



PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES

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1. INTRODUCTION

This procedure (the “Procedure”) is adopted by Unidata S.p.A. (“Unidata” or the “Company” or the “Issuer”) and, in particular:

- (a) governs the methods for identifying related parties, defining the procedures and timelines for preparing and updating the list of related parties and identifying the corporate functions responsible for this;
- (b) establishes the rules for identifying transactions with related parties in advance of their conclusion;
- (c) it governs the procedures for the Company to carry out transactions with related parties, including through subsidiaries pursuant to Article 93 of Legislative Decree No. 58/1998 (“TUF”) or otherwise subject to management and ^{coordination} activities¹;
- (d) establishes the methods and timing for fulfilling disclosure obligations to corporate bodies and to the market.

The Company, as a recently listed company pursuant to Article 3 of *the “Regulations on Related-Party Transactions,”* adopted by Consob by Resolution No. 17221 of March 12, 2010, as subsequently amended by Resolution No. 21624 of December 10, 2020 (the “OPC Regulation” and “Resolution 21624”), in implementation of Article *2391-bis* of the Italian Civil Code and Articles *113-ter*, *114*, *115*, and *154-ter* of the Consolidated Law on Finance, applies to transactions with related parties, including those of greater significance (as identified pursuant to Annex 3 of the OPC Regulation), notwithstanding Article 8 of the OPC Regulation, a procedure that takes into account the principles and rules set forth in Article 7 of the OPC Regulation itself with respect to transactions of “minor significance” and, in any case, without prejudice to the necessary disclosure requirements (as further specified *below*).

Please note that the Company applies the Procedure while also taking into account Consob Communication No. DEM/10078683, published on September 24, 2010, containing “*Guidelines and directions for the application of the Regulation on related-party transactions adopted by Resolution No. 17221 of March 12, 2010, as subsequently amended*” (the “Implementation Communication”).

This Procedure serves as an instruction issued by the Issuer to its subsidiaries, as defined by the OPC Regulation (in

¹ Therefore, for the purposes of this Procedure, where it governs transactions with related parties carried out through subsidiaries, it is clarified that “subsidiaries” refers to companies controlled, directly or indirectly, by the Issuer, pursuant to Article 2359 of the Italian Civil Code.

as defined in Paragraph 2.1 below (the “Subsidiaries” or, individually, the “Subsidiary”) pursuant to and for the purposes of Article 114, paragraph 2, of the Consolidated Law on Finance.

The OPC Procedure was originally adopted by the Company in view of the admission to trading of its ordinary shares on the Euronext Growth Milan multilateral trading facility (formerly AIM Italia), which took place on March 16, 2020.

The Procedure, in its currently effective version, is published on the Company’s website www.unidata.it in the “Governance” section and, also by reference to that website, in the annual management report, pursuant to Article 2391-*bis* of the Italian Civil Code, where information on transactions with related parties is also provided.

Unless otherwise expressly provided for in this Procedure, reference should be made to applicable laws and regulations; unless otherwise specified, the definitions set forth in the OPC Regulations and in the Corporate Governance Code for Listed Companies drafted by the Corporate Governance Committee of the Italian National Commission for Companies and the Stock Exchange () and the Italian Corporate Governance **Association** (**Corporate** Governance) (the “**Italian Corporate** Governance Code”) shall apply.

2. DEFINITIONS

2.1 Definition of “Related Party”

“Related party” means the entity defined as such by the international accounting standards ^{in effect} from time to time,² adopted in accordance with the procedure set forth in Article 6 of Regulation (EC) No. 1606/2002.

The Responsible Function (as defined *below*), with the support of any other corporate functions and, where applicable, also through specific information tools, prepares, updates at least on a semi-annual basis, and makes available:

- (A) to the Company’s administrative body,
- (B) the Company’s main corporate functions, as well as
- (C) the directors and key management personnel of the parent company, the subsidiaries, the entities that exercise, directly or indirectly, control over the Company, and the affiliated companies, to the extent that such information relates to or is relevant to those companies and entities,

a list of the Company’s related parties (the “List of Related Parties”).

2.2 Definition of “Transaction with a Related Party”

² An excerpt of the definitions of “transactions with related parties” and “related parties” pursuant to IAS 24 is provided in the Appendix. The Appendix shall be deemed automatically updated to reflect changes in the applicable accounting standards, without the application of the provisions set forth for the amendment of this Procedure.

“Related-party transaction” means a transaction defined as such by the international accounting standards ^{in effect} from time to time³, adopted in accordance with the procedure set forth in Article 6 of Regulation (EC) No. 1606/2002 (the “Related-Party Transactions”).

Transactions with Related Parties do not include those directed indiscriminately to all shareholders on equal terms, such as, for example, the Company’s capital increases offered to its shareholders on a preemptive basis, proportional demergers in the strict sense, reductions in share capital through redemption to shareholders as provided for in Article 2445 of the Italian Civil Code, and purchases of treasury shares pursuant to Article 132 of the Consolidated Law on Finance. The Procedure also governs transactions which, although carried out by Subsidiaries, are attributable to the Company itself by virtue of a prior review or approval by the latter, as indicated in paragraph 7 of the Implementing Communication, to which reference is made, as well as the disclosure obligations relating to transactions carried out through Subsidiaries, as governed by Article 7 below of this Procedure.

