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| **EuroGroup Laminations S.p.A.** |
| **PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES** |

Approved, on a preliminary basis, by the Board of Directors of EuroGroup Laminations S.p.A. of November 18, 2022, and finally approved by the Board of Directors of EuroGroup Laminations S.p.A. on March 13, 2023, following the issue of the Related Party Committee’s opinion on March 13.

# RECITALS

This procedure (the “**Procedure**”) is adopted by EuroGroup Laminations S.p.A. (“**EuroGroup**” or the “**Company**” or the “**Issuer**”) and, namely:

### regulates the mechanisms to identify the related parties, thereby defining the mechanism and timeline according to which the list of related parties is to be compiled and updated and identifying the corporate functions in charge thereof;

### establishes the rules to identify the transactions with related parties prior to their completion;

### regulates the procedures under which transactions with related parties may be implemented by the Company, including through its subsidiaries in accordance with Article 93 of Italian legislative decree no. 58/1998 (the “**Italian Financial Act**”, often referred to with the Italian acronym “**TUF**”) or however subject to management and coordination (*direzione e coordinamento*)[[1]](#footnote-1);

### sets out the mechanisms and timeline to comply with the disclosure obligations towards the corporate bodies and towards the market.

The Company, qualifying as a company recently listed under Article 3 of the “*Regulations containing provisions relating to transactions with related parties*”[[2]](#footnote-2), adopted by Consob with resolution no. 17221 of March 12, 2010, as later amended and supplemented (the “**Regulations on Related-Party Transactions**” or “**Regulations on RPTs**” and “**Resolution no. 22144**”), in implementation of Section 2391-*bis* of the Italian civil code and of Articles 113-*ter,* 114, 115 and 154-*ter* of the TUF, applies to transactions with related parties, including transactions of greater importance (as identified pursuant to Annex 3 of the Regulations on RPTs), notwithstanding the provisions contained in Article 8 of the of the Regulations on RPTs, a procedure that accounts for the principles and rules set out in Article 7 of the Regulations on RPTs itself (as further specified below). It is understood that, in compliance with the provisions of the Regulations on Related-Party Transactions, the Company may not qualify as “newly listed” as of the date of approval of the financial statements for the second fiscal year following the listing year.

The Company applies the Procedure also in consideration of Consob notice no. DEM/10078683, published on September 24, 2010, containing “*Indications and guidance on the application of the Regulations on related-party transactions adopted with resolution no. 17221 of March 12, 2010, as later amended*” (*Indicazioni e orientamenti per l’applicazione del Regolamento sulle operazioni con parti correlate adottato con delibera n. 17221 del 12 marzo 2010 come successivamente modificato*) (the “**Implementation Notice**”).

This Procedure counts as instructions given by the Issuer to its subsidiaries, *i.e.* the companies under its control in accordance with the definition of control provided in Annex 1 of the Regulations on RPTs (to the extent set forth in Paragraph 2.1 below) (the “**Subsidiaries**” and, each of them, a “**Subsidiary**”) pursuant to and in compliance with Article 114(2) of the TUF.

This Procedure has been adopted, on a preliminary basis, by EuroGroup by resolution of its Board of Directors on November 18, 2022 as later amended, in view of the admission to trading of the Issuer’s ordinary shares on the Euronext Milan market organized and managed by Borsa Italiana S.p.A. (respectively, “**Euronext Milan**” and “**Borsa Italiana**”) (the “**Listing**”).

Following the Listing, the Procedure has been adopted, in accordance with Article 4(3) of the Regulations on RPTs, by the Board of Directors on March 13, 2023, following the issue of the Related Party Committee’s opinion on March 13, 2023 and following the assessment, by the Board of Statutory Auditors of the Company, on the Procedure’s compliance with the principles indicated in the Regulations on RPTs.

The provisions contained herein will be effective as of the date of the initial date of trading of the Issuer’s ordinary shares on the Euronext Milan. Any following amendment and/or supplementation will come into force as of the date of the posting of the Procedure on the Issuer’s website, or any other day otherwise required under provisions of law or regulation or under a resolution of the Board of Directors, or, in case of urgency, of the Chair of the Board of Directors.

The Procedure, as in force from time to time, is posted on the Company’s website www.euro-group.it under the “Governance” section, and, including by a link to the website itself, in the annual report on operations, pursuant to Section 2391-*bis* of the Italian civil code, which contains information on the transactions carried out with related parties.

For matters not expressly provided for in the Procedure, reference is made to applicable laws and regulations and, unless otherwise specified, the definitions set forth in the RPT Regulations and the Corporate Governance Code for Listed Companies prepared by the Corporate Governance Committee (the “**Corporate Governance Code**”) apply.

# DEFINITIONS

## Definition of a “related party”

A “related party” means the entity defined as such under the international accounting standards applicable from time to time[[3]](#footnote-3), adopted in accordance with the procedure contemplated in Article 6 of Regulation (EC) no. 1606/2002.

The Function in Charge (as defined below), with the support of other corporate functions, if any, and possibly also through dedicated information instruments, is to compile, update, at least every six months, and make available:

##### to the Company’s management body,

##### to the Company’s key functions, and

##### to the directors and key functions of the parent company, of the Subsidiaries, of the entities exercising direct or indirect control over the Company and of the associated companies, to the extent that is related to, or relevant for, such companies or entities,

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

## Definition of a “transaction with related parties”

“Transaction with related parties” means the transaction defined as such under the international accounting standards applicable from time to time[[4]](#footnote-4), adopted according to the procedure set out in Article 6 of Regulation (EC) no. 1606/2002 (the “**Related-Party Transactions”**).

