even if preliminary, is entered into according to the applicable regulations. In cases to be authorised by the Shareholders' Meeting or within its competence, the same information document is made available within seven days (or fifteen days in the cases provided for by Article 5, paragraph 4 of the

RPT Rules) of the approval of the proposal to be submitted to the Shareholders' Meeting.

If the Transactions determining the exceeding of the relevance thresholds are carried out by subsidiaries, the information document is made available to the public within fifteen days from the moment in which the company required to prepare the same document has been informed of the approval of the transaction or the execution of the contract determining the relevance.

Within the above deadlines, the Company shall make available to the public any opinion of the RPT Committee and opinion issued by independent experts in accordance with the terms of Annex 4 of the RPT Rules, as an annex to the information document or on its website.

#### **10.4. Transactions not subject to information transparency**

Transactions exempt pursuant to Article 4.1 are not subject to information transparency regime provided for in Articles 10.2 and 10.3 above, except for the provisions of Article 4.3 above for Transactions referred to in Article 4.1(iii) and without prejudice to the obligations provided for in Article 17 of Regulation (EU) No. 596/2014 and Article 6 of the RPT Rules.

### **11. CHECK THAT THE PROCEDURE IS BEING IMPLEMENTED**

- 11.1. The Internal Audit Department of the Company, as part of its duties, shall periodically check that the obligations contained in this Procedure are being complied with by the appropriate departments of the Company and shall report back to the RPT Committee and to the Board of Statutory Auditors with its observations.
- 11.2. The Board of Statutory Auditors shall report to the Shareholders' Meeting pursuant to Article 2429, second paragraph, of the Italian Civil Code and Article 153 of the TUF.

### **12. ANNEX**

Annex 1 in an integral part of procedure

1): Statement form

## ANNEX 1

### Form certifying receipt of the procedure and statement of the Related Party

I the undersigned \_\_\_\_\_

- declare that I have received a copy of the procedure for transactions with Related Parties (the “**Procedure**”), approved by the Board of Directors of the Company:

- (i) I declare that I have read and understood the provisions indicated in the Procedure;
- (ii) I hereby give the following contact details:  
phone \_\_\_\_\_,  
email \_\_\_\_\_;

where applicable, as a Related Party of the Company:

- (i) I hereby indicate the following persons as Close Relatives, as defined in Article 2.22 of the Procedure:  
\_\_\_\_\_,  
\_\_\_\_\_.
- (ii) I hereby declare that as of the date of this declaration, my Close Relatives and I exercise control, joint control or a significant influence, as defined in IFRS 10 e nell’IFRS 11, over the following companies or have functions as Key Management Personnel (according to the definition under Article 2.7 of the Procedure):  
\_\_\_\_\_,  
\_\_\_\_\_.
- (iii) I undertake to inform of any other companies over which I and my Close Relatives may exercise control, joint control or a significant influence in due time so that Related Party transactions may be identified correctly.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

Pursuant to and for the purposes of Article 13 of Reg. EU/2016/679, I the undersigned consent to the processing of the personal information contained in this form by the Company for the purposes pertaining to this Procedure. I also declare that I have been informed by the Company of the rights assigned by Articles 15-22 of Reg. EU/2016/679.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)