2.3 **Definitions of “Independent Directors,” “Unrelated Directors,” “Responsible Function,” and “Directors Involved in the Transaction”**

For the purposes of this Procedure:

- (a) “Directors Involved in the Transaction” means directors who have an interest in the transaction, on their own behalf or on behalf of third parties, that conflicts with that of the Company;
- (b) “Independent Directors” means those who meet the independence requirements set forth in Article 148, paragraph 3 of the Consolidated Law on Finance (TUF) and in the Corporate Governance Code for listed companies drafted by the Corporate Governance Committee, to which the Company adheres;
- (c) “Unrelated Directors” means directors other than the counterparty to a specific transaction with a related party and its related parties;
- (d) “Responsible Function” means the Finance and Control Department or, in its absence or when no internal structure is utilized, the delegated body or individual. With specific reference to transactions carried out through Subsidiaries, “Responsible Function” means the Company function responsible for the prior review or approval of the individual transaction that the Subsidiary intends to carry out.

³ See Note 2.

3. APPROVAL, DISTRIBUTION, AND PUBLICATION OF THE PROCEDURE

3.1 Approval and amendments to the Procedure

The Procedure and any amendments thereto are approved by Unidata's Board of Directors, subject to a favorable opinion from the Related Parties Committee if it consists exclusively of Independent Directors or, if it does not consist exclusively of Independent Directors, from a specially constituted committee composed of at least three Independent Directors (the "Independent Directors Committee"). If there are not at least three independent directors in office, resolutions are approved subject to the favorable opinion of any independent directors present or, in their absence, subject to the non-binding opinion of an Independent Expert, as defined below. The Independent Directors' Committee meets in a timely manner prior to the Board of Directors' meeting called to deliberate on the approval of the Procedure or amendments thereto. The meeting of the Independent Directors' Committee, to which the Chairman of the Board of Statutory Auditors and the Head of the *Internal Audit* Function are invited, is attended by the Manager responsible for preparing the financial statements *pursuant* to Article 154-bis of the Consolidated Law on Finance. The opinion of the Independent Directors' Committee is submitted to the Board of Directors prior to the meeting.

The Board of Directors reviews the Procedure annually to determine whether to revise it, taking into account, among other things, any changes in laws and regulations, any changes in the ownership structure, and the Procedure's effectiveness in practice.

3.2 Distribution, Entry into Force, and Publication of the Procedure

The Responsible Function shall transmit the Procedure, together with the Related Parties List, to the Company's main corporate functions—including the Manager responsible for preparing the financial statements *pursuant* to Article 154-bis of the Consolidated Law on Finance (TUF)—in order to ensure coordination with the administrative and accounting procedures required by said provision—as well as to the functions responsible for overseeing compliance with the Procedure (for example, *Internal Audit* and the Head of the *Internal Audit* Department, and the Board of Statutory Auditors).

Pursuant to Article 114, paragraph 2, of the Consolidated Law on Finance (TUF), the Procedure is also transmitted by the Responsible Department to the members of the administrative body and (where applicable) the supervisory body of the Subsidiaries, as well as to the key corporate functions of such Subsidiaries, so that these parties may review it and, to the extent within their purview or under their responsibility, comply with it. To this end, a communication signed by the Chairman of the Board of Directors or the Chief Executive Officer must be sent to the administrative body of the Subsidiaries, containing instructions regarding the main obligations incumbent upon the Subsidiaries in order to ensure the effectiveness of the processes governed by the Procedure within the group. The administrative bodies of the Subsidiaries shall sign and send, for acceptance, to the Company (for the attention of the Chairman of the Board of Directors and the Responsible Department) a communication in which they accept the instructions received, also undertaking to fulfill, to the extent of their respective responsibilities, the obligations set forth in the Procedure as well as to

disseminate the Procedure throughout the company's organizational units and to any companies over which the Subsidiaries exercise control.

4. IDENTIFICATION OF TRANSACTIONS WITH RELATED PARTIES

Those who, on behalf of the Company or its Subsidiaries, are responsible for the approval and/or execution of a specific transaction shall, prior to commencing negotiations, verify whether the counterparty to the transaction is to be considered a related party, referring, among other things, to the List of Related Parties and seeking the support of the Responsible Department. If it is determined that the counterparty to the transaction is a related party, they shall promptly notify the Responsible Department—which shall inform the Chief Executive Officer—of their intention to initiate negotiations regarding the transaction.

The notification, which may also be prepared using electronic means, must contain at least the following information:

- (a) the counterparty's identifying information and the nature of the relationship;
- (b) type and purpose of the transaction;
- (c) financial terms of the transaction;
- (d) expected timeline;
- (e) reasons for the transaction, critical issues, and any risks that may arise from its execution, including in light of any subjection to management and coordination;
- (f) any other transactions concluded with the same related party or with parties related to it.

If the terms of the transaction are deemed equivalent to market or *standard* terms (as defined in Article 9.4 below), the documentation prepared shall contain objective supporting evidence.

Upon receipt of the above notification and verification of the existence of a related-party relationship with the counterparty to the transaction, the Responsible Function, after consulting with the Chairman of the Board of Directors and with the support of the relevant corporate function, shall promptly assess whether:

- (i) the transaction qualifies as a related-party transaction under the Procedure, in which case it shall initiate the procedure set forth in Article 6 below;
- (ii) one or more of the exemptions set forth in Article 9 below apply.

In the case described in (i) above, the Responsible Function, after consulting with the Chairman of the Board of Directors, shall initiate the procedure set forth in Article 6 below.

In the case referred to in (ii) above, the Responsible Function shall describe in the Related-Party Transactions Archive (as defined below) the verification activities carried out and shall implement (or instruct other corporate functions to implement) any obligations that may be necessary pursuant to Article 9 below.