Transactions indifferently addressed to all shareholders under equal conditions – such as, for example, transactions regarding the increase of the Company’s capital preempted to its shareholders and the strictly non-proportional demergers – do not fall under the Transaction with Related Parties. The Procedure also regulates the transactions that, even when carried out by a subsidiary, may be ascribed to the Company itself by virtue of a preliminary analysis or of an approval from the Company, in accordance with the provisions contained in Paragraph 7 of the Implementation Notice, to which reference is made.

## Definitions of “Independent Directors”, of “Unrelated Directors”, of “Function in Charge” and of “Directors Involved in the Transaction” and of “Unrelated Shareholders”

For the Purpose of this Procedure:

### “Directors Involved in the Transaction” means the directors holding an interest in the transaction, on own behalf or on behalf of third parties, conflicting with the Company’s interest;

### “Independent Directors” means the directors recognized as such by the Company in application of the laws and regulations in force from time to time (including the provisions contained in the Corporate Governance Code);

### “Unrelated Directors” means the directors other than the counterparty in a specific transaction with related party and other than its related parties;

### “Function in Charge” means the Finance and Control Department (*Direzione Finanza e Controllo*) or, should such department not exist or in the event that no internal structure is used, the delegated body or person. With specific regard to those transactions carried out through Subsidiaries, “Function in Charge” means the function of the Company in charge of the preliminary analysis or preliminary approval of the individual transaction that the Subsidiary is willing to carry out.

### “Unrelated Shareholders” means those persons entitled to voting rights other than the counterparty to a particular Transaction and Related Parties to both the counterparty to a particular Transaction and the Company.

## Definitions of “Independent Expert”

For the purposes of this Procedure, “Independent Expert” means a natural or legal person who meets the requirements of professionalism, honorability, and independence required by the nature of the assignment conferred. Independence shall be verified by the Related Parties Committee, prior to the granting of the appointment having regard, in particular, to any economic, asset and financial relations between the expert and (i) the Related Party, its subsidiaries, the parties that the control, the companies under common control, as well as the directors of the aforesaid companies; (ii) the Company, the Subsidiaries, the entities that control it, the companies under common control, as well as the directors of the aforesaid companies, and is attested by a statement that the expert makes when the appointment is made.

# APPROVAL, DISCLOSURE AND PUBLICATION OF THE PROCEDURE

## Approval of, and Amendments to, the Procedure

The Procedure and amendments thereto are approved by the Board of Directors of EuroGroup, subject to the favorable opinion of the Related Parties Committee if it is made up exclusively of Independent Directors or, if it is not made up exclusively of Independent Directors, of a specially constituted committee consisting of at least three Independent Directors (the “**Independent Directors Committee**”). If at least three Independent Directors are not 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 time for the meeting of the Board of Directors called to approve the Procedure or amendments thereto. The meeting of the Committee of Independent Directors, to which the Chairman of the Board of Statutory Auditors, the Function in Charge and the Head of the Internal Audit Function are invited, is attended by the Manager in charge of drafting accounting documents pursuant to Article 154-bis of the TUF. The opinion of the Committee of Independent Directors is forwarded to the Board of Directors prior to the meeting.

The Board of Directors evaluates, on an annual basis, whether to revise the Procedure, taking into account, among other things, any changes in laws and regulations, any changes in the ownership structure, as well as its effectiveness in application practice.

## Disclosure, Effective Date and Publication of the Procedure

The Function in Charge has the task of sending the Procedure, jointly with the List of Related Parties, to the key functions of the Company, including the Manager in charge of preparing the accounting documents pursuant to Article 154-*bis* of the TUF – in order to ensure proper coordination with the administrative and accounting procedures set out therein – and the functions in charge of supervising the compliance with the Procedure (for example, Internal Audit and Manager of the Internal Audit Function, and Board of Statutory Auditors).

Also pursuant to Article 114(2) of the TUF, the Procedure is to be sent, by the Function in Charge, to the members of the management bodies and (if appointed) to the supervisory bodies of the Subsidiaries and to their key functions, so that they may examine it and, within their respective responsibilities and to the extent of the task falling under their remit, comply with it. For the purpose thereof, the management bodies of the Subsidiaries must receive written notice from the Chair of the Board of Directors[[5]](#footnote-5) containing instructions on the Subsidiaries’ main obligations in order to ensure the effectiveness of the processes regulated by the Procedure itself within the group. The management bodies of the Subsidiaries are required to sign and send, for acceptance, to the Company (to the attention of the Chair of the Board of Directors and the Function in Charge) a notice in which they accept the instructions received, thereby also undertaking to comply, within their respective responsibilities, with the obligations set forth in the Procedure and to disclose the Procedure itself within their respective corporate structures and the companies, if any, over which the Subsidiaries exercise control.

# IDENTIFICATION OF TRANSACTIONS WITH RELATED PARTIES

The persons (including but not limited to the Company's attorneys) who, on behalf of the Company or, within the limits of the provisions of Article 7 of these Procedure, of the Subsidiaries, are responsible for approving and/or implementing a specific transaction, prior to commencing the negotiations, are required to check whether the counterparty in the transaction is to be considered as a related party or not, by referring, among others, to the List of Related Parties and by resorting, where necessary, to the support of the Function in Charge. Should it be established that the counterparty in a transaction is a related party, the Function in Charge, duly informed, must inform the Chair of the Board of Directors of the intention to start the negotiations surrounding the transaction.