The Chairman of the Board of Directors, with the support of the responsible department and the relevant corporate function, also determines whether the information relating to the transaction is likely to have a significant effect on the prices of the financial instruments issued by the Company and admitted to trading on the Euronext Milan market, pursuant to EU Regulation 596/2014 (“MAR”) and whether the conditions exist for the application of *the “Procedure for the Public Disclosure of Inside Information”* adopted by the Company pursuant to Articles 17 and 18 of MAR, respectively.

The Company’s Responsible Department establishes and maintains a record (the “Record of Related-Party Transactions”) using a dedicated electronic register:

- (A) Transactions with Related Parties, including those carried out through Subsidiaries, approved pursuant to Article 6 below (including those covered by framework resolutions pursuant to Article 8 below); as well as
- (B) Transactions with Related Parties, including those carried out through Subsidiaries, falling within one of the exemption cases referred to in Article 9 below.

5. GENERAL PRINCIPLES FOR THE APPROVAL OF TRANSACTIONS WITH RELATED PARTIES

Transactions with Related Parties shall comply with criteria of transparency and substantive and procedural fairness and shall be carried out in the exclusive interest of ^{the Company}⁴.

As a recently ^{listed} company,⁵ pursuant to Article 10 of the OPC Regulation, the Company applies to Related-Party Transactions—whether of “major significance” or “minor significance”—by way of derogation from Article 8 of the OPC Regulation, a procedure established in accordance with the principles and

⁴ “Substantive fairness” refers to the fairness of the transaction from an economic standpoint, for example, when the transfer price of an asset is in line with market prices and, more generally, when the transaction has not been influenced by the related-party relationship or, at the very least, when that relationship has not resulted in the acceptance of terms that are unjustifiably disadvantageous to the Company. Procedural fairness refers to compliance with procedures designed to ensure the substantive fairness of the transaction and, therefore, compliance with those rules that ensure, at least potentially, that Related Party Transactions do not result in unjustified harm to the interests of the Company and its investors. In particular, the essential elements of procedural fairness are: (i) compliance with the rules governing the approval of Related Party Transactions; (ii) the information provided to the parties responsible for deciding on its execution, who must be promptly informed of the existence of a related-party relationship (nature, origin, and scope) as well as any influence it may have had on the decision to carry out the transaction and on the definition of the terms of the transaction itself; (iii) the justification of the reasons for the transaction’s advantage to the issuer—based on the provisions of Articles 2391 and 2497-ter of the Civil Code regarding transactions concluded in the presence of an interested director or in cases of management and coordination of companies—in order to allow for an assessment of the influence of the related-party relationship on the definition of the transaction’s terms.

⁵ Pursuant to Article 3 of the OPC Regulations, “newly listed companies” are defined as companies whose shares are listed during the period between the date trading begins and the date of approval of the financial statements for the second fiscal year following the year of listing. Companies resulting from the merger or demerger of one or more listed companies that are not themselves newly listed cannot be defined as newly listed companies.

the rules set forth in Article 7 of the OPC Regulation, without prejudice to the exclusive authority of the Board of Directors with respect to the transactions described *below*. The provisions of Article 5 of the OPC Regulation (“*Public Disclosure of Related-Party Transactions*”) also remain in full force and effect. In particular, as set forth in Article 6 below, Related-Party Transactions are approved through the involvement of a committee appointed by the Board of Directors and composed of non-executive and independent directors, who, with respect to each transaction, must also be unrelated directors (the “Related-Party Committee”). If, pursuant to the regulations in force at the time, the Committee must be composed exclusively of Independent Directors, until the conclusion of the transaction and limited to it, in the event that one or more Independent Directors who are also Unrelated Directors sit on the Board of Directors, the OPC Committee shall be supplemented by the Independent Director who is also the oldest Non-Related Director. If there are not at least two Non-Related Independent Directors in office, Related-Party Transactions shall be approved by any Non-Related Independent Director in office, jointly with the Chairman of the Board of Statutory Auditors (provided that the Chairman may be considered unrelated in the same manner as the assessment of non-relatedness used to identify the Non-Related Directors). If there is not even one Non-Related Independent Director remaining, Transactions with Related Parties are approved by the Board of Statutory Auditors (provided its members can be considered unrelated in the same manner as the assessment of non-relatedness used to identify Non-Related Directors) or, alternatively, by an Independent Expert specifically appointed at the Company’s expense, subject to a maximum expenditure limit of [1]% of the transaction’s value. In any case, this is without prejudice to the Board of Directors’ right to appoint an Independent Expert, provided that the parties required to issue an opinion are required to verify the expert’s independence in advance.

The term “Independent Expert” refers to a natural or legal person who meets the requirements of professionalism, integrity, and independence called for by the nature of the assignment. Independence is verified by the Related Parties Committee prior to the assignment, taking into account, in particular, any economic, equity, or financial relationships between the expert and (i) the Related Party, its subsidiaries, its controlling entities, entities under common control, as well as the directors of the aforementioned companies; (ii) the Company, its Subsidiaries, the entities controlling it, companies under common control, as well as the directors of the aforementioned companies, and is certified by a declaration issued by the expert upon the assignment of the mandate.

It is understood that, in the cases described above, if members of the Board of Statutory Auditors have an interest in the transaction—whether on their own behalf or on behalf of third parties—they must disclose this to the other auditors, specifying the nature, terms, origin, and scope of such interest.

In the event that, when the conditions indicated above apply, the functions of the Related Parties Committee are delegated to and performed by the Independent Non-Related Director and the Chairman of the Board of Statutory Auditors, by the Board of Statutory Auditors, or by an Independent Expert, the references in this Procedure to the Related Parties Committee shall be understood to refer to

depending on the circumstances, to the Unrelated Independent Director, the Board of Statutory Auditors, or the Independent Expert.