Such notice, which may also be drawn up digitally, must contain the following information as a minimum:

### identification data of the counterparty and nature of the relation;

### type and subject-matter of the transaction;

### economic conditions of the transaction;

### expected timeline;

### grounds for the transaction, criticalities and risks, if any, which may derive from its implementation, including in light of the fact that the company involved may be subject to the management and coordination of another company;

### other transactions, if any, completed with the same related party or with entities related thereto.

### Should the terms and conditions of the transaction be considered market-equivalent or standard (as defined in Paragraph 9.4 below), the documentation prepared must contain objective evidence thereof.

After receiving the above notice and ascertaining the relationship with the counterparty in the transaction, the Function in Charge, after hearing the Chair of the Board of Directors with the support of the competent corporate function, is due to promptly assess whether:

#### the transaction qualifies as a transaction with related parties pursuant to the Procedure and, if so, to initiate the procedure contemplated under Article 6 below;

#### one or more exemption scenarios as set out in Article 9 below apply.

In the scenario contemplated under letter (a) above, the Function in Charge, having heard the Chair of the Board of Directors, is required to initiate the procedure described in Article 6 below.

In the scenario contemplated under letter (b) above, the Function in Charge is required to describe the verifications made in the Log of Transactions with Related Parties (as defined below) and to fulfill the obligations possibly required under Article 9 below (or otherwise instruct other corporate functions so that such obligations are fulfilled).

The Chair of the Board of Directors, with the support of the Function in Charge or of the competent corporate function, also verifies whether the information pertaining to the transaction is suitable to significantly impact the prices of the financial instruments issued by the Company and admitted to trading on the Euronext Milan, pursuant to Regulation (EU) no. 596/2014 (“**MAR**”) and to the “*Procedure for the disclosure to the public of Inside Information*” (*Procedura per la comunicazione al pubblico di Informazioni Privilegiate*) adopted by the Company pursuant to, respectively, Articles 17 and 18 of the MAR.

# GENERAL PRINCIPLES FOR THE APPROVAL OF TRANSACTIONS WITH RELATED PARTIES

Transactions with Related Parties comply with criteria of transparency and substantive and procedural fairness, and are implemented in the sole interest of the Company[[6]](#footnote-6).

The Company, being a company recently listed pursuant to Article 10 of the Regulations on RPTs, applies to Transactions with Related Parties, both transactions of “greater importance” and of “lesser importance”, notwithstanding the provisions contained in Article 8 of the Regulations on RPTs, a procedure identified according to the principles and rules set out in Article 7 of the Regulations on RPTs, without prejudice to the exclusive competence of the Board of Directors in connection with the transactions indicated hereinafter. The foregoing is without prejudice to the provisions of Article 5 of the Regulations on RPTs (“*Public information on transactions with related parties”*). In particular, as illustrated under following Article 6, Transactions with Related Parties are approved by a committee, appointed by the Board of Directors and composed [for the most part] of Independent Directors, who, with regard to each transaction, must also qualify as Unrelated Directors (the “**Related Party Committee**”). In the event that less than two Independent Directors are in office, Transactions with Related Parties must be approved by the Unrelated Independent Director possibly in office, jointly with the Chairman of the Board of Statutory Auditors (where the same may be considered unrelated similarly to the assessment of non-relatedness underlying the identification of Unrelated Directors) as further referred to in Paragraph 6 below. Where there is not even one Unrelated Independent Director remaining, Related Party Transactions are approved by the Board of Statutory Auditors (provided that its members are deemed to be unrelated, according to the same assessment criteria under which directors have been deemed to qualify as Unrelated Directors) or, in the alternative by a specially identified Independent Expert. The foregoing is without prejudice, in any case, to the right to appoint an independent expert, it being understood that the persons required to issue the opinion must preliminarily assess such independence.

Without prejudice to the provisions of this Procedure for the application of the alternative safeguards set forth in Paragraph 6 below, it is in any event, the Board of Directors of the Company (with the abstention of any Director Involved in the Transaction) has exclusive competence on the decisions and/or resolutions regarding:

### transactions carried out at conditions other than market conditions;

### transactions of greater importance.

# PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES

## Transactions Falling Outside of the Remit of the Shareholders’ Meeting

Without prejudice to the exclusive competence of the Board of Directors on the analysis and approval of the transactions contemplated in the previous article and to the provisions contained in Section 2391 of the Italian civil code, Transactions with Related Parties falling outside of the remit of the shareholders’ meeting are to be approved and/or implemented by the entity in charge of their approval and/or implementation according to the Company’s governance rules, subject to the non-binding reasoned opinion of the Related Party Committee.

For the purpose thereof, as soon as it is established that the transaction qualifies as a Transaction with a Related Party in accordance with the indications contained in Article 4 above and excluded that the exemption scenarios contemplated in Article 9 below apply, the Function in Charge must promptly inform the person or entity in charge of approving and/or implementing the transaction and the importance of the transaction itself under the Regulations on RPTs. Such person or entity, after ascertaining that the transaction is feasible, is required to send, through the Function in Charge, to the Related Party Committee, promptly and well in advance of the date of approval of the transaction, exhaustive and appropriate written information on the transaction, so that the committee may state in writing that the transaction at stake does not involve related parties (not even with regard to the counterparty of the Subsidiary).

As a minimum, such notice must provide information on:

### the nature of the relationship, including the indication of the related party;

### the subject-matter of the transaction and its implementation procedures;

### the timeline and economic conditions of the transaction, including the transaction’s consideration;

### an illustration of the economic, capital and financial effects of the transaction, including the impacts on the interests of the parties involved, providing at least the applicable materiality ratios;

### the mechanisms to determine the economic conditions of the transaction as well as the assessments made on the fairness of the consideration/value with respect to the market value of similar transactions;

### the interests and reasons underlying the transaction, as well as any criticality and risk that may derive from its implementation, including in light of the management and coordination exercised by the Company on the counterparty.