In any case, the Company's Board of Directors (with the abstention of any Director Involved in the Transaction, as defined below) shall have exclusive authority over any decision and/or resolution regarding:

- (a) transactions carried out on non-market terms;
- (b) transactions of significant importance.

6. PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES

6.1 Transactions not falling within the competence of the shareholders' meeting

Without prejudice to the exclusive authority of the Board of Directors with respect to the review and approval of the transactions referred to in the preceding article, as well as the provisions of Article 2391 of the Italian Civil Code, Transactions with Related Parties that do not fall within the competence of the Shareholders' Meeting shall be approved and/or executed by the person competent for such approval and/or execution in accordance with the Company's *governance* rules, subject to a reasoned, non-binding opinion of the Related Parties Committee.

To this end, once the transaction has been classified as a Related-Party Transaction in accordance with Article 4 above and the application of any of the exemptions set forth in Article 9 below has been ruled out, the Responsible Department shall promptly notify the party responsible for approving and/or executing the transaction; the latter, having positively assessed the feasibility of the transaction, shall promptly transmit, through the Responsible Function, to the Related Party Committee, well in advance of the transaction's approval date, complete and adequate written information regarding the transaction so that the Committee may declare in writing the absence of any related-party relationships with respect to the specific transaction (including, where applicable, in relation to the counterparty of the Subsidiary).

Such disclosure must at a minimum cover:

- (a) the nature of the relationship, including the identity of the related party;
- (b) the subject matter of the transaction and the terms of its execution;
- (c) the timing and economic terms of the transaction, including the transaction value;
- (d) a description of the economic, equity, and financial effects of the transaction, including the impacts on the interests of the parties involved, providing at least the applicable materiality thresholds;
- (e) the methods used to determine the economic terms of the transaction, as well as assessments of the fairness of the consideration/value relative to market values for similar transactions;

- (f) the interests and motivations underlying the transaction, as well as any critical issues and risks that may arise from its execution, including in light of the Company's potential exercise of management and coordination over the counterparty.

If the terms of a transaction are deemed equivalent to market or *standard* terms, the documentation prepared shall contain objective supporting evidence.

The aforementioned disclosure may take place in several successive stages if the progress of negotiations does not allow for the timely and complete communication of all necessary information. The Related Parties Committee may, in any case, request additional information.

Where the nature, scope, and characteristics of the transaction so require, the Related Party Committee or, as the case may be, the parties acting in its stead, shall have the right to engage, at the Company's expense, one or more independent experts of its choice, by obtaining appropriate expert reports and/or *fairness opinions* and/or *legal opinions*. To this end, they may propose to the Company's Board of Directors the expert or experts to be appointed for the execution of the transaction, and the mandate must expressly provide that the expert or experts shall also specifically assist the Related Parties Committee in the performance of its duties. The expert reports and/or *fairness opinions* and/or *legal opinions* are forwarded to the Related Parties Committee (or, as the case may be, to the parties replacing said committee) in the days preceding the meeting of the Related Parties Committee itself, with sufficient advance notice prior to the meeting.

The Related Party Committee is promptly involved and kept informed from the negotiation phase onward and issues its opinion in a timely manner in view of the scheduled date for the approval and/or execution of the transaction. The Related Party Committee consults with the members of the Board of Statutory Auditors and, where deemed appropriate, with the Directors or authorized executives (including those responsible for conducting negotiations or preliminary investigations) of the Company or any Subsidiaries (where the latter are involved in the transaction), as well as any other parties designated by the Related Party Committee.

In formulating its opinion, the Related Party Committee also considers the merits of the transaction from the perspective of the Company's interests, as well as the appropriateness and substantive fairness of the relevant terms and conditions.

The opinion, which must specify any conditions to which the conclusion and/or execution of the transaction is subject, must be submitted in a timely manner together with any required expert reports and/or *fairness opinions* and/or *legal opinions*, as well as all information provided to the Board of Directors.

Directors who have an interest, on their own behalf or on behalf of third parties, in the transaction must promptly inform the Board of Directors, specifying the nature, terms, origin, and scope of such interest. If a Director has an interest, on his or her own behalf or on behalf of third parties, that conflicts with the Company's interests, he or she is required to abstain from voting on the matter (the "Affected Director").

In the case of transactions of minor significance, during any meeting of the Board of Directors convened to approve the transaction, the Related Parties Committee shall present its reasoned opinion to the Board of Directors.

Similarly, in the case of transactions of minor significance, the minutes of the approval resolution (of the Board of Directors or any other internal collegial body, or the resolution or decision of the Chief Executive Officer) shall include adequate justification regarding the Company's interest in carrying out the transaction and the fairness and substantive correctness of the relevant terms and conditions, as well as a summary of the main elements of the opinion prepared by the Related Parties Committee.

If approval of the transaction with a related party falls within the authority of the Company's Chief Executive Officers (if appointed), the Executive Committee (if established) of executive directors, or managers with delegated authority, the reasons regarding the Company's interest in carrying out the transactions and the fairness and substantive correctness of the related terms, as well as an explanation of the main elements of the opinion, shall be included in the resolution or decision of the Chief Executive Officer and provided to the Board of Directors and the Board of Statutory Auditors at the first available meeting.

If the transaction is approved, a comprehensive report on its execution is subsequently provided to the Board of Directors and the Board of Statutory Auditors at least once every quarter.

Without prejudice to the provisions of Article 17 of MAR, in the event of one or more transactions approved despite a negative opinion issued by the Related Parties Committee, the Company's Board of Directors, with the support of the responsible department and the parties involved in the transactions, shall prepare and make available to the public, within 15 days of the end of each quarter of the fiscal year, at the Company's registered office and in the manner specified in Title II, Chapter I of the Issuers' Regulations, a document indicating the counterparty, the subject matter, and the consideration of such transactions, as well as the reasons for disagreeing with said opinion.

Within the same timeframe, the opinion of the Related Parties Committee is made available to the public as an attachment to the aforementioned document or on the Company's website, www.unidata.it, in *the "Governance" section*.

Alternative safeguards in the event that one or more Independent Directors are related to a specific transaction

If, in relation to a specific transaction with related parties, one or more members of the Related Party Transactions Committee declare themselves to be related with respect to that specific transaction, the reasoned favorable opinion of the Related Party Committee must be issued by the Independent Director or by any unrelated Independent Directors present or, in their absence, by the Board of Statutory Auditors. This is without prejudice to the right to appoint an Independent Expert.

If the Board of Directors seeks the opinion of the Board of Statutory Auditors, any members of the Board of Statutory Auditors who have an interest in the transaction—whether on their own behalf or on behalf of third parties—must disclose this to the other Statutory Auditors, specifying the nature, terms, origin, and scope of such interest.

In the event that the Board of Directors seeks the opinion of an Independent Expert, the role of Independent Expert may not be entrusted to individuals who are counterparties to the transaction or related parties of the Company or of the counterparty to the transaction. Upon appointment, the expert must declare his or her independence, which must be verified by the Board of Directors; if there are (or have been in the past) economic, equity, or financial relationships between the expert and the Company, the expert must declare their existence and explain why they do not compromise his or her independence.

For the purposes of this assessment, consideration shall also be given to any such relationships (current or past) between the expert and (i) the Related Party, its subsidiaries, its controlling entities, entities under common control, and the directors of such entities; (ii) the Company, its Subsidiaries, the entities controlling it, companies under common control, and the Directors of such companies.

The provisions contained in this Article 6.1 shall apply, *mutatis mutandis*, in the event that the opinion is expressed by the Independent Director.

6.2 Matters within the jurisdiction of the Shareholders' Meeting

When a Related-Party Transaction falls within the competence of the Shareholders' Meeting or must be authorized by it, the provisions of Article 6.1 above shall apply, *mutatis mutandis*, to the preliminary review and approval by the Board of Directors of the resolution proposal to be submitted to the Shareholders' Meeting.

7. TRANSACTIONS CONDUCTED THROUGH SUBSIDIARIES

If the Board of Directors (or the delegated bodies or other company executives) of the Company reviews and/or approves Related-Party Transactions carried out by Subsidiaries, the Related-Party Committee, or, as the case may be, the entity or entities acting in its stead, the Board of Statutory Auditors, and the Board of Directors of the Company shall receive, in a timely manner, adequate and complete information regarding the transaction and, in particular, regarding the nature of the related party relationship (including identification of the related party), the subject matter, the economic terms, and the timing of the transaction, as well as the interests and motivations underlying the transaction. If the terms of a transaction are deemed equivalent to market or *standard* terms, the documentation prepared shall contain objective supporting evidence.

The transaction is approved and/or executed by the competent body of the Subsidiaries following a reasoned, non-binding opinion issued by the Related Party Committee or, as the case may be, by the body or bodies acting in its stead. The opinion must be issued in a timely manner with respect to the date of approval and/or execution of the transaction. All information submitted to the Related Party Committee or, as the case may be, to the entity or entities replacing it, together

with the additional documentation relating to the transaction, shall be made promptly available to the competent authority responsible for approving and/or executing the transaction.

If the transaction to be carried out through a subsidiary falls within the purview of that subsidiary's shareholders' meeting, the procedure described above shall apply, *mutatis mutandis*, to the preliminary review and approval of the proposed resolution to be submitted to said shareholders' meeting.

The Chief Executive Officer, with the support of the responsible department and the relevant corporate departments of the subsidiary in question, shall provide the Company's Board of Directors and Board of Statutory Auditors, at least quarterly, with a complete and detailed report (i) on the execution of transactions, (ii) on transactions carried out despite the negative opinion of the independent Related Party Committee, without prejudice to the authority of the subsidiary's administrative body (acting collectively, where applicable) pursuant to the provisions of Article 5 above, as well as (iii) on transactions subject to exemption under this Procedure, approved by the Subsidiaries during the relevant quarter, and on the main characteristics and conditions thereof. This is without prejudice to the disclosure obligations for transactions of major significance referred to in Article 5 of the OPC Regulation.

8. FRAMEWORK RESOLUTIONS

Pursuant to Article 12 of the OPC Regulations, transactions of a similar nature with certain categories of related parties, including those carried out through Subsidiaries, may be approved by means of framework resolutions.

Without prejudice to the provisions of the OPC Regulations, including those regarding public disclosure, the provisions of the preceding Article 6 apply to resolutions concerning the adoption of framework resolutions, without prejudice to the decision-making authority of the Company's Board of Directors if the foreseeable maximum amount of the transactions covered by the resolution, considered cumulatively, exceeds the thresholds set forth in Article 10.2 below (or, if the transaction is carried out by a subsidiary, by the subsidiary's administrative body acting as a collegiate body, where such a body exists).

Framework resolutions adopted in accordance with this article may not remain in effect for more than one year and must relate to sufficiently specific transactions, specifying at least the maximum anticipated amount of the transactions to be carried out during the relevant period and the rationale for the conditions set forth.