Should the terms and conditions of the transaction be considered market-equivalent or standard, the documentation prepared must contain objective evidence thereof.

The above information may be provided in multiple subsequent phases in the event that the status of the negotiations does not allow the timely and full disclosure of all the required information. The Related Party Committee may in any event request additional information.

If the nature, size and features of the transaction so require, the Related Party Committee or, as the case may be, the persons or entities acting on its behalf, may be supported, at the Company’s expense, by one or more independent experts of their choice, by acquiring dedicated expertise reports and/or fairness and/or legal opinions. To this end, they may indicate to the Board of Directors of the Company the expert(s) to be appointed for the carrying out of the transaction, and the mandate must explicitly set out that expert(s) are required to specifically support the Related Party Committee as well in the performance of its functions. The expertise reports and/or fairness and/or legal opinions must be sent to the Related Party Committee (or, as the case may be, to the persons or entities acting on its behalf) in the days prior to the meeting of the Related Party Committee, well in advance before such meeting.

The Related Party Committee is required to discuss with the members of the Board of Statutory Auditors and, if deemed to be appropriate, with the directors and or delegated senior managers (including senior managers in charge of conducting the negotiations or examinations) of the Company or, if applicable, of the Subsidiaries (in the event that they are involved in the transaction), as well as with any other person or entity that the Related Party Committee might indicate.

The Related Party Committee, in releasing its opinion, is also required to express merit considerations with respect to the interests that the Company may have in carrying out the transaction and to the advantages and substantive fairness of its terms and conditions.

The opinion, including the indication of any condition precedent to the completion and/or implementation of the transaction, must be released in due time jointly with any expertise and/or fairness and/or legal opinion required and with all the information sent to the Related Party Committee.

The directors holding an interest in the transaction are required to promptly and exhaustively inform the Board of Directors about the existence of any such interest and its circumstances, thereby assessing, on a case by case basis, the possibility of walking away from the board meeting at the time of the passing of the resolution regarding the transaction or of abstaining from voting. In such cases, the resolution passed by the Board of Directors must appropriately justify the reasons and advantages underlying the transaction for the Company. The Board of Directors must assess the most appropriate decision to be made in the circumstances in which directors walking away from the meeting at the time of the passing of the resolution might negatively impact the quorum to form the board meeting. Without prejudice to the foregoing, in the event that a Director owns an interest that conflicts with that of the Company, such Director is required to abstain from voting.

In case of transactions of lesser importance, during the Board of Directors’ meeting called to approve the transaction, the Related Party Committee is due to illustrate its reasoned opinion. The Directors involved in the transaction shall abstain from voting on the transaction.

In case of transactions of lesser importance, moreover, the minutes of the approval resolution (of the Board of Directors or of any other internal board) must provide appropriate reasons regarding the interest of the Company in carrying out the transaction and the advantages and substantive fairness of its terms and conditions, as well as the evidence of the key elements of the opinion drawn up by the Related Party Committee

Should the approval of the transaction with a related party fall within the remit of the Delegated Directors of the Company (if appointed), of the Executive Committee (if formed), of executive directors or of delegates senior managers, the reasons regarding the interest of the Company in carrying out the transaction and the advantages and substantive fairness of its terms and conditions, as well as the illustration of the key elements of the opinion must be provided to the Board of Directors and to the Board of Statutory Auditors during the first applicable meeting.

Should the transaction be approved, complete information on the implementation of the transaction itself must subsequently be provided to the Board of Directors and to the Board of Statutory Auditors at least on a quarterly basis.

Without prejudice to the provisions contained in Article 17 of the MAR, if one or more transactions are approved when the Related Party Committee has released a negative opinion, the Board of Directors of the Company, with the support of the Function in Charge and of the persons and entities involved in the transactions, is required to prepare and make available to the public within 15 days from the close of each quarter of the fiscal year at the registered office and in compliance with the mechanisms indicated in Title II, Chapter I, of the Issuers’ Regulation, a document containing the indication of the counterparty, of the subject-matter and consideration of such transactions as well as of the reasons based on which such opinion has not been shared.

Within that same deadline, the opinion of the Related Party Committee must be disclosed to the public attached to the document described above or on the website of the Company www.euro-group.it, under the “Governance” section.

***Alternate internal controls in case of relationship of one or more Independent Directors in the framework of a specific transaction***

In the event that, in connection with a specific transaction with related parties, one or more members of the Related Party Committee declare to have a relationship with reference to that specific transactions, the favorable reasoned opinion must be released by the unrelated independent director(s) in attendance, or, should they be absent, by the Board of Statutory Auditors (if its members can be considered unrelated similarly to the assessment of non-relationship underlying the identification of the Unrelated Directors). The foregoing is without prejudice to the right to appoint an independent expert.

If the Board of Directors requests the opinion of the Board of Statutory Auditors, the members of the Board of Statutory Auditors – whenever they hold an interest, on own behalf or on behalf of third parties, in the transaction – must inform the other Statutory Auditors, thereby specifying the nature, terms and conditions, origin and scope of any such interest.

If the Board of Directors requests the opinion of the independent expert, the independent expert’s mandate may not be assigned to parties acting as counterparties to the transaction or to Related Parties of the Company or of the counterparty to the transaction. Upon being appointed, the expert must state his or her independence, which must be vetted by the Related Party Committee; in the event that the expert and the Company have (or have had in the past) economic, asset and financial relationships, the expert must so declare and provide appropriate reason as to the fact that such relationships do not impair his or her independence.

Any such assessment must also take into consideration the above relationships (either current or past) between the expert and (i) the Related Party, its subsidiaries, the entities controlling such Related Party, the companies subject to joint control as well as the Directors of any of the above companies; (ii) the Company, its subsidiaries, the entities controlling the Company, the companies subject to joint control as well as the Directors of any of the above companies.

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

## Transactions Falling Within the Remit of the Shareholders’ Meeting

Whenever a Transaction with a Related Party falls within the remit of, or must be approved by, the Shareholders’ Meeting, the conditions set out in Article 6.1 above apply *mutatis mutandis* to the examination and approval of the resolution proposal by the Board of Directors to be presented to the Shareholders’ meeting.

If, in relation to a transaction of greater significance, the proposed resolution to be submitted to the Shareholders’ Meeting is approved by the Board of Directors in the presence of the negative opinion of the Related Parties Committee, the transaction - where provided for by the Company’s Bylaws and without prejudice to compliance with the constitutive and deliberative quorums required for the adoption of shareholders’ meeting resolutions of an ordinary or extraordinary nature - may not be carried out if the same is not also approved with the favorable vote of the majority of the voting Unrelated Shareholders, provided that the latter represent at least 10% of the share capital with voting rights at the Shareholders’ Meeting. To this end, before the start of the meeting proceedings, those entitled to vote are required to disclose the possible existence of a relationship of correlation with respect to the specific transaction on the agenda.

# TRANSACTIONS CARRIED OUT THROUGH SUBSIDIARIES

Without prejudice to the cases of exclusion set forth in Article 9 of this Procedure and the applicable disclosure requirements, Related Party Transactions that are entered into by the Company through a subsidiary (meaning those transactions that, to the extent that they are entered into by the subsidiary, are attributable to the Company by virtue of prior examination or approval by the latter) are to be investigated and approved in accordance with the preliminary and approval procedures set forth in Paragraph 6 above.

In this regard, and without prejudice to the interpretative guidelines issued from time to time by Consob:

* shall be deemed to be subject to the "examination" or "approval" of the Company any transaction carried out by subsidiaries - Italian or foreign – previously examined or approved by the Board of Directors, a delegated body or a corporate officer of the Company by virtue of the powers delegated to him, even in the absence of express resolutions by the Company's bodies or internal regulations;
* "examination" does not mean the mere receipt of information on the transaction carried out by the subsidiary (e.g., for the purpose of control or for the purpose of preparing corporate accounting documents) but any assessment of the transaction that may lead to an intervention - even in the form of a non-binding opinion - capable of affecting the subsidiary's process of approving the transaction. Subsidiaries shall provide the Company with all necessary information for the information purposes set forth in this Procedure and the Regulations on RPTs.

# FRAMEWORK RESOLUTIONS

Pursuant to Article 12 of the Regulations on RPTs, transactions similar in nature with certain categories of related parties, including when implemented through subsidiaries, may be approved by framework resolutions.

Without prejudice to the provisions of the Regulations on RPTs, including as concerns public information, resolutions regarding the adoption of framework resolutions are subject to the provisions contained in Article 6 above, without prejudice to the competence of the Board of Directors of the Company (or, in the event that the transaction is carried out by the subsidiary, of the management body of such subsidiary in the form of a board, if appointed) to pass resolutions in the event that the expected maximum amount of the transactions being resolved upon, considered in aggregate, exceeds the thresholds set out in Article 10.2 below.

Framework resolutions adopted in accordance with this article are effective up to one year and must refer to sufficiently determined transactions, reporting at least the expected maximum amount of transactions to be performed during the reporting period and the reasons for the foreseeable terms.

The Managing Director, with the support of the Function in Charge, is required to provide exhaustive information on the implementation of the framework resolutions to the Board of Directors at least once every quarter.

If a framework resolution is approved, the Company is required to publish an information document pursuant to Article 10.2 below in the event that the expected maximum amount of the transactions under that resolution exceed one of the reporting threshold identified in Article 10.2 below.

Transactions performed in implementation of a framework resolution are not subject to the provisions contained in Articles 6 and 7 above. Transactions performed in implementation of a framework resolution with respect to which an information document has been published in accordance with the above paragraph are not subject to the provisions contained in Article 10.2 below.

# EXEMPTIONS UNDER ARTICLE 13 OF THE REGULATIONS ON RPTS

Without prejudice to the exemption scenarios contemplated in Article 13(1) and Article 13(4) of the Regulations on RPTs, the provisions contained in this Procedure do not apply:

### to smaller amount transactions, as described in Article 9.1 below;

### to compensation plans based on financial instruments approved by the shareholders’ meeting pursuant to Article 114-*bis* of the TUF, and to their implementation transactions (see Article 9.2 below);

### to shareholders’ resolutions other than those indicated in Article 13(1) of the Regulations on RPTs, on the remuneration of directors holding special offices as well as of other managers with strategic responsibilities, in compliance with the conditions set out in Article 13(3)(b) (see Article 9.3 below);

### to resolutions addressed to all shareholders on equal terms, indicated in Article 13(1-*bis*) of the Regulations on RPTs, including the transactions on capital increases, mergers, capital reductions and buybacks;

### to ordinary transactions completed at market-equivalent or standard terms(see Article 9.4 below);

### to transactions with or between Subsidiaries and to transactions with affiliates, in the event that no “material” interest in held in the above companies (see Article 9.5 below).

The foregoing is without prejudice to the application of the periodic disclosure obligations set out in Article 10.3 below and in Article 5(8) of the Regulations on RPTs to the resolutions contemplated under letters (a), (c), (d) and (e) above.