The Chief Executive Officer, with the support of the responsible department, shall provide the Board of Directors with a comprehensive report at least quarterly on the implementation of the framework resolutions.

Upon approval of a framework resolution, the Company shall publish an information document pursuant to Article 10.2 below if the expected maximum amount of the transactions covered by said resolution exceeds one of the materiality thresholds identified in Article 10.2 below.

The provisions of Articles 6 and 7 above do not apply to individual transactions concluded in implementation of the framework resolution. Transactions concluded in implementation of a framework resolution that is the subject of an information document published pursuant to the preceding paragraph are not counted for the purposes of the aggregation provided for in Article 10.2 below.

9. CASES OF EXEMPTION PURSUANT TO ART. 13 OF THE OPC REGULATION

Without prejudice to the cases of exclusion referred to in Article 13, paragraphs 1 and 4 of the OPC Regulation, the provisions of the Procedure do not apply:

- (a) transactions of a minor amount as referred to in Article 9.1 below;
- (b) compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article *114-bis* of the Consolidated Law on Finance (TUF) and the related implementation transactions (see paragraph 9.2 below);
- (c) Shareholders' meeting resolutions other than those indicated in Article 13, paragraph 1, of the OPC Regulation, regarding the remuneration of directors entrusted with specific duties as well as other executives with strategic responsibilities, in compliance with the conditions set forth in Article 13, paragraph 3, letter b), of the OPC Regulation (see paragraph 9.3 below);
- (d) resolutions addressed to all shareholders on equal terms, as specified in Article 13, paragraph *1-bis*, of the OPC Regulations, including transactions relating to capital increases, demergers, capital reductions, and share buybacks;
- (e) ordinary transactions concluded on terms equivalent to market or *standard* terms (see Article 9.4 below);
- (f) transactions with or among Subsidiaries and transactions with affiliated companies, provided that no interests in such companies are classified as "significant" (see Article 9.5 below).

It is further understood that the periodic disclosure obligations set forth in Article 10.3 below and in Article 5, paragraph 8, of the OPC Regulation apply to the resolutions referred to in the preceding subparagraphs (b), (c), (d), and (e).

9.1 Transactions of a minor amount

Transactions involving small amounts (as defined below) are excluded from the scope of application of the OPC Regulation and this Procedure and may be carried out, in accordance with the powers vested in them, by the relevant officer of the Company or by the executive directors and authorized officers of the Subsidiaries, without prejudice to the disclosure obligations set forth in Article 10.1 below.

For the purposes of this Procedure, "transactions of a minor amount" refer to transactions with related parties, whether natural persons or legal entities, whose value does not exceed the amount of

€100,000.00 (if the counterparty is a legal entity) or €50,000.00 (if the counterparty is a natural person).

This exclusion does not apply in the case of multiple small-value transactions, whether homogeneous or carried out as part of a single plan, concluded with the same related party or with parties related to both the latter and the Company, which, when considered cumulatively, exceed the amount indicated above.

9.2 **Compensation Plans *pursuant to Article 114-bis* of the TUF**

Pursuant to Article 13, paragraph 3, subparagraph (a) of the OPC Regulation, compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article *114-bis* of the Consolidated Law on Finance (TUF) and the related implementing transactions are excluded from the application of the provisions of the OPC Regulation itself and of this Procedure.

Compensation plans *pursuant to Article 114-bis* of the TUF and the related executive transactions are subject to the obligations regarding transparency and substantive and procedural fairness provided for by the provisions *currently* in force.

9.3 **Resolutions regarding the remuneration of directors holding specific positions and other executives with strategic responsibilities**

Pursuant to Article 13, paragraph 3, subparagraph b) of the OPC Regulation, resolutions concerning the compensation of directors—other than those specified in Article 13, paragraph 1 of the OPC Regulation—as well as that of executives with strategic responsibilities, are excluded from the scope of the OPC Regulation.

For the purposes of this exclusion, it is necessary that:

- (a) the Company has adopted a compensation policy;
- (b) a committee composed exclusively of non-executive directors, the majority of whom are independent, has been involved in defining the remuneration policy;
- (c) a report outlining the compensation policy has been submitted to the Company's Shareholders' Meeting for approval or a vote;
- (d) the remuneration awarded complies with the remuneration policy, determined without discretionary assessments.

9.4 **Ordinary transactions concluded on terms equivalent to market or *standard* terms**

(a) **Identification of ordinary transactions on market or *standard* terms**

“Ordinary” transactions are defined as those falling within the ordinary course of the Company's operating activities and related financial activities (Article 3, paragraph 1, letter d), of the OPC Regulation). For the transaction to qualify as

“ordinary” takes into account the criteria set forth in paragraph 3 of the Implementation Notice, to which reference is made.

“Transactions concluded on terms equivalent to market or *standard* terms” means transactions concluded on terms similar to those usually applied to unrelated parties for transactions of a corresponding nature, scope, and risk, or based on regulated rates or imposed prices, or those applied to parties with whom the company is legally required to contract at a specific price (Article 3, paragraph 1, letter e), of the OPC Regulation).

The determination of whether ordinary transactions have been concluded on terms equivalent to market or *standard* terms, as referred to in this Article 9.4, is left to the discretion of the Responsible Function, which may consult the Committee for this purpose and shall in any case report to the Chief Executive Officers regarding the outcome of the assessment conducted.

(b) **Applicable Regulations**

Ordinary transactions concluded on terms equivalent to market or *standard* terms are excluded from the scope of application of any provision of this Procedure and the OPC Regulation, with the exception of the provisions of Article 5, paragraph 8, of the Regulation concerning periodic financial reporting.