## Smaller Amount Transactions

Smaller amount transactions (as defined hereinafter) are out of the scope of the Regulations on RPTs and of this Procedure, and may be implemented, within the limits of the powers they have been granted with, by the person or entity competent of the Company or by the executive directors and delegated senior managers of the Subsidiaries, without prejudice to the disclosure obligations set out in Article 10.1 below.

For the purpose of this Procedure, “smaller amount transactions” means the transactions with related parties, carried out either with natural persons or legal persons, the value of which does not exceed EUR [300,000] (if the counterparty is a legal person) and EUR [100,000] (if the counterparty is a natural person).

Such exclusions do not apply to several smaller amount transactions, consistent one to the other or implemented under a single project, completed with one related party or with persons or entities related both to such related party and to the Company, that, when considered in aggregate, exceed the above amount.

## Compensation Plans under Article 114-*bis* of the TUF

Pursuant to Article 13(3)(a) of the Regulations on RPTs, compensation plans based on financial instruments approved by the shareholders’ meeting in accordance with Article 114-*bis* of the TUF and their respective implementation transactions are out of the scope of application of the provisions contained in the Regulations on RPTs.

Compensation plansunder Article 114-*bis* of the TUF and their respective implementation transactions are subject to the transparency and substantive and procedural fairness obligations set forth in the provisions in force from time to time.

## Resolutions regarding the remuneration of directors holding special offices and of other senior managers with strategic responsibilities

Pursuant to Article 13(3)(b) of the Regulations on RPTs, resolutions regarding the remuneration of directors, other than those indicated in Article 13(1) of the Regulations on RPTs, as well as of senior managers with strategic responsibilities are out of the scope of application of the Regulations on RPTs.

In order to fall out of the scope of application as stated above:

### the company must have a remuneration policy in place;

### a committee consisting solely of non-executive directors, the majority of which must be independent, must have been involved in the definition of the remuneration policy;

### a report illustrating the remuneration policy must have been submitted to the approval or vote of the Shareholders’ Meeting of the Company;

### the remuneration assigned must be in line with the remuneration policy, determined without any discretionary assessment.

## Ordinary transactions completed at market-equivalent or standard terms

### **Identification of the ordinary transactions at market-equivalent or standard terms**

“Ordinary transactions” means the transactions falling within the ordinary operations of the Company and of the financial activity related thereto (Article 3(1)(d) of the Regulations on RPTs). To determine if a transaction qualifies as “ordinary”, the criteria established in Paragraph 3 of the Implementation Notice, to which reference is made, are taken into consideration, and, in any case, one of the following transactions: contracts for the provision of services (including contracts for the provision of IT services), contracts of a financial nature related to the ordinary exercise of operating activities, and any other Transaction falling within the ordinary operations of the Company or its Subsidiaries and/or related to the related financial activities (including cash pooling transactions).

“Transactions completed at market-equivalent standard terms” means transactions completed at terms similar to those usually applied to unrelated parties for transactions of the same nature, extent and risk, or based on regulated rates or at fixed prices, or those applied to persons or entities with which the company is under a legal requirement to contract at a certain price (Article 3(1)(e) of the Regulations on RPTs);

The identification of ordinary transactions completed at market-equivalent or standard terms as contemplated in this Article 9.4 is to be assessed by the Function in Charge, that may be supported by the Committee and is in any event required to inform the Delegated Directors of the outcome of such assessment. Without prejudice to any ad hoc assessment falling within the competence of the Responsible Function, to be shared with the Committee, as a rule, the conditions defined within the framework of a competitive and transparent procedure, adequately documented and verifiable, governed by general corporate rules or by rules consistent with the legal procedures for the acquisition of goods and services may be considered equivalent to those of the market or standard.

### **Applicable Laws and Regulations**

Ordinary transactions completed at market-equivalent or standard terms are out of the scope of application of any of the provisions contained in this Procedure and in the Regulations on the RPTs, except as provided for under Article 5(8) of the Regulations on periodic accounting information.

The corporate body in charge of resolving upon and/or implementing the transaction must receive, well in advance of the approval of the transaction itself, exhaustive and appropriate information on the transaction, including the documentation containing evidence on the fact that the transaction was carried out at market-equivalent or standard terms.

In the event that the transactions exempted under this paragraph qualify as transactions of greater importance pursuant to Article 10.2 below, without prejudice to the provisions contained in Article 17 of the MAR, the Company is required to:

#### involve the Related Parties Committee in assessing the applicability of this exemption in a timely manner;

#### disclose to Consob and to the Directors or independent directors expressing opinions on the Transactions with Related Parties, within seven days from the approval of the transaction, the counterparty, subject-matter, consideration of the exempted transactions as well as the reasons based on which the transaction has been deemed to qualify as ordinary and completed at market-equivalent or standard terms, thereby providing objective evidence thereof;

#### indicate in the interim report on operations and in the annual report on operations, in the framework of the information provided for in Article 5(8) of the Regulations on RPTs, which among the transactions that are to be disclosed have been completed by resorting to the exemption set out in this paragraph.

For each exempted ordinary transaction, the Function in Charge must keep evidence, in the Log of Transactions with Related Parties, of the elements regarding: (*i*) the ordinary nature of the transaction, in respect of the subject-matter, recurrence and size of the transaction, (*ii*) the nature of the relationship, (*iii*) the contractual documentation, and (*iv*) the size and type of the counterparty.

## Transactions with or between Subsidiaries and/or Affiliates

Transactions with or between Subsidiaries, including jointly, as well as transactions with affiliates fall outside the scope of the provisions of this Procedure in the event that no other parties related to the Company hold material interests in the Subsidiaries or in the affiliates that are counterparties to the transaction, without prejudice to the periodic accounting disclosure obligations set forth in Articles 10.1, 10.3 and 10.4 below (if applicable).

The materiality of the interests owned by other related parties in the Subsidiary or in the affiliate is to be assessed by the Chair of the Board of Directors, with the support of the Function in Charge, or otherwise by the Board of Directors in the event that assessing the materiality of any such interest concerns the Chair of the Board of Directors himself or herself. Without prejudice to the foregoing, the Chair of the Board of Directors assigns the assessment to the Committee and/or to the Board of Directors whenever considered appropriate in consideration, among other factors, of the economic value of the Transaction and/or of the specific features of the Transaction.

The assessment of the materiality of the interests by the Board of Directors and/or the Committee (as the case may be) must be conducted in accordance with the following indications:

### the existence, among other factors, of any equity investment relationship between the Subsidiary or the affiliate of the Issuers and other parties related to the Company itself, or of any equity investment relationship between the Subsidiary or the affiliate, on one side, and other parties related to the Company, on the other side, must be taken into consideration;

### the indications contained in Paragraph 21 of the Implementation Notice, to which reference is made, must be taken into consideration, and, in particular, the interests of the entity controlling the Company are deemed to qualify as material interests whenever the weight of the equity investment owned (directly or indirectly) in the company that is a counterparty to the Transaction with a Related Party, controlled by, or affiliated to, the Company is higher than the interest owned in the Company;

### interests deriving solely from the sharing of one or more directors or, if present, of other senior managers with strategic responsibilities between the Company and the Subsidiary or the affiliate do not qualify as material interests (see Article 14(2) of the Regulations on RPTs);

### interests qualify as material interests whenever, in addition to the sharing of one or more directors or other senior managers with strategic responsibilities, such persons are the beneficiaries of incentive plans based on financial instruments (or of variable remunerations) depending on the results achieved by the Subsidiary or the affiliate with which the transaction is carried out.

# INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

## Internal Information on Transactions with Related Parties

The Chair of the Board of Directors, with the support of the Function in Charge and of the persons or entities involved in the transactions, is required to provide,

(A) to the Board of Directors and to the Board of Statutory Auditors of the Company, appropriate information:

### on a quarterly basis, on the implementation of the transactions relevant under the Procedure and the Regulations on RPTs as well as on the transactions exempted pursuant to Article 13(2), Article 13(3)(c), Article 13(6) and Article 14(2) of the Regulations on RPTs approved during that quarterly period, and with particular reference to the nature of the correlation, the manner of execution of the transaction, the terms and conditions; such information must also cover transactions with related parties carried out through subsidiaries that have been examined or approved by the Board of Directors of the Company and with regard to which the Related Party Committee released a non-binding opinion;

### on a quarterly basis, on the implementation of the framework resolutions contemplated in Article 8 above; and

The same periodic reporting requirements also apply with reference to the Transactions approved by the Subsidiaries in the relevant quarter, and on the main characteristics and conditions of the same. For such Transactions, the Managing Director is supported by the Function in Charge and the competent corporate functions of the subsidiary concerned.

This is without prejudice, in any case, to the disclosure requirements for Transactions of Greater Significance set forth in Article 5 of the RPT Regulations and Section 10.2 below.

(B) to the Board of Directors, the Board of Statutory Auditors of the Company and the Related Parties Committee adequate information on at least a half-yearly basis, on the application of the cases of exemption referred to in Article 9 above, at least with reference to transactions of greater significance.

The documentation supporting transactions executed with related parties is kept by the Function in Charge. The Company’ Function in Charge is required to compile and keep a log (the “**Log of Transactions with Related Parties**”), by means of a dedicated electronic record:

##### of the Transactions with Related Parties, including those carried out through a subsidiary, approved in accordance with Paragraph 6 below (including those subject to framework resolutions pursuant to Paragraph 8 below); and

##### of the Transactions with Related Parties, including those carried out through a subsidiary pursuant to Paragraph 7, falling under one of the exemption scenarios contemplated in Paragraph  9 below.

## Documentation supporting transactions carried out by related parties must be kept by the Function in Charge. Public Information on Transactions of Greater Importance with Related Parties.

In case of transactions of greater importance, including when carried out through a subsidiary, the Company must draw up an information document in accordance with the provisions of Annex 4 of the Regulations on RPTs.

Transactions with Related Parties carried out by the Company directly or through subsidiaries qualify as “transactions of greater importance” whenever:

### the equivalent-value relevance ratio, *i.e.* the ratio between the equivalent-value of the transaction and the net assets of the Company, or, if greater, the capitalization of the Company recorded at the close of the last trading day included in the reference period covered by the latest period accounting document published (annual or semi-annual financial report or additional periodic financial information, if prepared); or

### the asset relevance ratio, *i.e.* the ratio between the total assets of the entity in the transaction and the total assets of the Company; or

### the liabilities relevance ratio, *i.e.* the ratio between the total liabilities of the company in the transaction and the total liabilities of the Company,

exceeds the 5% threshold, as better defined and detailed in Annex 3 of the Regulations on RPTs and in the Implementation Notice, to which reference is made.

The obligation to disclose the information document also apply when several transactions are carried out during the same financial year, with one related party, or with persons or entities related to both such related party and the Company, that are consistent one to the other or implemented under a single project, that – although they do not individually qualify as transactions of greater importance – exceed, when considered in aggregate, at least one of the relevance thresholds indicated above (referred to as “aggregated transactions”). Transactions carried out by Italian or foreign Subsidiaries are considered for the purpose of the above-referred aggregation, whereas transactions exempted pursuant to Article 9 of this Procedure are not considered.

The information document must be published according to the timeline and procedures set out in Article 5 of the Regulations on RPTs.