The body responsible for approving and/or executing the transaction must, in any case, be provided, in a timely manner prior to the approval of the transaction itself, with complete and adequate information regarding the transaction, including documentation containing evidence confirming the existence of market or *standard* conditions.

If the transactions benefiting from the exemption referred to in this paragraph are major transactions within the meaning of paragraph 10.2 below, without prejudice to the provisions of Article 17 of MAR, the Company shall:

- (i) promptly involve the Related Party Committee in assessing the applicability of this exemption;
- (ii) notify Consob and the independent directors or board members who express opinions on Related-Party Transactions, within seven days of the transaction’s approval, of the counterparty, the subject matter, and the consideration of the transactions that have benefited from the exemption, as well as the reasons why the transaction is considered routine and concluded on terms equivalent to market or standard conditions, providing objective supporting evidence;
- (iii) indicate in the interim management report and in the annual management report, as part of the information required by Article 5, paragraph 8,

of the OPC Regulations, which of the reportable transactions were concluded by availing themselves of the exemption referred to in this paragraph.

For each ordinary transaction subject to exemption, the Responsible Function shall maintain records, within the Related-Party Transactions Archive, of information regarding: (i) the ordinary nature of the transaction, in relation to its subject matter, frequency, and size; (ii) the nature of the relationship; (iii) contractual documentation; and (iv) the size and type of the counterparty.

9.5 **Transactions with and among Subsidiaries and/or Affiliated Companies**

Transactions with or between Subsidiaries, including jointly, as well as transactions with affiliated companies, are excluded from the scope of this Procedure provided that there are no significant interests of other parties related to the Company in the Subsidiaries or affiliated companies acting as counterparties to the transaction; however, the disclosure obligations set forth in Article 10 below remain unaffected.

The significance of interests held by other related parties in the Subsidiary or the associated company is left to the discretion of the Chairman of the Board of Directors and the Chief Executive Officer, with the support of the responsible department, or is referred to the Board of Directors if the assessment of the significance of such interests concerns the Chairman of the Board of Directors and/or the Chief Executive Officer themselves. Notwithstanding the foregoing, the Chairman of the Board of Directors and the Chief Executive Officer shall refer the assessment to the Committee and/or the Board of Directors if deemed appropriate, taking into account, among other things, the economic value of the Transaction and/or the specific characteristics of the Transaction.

The assessment of the materiality of interests, carried out by the Board of Directors and/or the Committee (as applicable), is conducted as follows:

- (a) consideration is given, among other things, to the existence of any equity relationships between the Issuer's Subsidiary or associated company and other parties related to the Company itself, or to any financial relationships between the Subsidiary or associated company, on the one hand, and other parties related to the Company, on the other;
- (b) The provisions of paragraph 21 of the Implementation Notice, to which reference is made, are taken into account; in particular, the interests of the entity controlling the Company are considered significant where the stake held by that entity (including indirectly) in the counterparty to the Related-Party Transaction—which is controlled by or affiliated with the Company—has a greater effective weight than the stake held by that entity in the Company;
- (c) Interests arising merely from the sharing of one or more directors or, if any, other executives with strategic responsibilities between the Company and the subsidiary or affiliate are not considered significant (see Article 14, paragraph 2, of the OPC Regulation);

- (d) Significant interests do exist, however, if, in addition to the mere sharing of one or more directors or other executives with strategic responsibilities, such individuals benefit from incentive plans based on financial instruments (or, in any case, variable compensation) dependent on the results achieved by the Subsidiary or associated company with which the transaction is carried out.

10. DISCLOSURE ON TRANSACTIONS WITH RELATED PARTIES

10.1 Internal disclosure on transactions with related parties of minor significance

The Chief Executive Officer, with the support of the responsible department and the parties involved in the transactions and/or with the support of the Directors or the relevant corporate departments of the Subsidiaries, provides:

- (A) to the Company's Board of Directors and Board of Statutory Auditors adequate information:
 - (i) on a quarterly basis, regarding the execution of transactions deemed significant pursuant to the Procedure and the OPC Regulation, as well as transactions exempted under Article 13, paragraphs 2 and 3(c), and Article 14, paragraph 2, of the same OPC Regulation, approved during the quarter, with particular reference to the nature of the relationship, the terms of execution of the transaction, and the terms and conditions; the disclosure also covers transactions with related parties carried out through Subsidiaries that have been reviewed or approved by the Company's Board of Directors and for which the Related Parties Committee has issued a non-binding opinion;
 - (ii) on a quarterly basis, regarding the implementation of the framework resolutions referred to in Article 8 above; and

(B) to the Board of Directors, the Board of Statutory Auditors of the Company, and the Related Party Committee, adequate information on at least a semi-annual basis regarding the application of the exemptions referred to in Article 9 above, at least with respect to transactions of greater significance

10.2 The documentation supporting transactions with related parties is retained by the Responsible Department. Public disclosure regarding transactions with related parties of major significance

In the event of transactions of major significance, including those carried out through Subsidiaries, the Company prepares an information document drafted in accordance with the template set forth in Annex 4 of the OPC Regulation.

"Transactions of greater significance" are defined as Related-Party Transactions

by the Company directly or through its Subsidiaries, in which:

- (a) the index of relevance of the consideration, that is, the ratio between the consideration of the transaction and the Company's shareholders' equity, or, if greater, the

the Company's market capitalization as of the close of the last trading day included in the reporting period of the most recent periodic financial report published (annual or semi-annual financial report or additional periodic financial information, if prepared); or

- (b) the asset significance ratio, i.e., the ratio of the total assets of the entity subject to the transaction to the total assets of the Company; or
- (c) the liability ratio, i.e., the ratio of the total liabilities of the company subject to the transaction to the Company's total assets,

exceeds the 5% threshold, all as further defined and detailed in Annex 3 to the OPC Regulations and in the Implementation Notice, to which reference is made.

The obligation to publish the disclosure document also arises when multiple transactions are carried out during the same fiscal year with the same related party, or with parties related to both the latter and the Company, provided that such transactions are of a similar nature or are carried out as part of a single plan, and — although not individually qualifying as transactions of major significance — exceed, when considered cumulatively, at least one of the materiality thresholds set forth above (so-called “cumulative transactions”). For the purposes of such aggregation, transactions carried out by Italian or foreign subsidiaries are also taken into account, and any transactions exempted pursuant to Article 9 of the Procedure are not considered.

The disclosure document is published in accordance with the terms and procedures set forth in Article 5 of the OPC Regulation.

10.3 Periodic Financial Reporting

The interim management report and the annual management report provide information regarding:

- (a) individual transactions of “significant importance” pursuant to Annex 3 of the OPC Regulation, concluded during the reporting period, including through Subsidiaries;
- (b) any other individual transactions with related parties, as defined pursuant to Article 2426, paragraph 2, of the Italian Civil Code, concluded during the reporting period, which have had a significant impact on the Company's financial position or results;
- (c) any changes or developments in related-party transactions described in the most recent annual report that have had a material effect on the Company's financial position or results of operations during the reporting period.

10.4 Related-party transactions and public disclosures pursuant to Article 17 of MAR

If a related-party transaction is disclosed through the issuance of a press release pursuant to Article 17 of MAR, such press release shall include, in addition to the other information required to be published under the aforementioned provision, at least the following information:

- (a) a description of the transaction;
- (b) an indication that the counterparty to the transaction is a related party and a description of the nature of the relationship;
- (c) the name or designation of the counterparty to the transaction;
- (d) whether or not the transaction exceeds the materiality thresholds identified pursuant to Article 10.2 of this Procedure, and an indication as to whether an information document will subsequently be published pursuant to Article 5 of the OPC Regulation;
- (e) the procedure that has been or will be followed for the approval of the transaction and, in particular, whether the Company has availed itself of an exclusion provided for in this Procedure pursuant to Articles 13 and 14 of the OPC Regulation;
- (f) any approval of the transaction despite the contrary opinion of the Directors or independent directors.

According to the Implementation Notice, with regard to cases in which the issuer does not publish the disclosure document pursuant to Article 10.2 above—whether because the transaction does not exceed the materiality thresholds identified pursuant to Article 10.2 above, or because the exemptions provided for in Article 9 above apply— the information elements that may be relevant for the purposes of compliance with Article 17 of the Market Abuse Regulation (MAR), concerning Related Party Transactions, which generally serve as a benchmark for Consob’s requests for the publication of supplementary information regarding press releases related to such transactions, include, by way of example, the following: (i) the essential characteristics of the transaction (price, terms of execution, payment schedule, etc.); (ii) the economic rationale for the transaction; (iii) a description of the economic, equity, and financial effects of the transaction in question; (iv) the methods used to determine the consideration for the transaction, as well as assessments of its fairness relative to market values of similar transactions; (v) if the economic terms of the transaction are deemed equivalent to market or *standard* terms, in addition to a statement to that effect, an indication of the objective supporting evidence; (vi) the possible use of experts to evaluate the transaction and, in such a case, an indication of the valuation methods adopted in relation to the fairness of the consideration, as well as a description of any critical issues identified by the experts in relation to the specific transaction.

APPENDIX

Definitions of related parties and transactions with related parties under international accounting standards

Related Party: a person or entity that is related to the entity preparing the financial statements (*i.e.*, the Company).

A party is a related party of the Company:

- (a) in the case of a natural person or a close family member of that person, if such person:
 - (i) controls, including jointly, the Company;
 - (ii) has significant influence over the Company;
 - (iii) is one of the key management personnel of the Company or its parent company;
- (b) in the case of other entities, if any of the following conditions apply:
 - (i) the entity and the Company are part of the same group;
 - (ii) the entity is an associate of the Company;
 - (iii) the entity is a *joint venture* in which the Company is a participant;
 - (iv) the entity is an associate or a *joint venture* that is part of a group of which the Company is a member;
 - (v) the entity is a *joint venture* of a third party and the Company is an associate of the third party;
 - (vi) the entity is represented by a post-employment benefit plan for the employees of the Company or a related entity;
 - (vii) the entity is controlled by or jointly controls a person referred to in (a);
 - (viii) a person identified in (a)(i) has significant influence over the entity or is a member of the entity's (or its parent's) key management personnel
 - (ix) the entity, or any member of a group to which it belongs, provides management services with strategic responsibilities to the reporting entity or to the parent of the reporting entity IAS 24, paragraph 9.

In the definition of a related party, an associate includes the associate's subsidiaries, and a joint venture includes the *joint venture's* subsidiaries.

For the purposes of this definition, the concepts of “control,” “joint control,” “significant influence,” “close family members,” and “key management personnel” as set forth in International Financial Reporting Standards and also contained in the Appendix to the OPC Regulation apply.

Related-party transaction: any transfer of resources, services, or obligations between the Company and one or more Related Parties, regardless of whether consideration was agreed upon. The following shall, in any case, be considered included in Related-Party Transactions: (i) mergers, demergers by incorporation, or non-proportional demergers, where carried out with Related Parties, and (ii) any decision regarding the allocation of compensation and economic benefits, in any form, to members of the administrative and control bodies and to executives with strategic responsibilities.