## Periodic Accounting Information

The interim report on operations and the annual report on operations must provide information on:

### individual transactions of “greater importance” pursuant to Annex 3 of the Regulations on RPTs, completed during the reporting period including through subsidiaries;

### any other individual Transactions with Related Parties, as defined in Section 2426(2) of the Italian civil code, completed during the reporting period, that have had significant impact on the financial position or results of the Company;

### any change or development of transactions with related parties described in the latest annual report on operations that have had significant impact on the financial position or results of the company during the reporting period.

## Transactions with Related Parties and Disclosure to the Public under Article 17 of the MAR

In the event that a transaction with a related party is notified by disclosing a press release in accordance with Article 17 of the MAR, such notice must at least contain, in addition to the information that must be disclosed in accordance with the MAR, the following information:

### a description of the transaction;

### an indication that the counterparty to the transaction is a Related Party and the description of the nature of the relationship;

### the legal or commercial name of the counterparty to the transaction;

### whether the transaction exceeds the relevance rations identified in accordance with Article 10.2 of this Procedure or not, and an indication on the subsequent publication of an information document pursuant to Article 5 of the Regulations on RPTs;

### the procedure that has been, or will be, followed for the approval of the transaction and, in particular, whether the company applied one of the cases of exclusion set forth in this Procedure in accordance with Articles 13 and 14 of the Regulations on RPTs;

### the indication if the transaction was approved despite the contrary opinion of the Directors or independent directors.

According to the Implementation Notice, in the event that the issuer does not publish the information document pursuant to Article 10.2 above, either because the transaction does not exceed the relevance thresholds identified under Article 10.2 above, or because the transactions is subject to the cases and rights of exemption set out in Article 9 above, the elements listed hereinafter, for example, may be relevant for the purpose of complying with Article 17 of the MAR, on Transactions with Related Parties that generally represent reference parameters for the purpose of the requests made by Consob to publish supplemental information on the press releases related to such transactions: (i) the key features of the transaction (consideration, implementation terms and conditions, payment terms, etc.); (ii) the economic reasons of the transaction; (iii) an explanation of the economic, asset and financial effects of the transaction at stake; (iv) the mechanisms to determine the transaction’s consideration, as well as the assessments on the fairness of such consideration compared to the market value for similar transactions; (v) in the event that the economic terms and conditions of the transactions are market-equivalent or standard, in addition to a statement that confirms so, the indication of objective pieces of evidence; (vi) the use, if applicable, of experts to assess the transaction and, if so, the indication of the assessment methods used to establish the fairness of the consideration, as well as a description of any criticality raised by the experts in connection with that specific transaction.

# CONFIDENTIALITY

## Information received or otherwise acquired from all parties involved in Related Party Transactions must be kept strictly private and confidential and handled in accordance with the provisions of the current procedure for internal management and external communication of documents and information concerning the Company.

**APPENDIX**

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

*Related* Party: an individual or entity related to the entity drawing up the financial statements (*i.e.* the Company).

An entity is a related party to the Company:

### in the event of a natural person or of a close relative of such person, if such person:

#### exercises control, individually or jointly with others, over the Company;

#### has significant influence on the Company;

#### is a manager with strategic responsibilities of the Company or of its parent company;

### in the event of other entities, if any of the following conditions apply:

#### the entity and the Company are part of the same group;

#### the entity is an associated company of the Company;

#### the entity is a joint venture in which the Company hold interests;

#### the entity is an associated company or a joint venture belonging and is part of the same group as the Company;

#### the entity is a third party’s joint venture and the Company is an associated company of such third party;

#### the entity is represented by a benefit plan whose effects are subsequent to the end of the employment relationship in favor of employees of the Company or of an entity related thereto;

#### the entity is controlled or jointly controls a person referred to under letter (a);

#### a person identified under item (a)(i) has significant influence on the entity or is one of the managers with strategic responsibilities of that entity (or of one of its subsidiaries).

In the definition of “related party”, an “associated company” includes the subsidiaries of that associated company and a “joint venture” includes the subsidiaries of that joint venture.

For the purpose of this definition, the concepts of “control”, “joint control”, “significant influence”, “close relatives”, “managers with strategic responsibilities” indicated in the International Accounting Standards and contained in the Appendix of the Regulations on RPTs apply.

*Transaction with related parties*: any transfer of resources, services or obligations between the Company and one or more Related Parties, irrespective of the fact that a consideration may have been agreed. Transactions with Related Parties in any event encompass: (i) the transactions regarding mergers, demergers by incorporation or strictly non-proportional demergers, whenever carried out with Related Parties; and (ii) any decision on the allocation of remunerations and economic benefits, in whatever form, in favor of members of the management and supervisory bodies as well as of the Managers with strategic responsibilities

1. Therefore, for the purpose of this Procedure, wherever reference is made to the regulation of transactions with related parties carried out through subsidiaries, it is to be noted that “subsidiary” is to be intended as companies controlled, either directly or indirectly, by the Issuer, in accordance with Section 2359 of the Italian civil code. [↑](#footnote-ref-1)
2. Pursuant to Article 3 of the Regulations on Related-Party Transactions, "newly listed companies" are defined as companies with shares listed in the period between the date of the start of trading 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 companies with listed shares that are not themselves newly listed cannot be defined as newly listed companies. [↑](#footnote-ref-2)
3. The Appendix to this Procedure contains an extract of the definitions of “transactions with related parties” and “related parties” pursuant to IAS 24. The Appendix shall be deemed to be automatically updated to reflect changes in the relevant accounting standards, without application of the provisions set fort for amendment of this Procedure. [↑](#footnote-ref-3)
4. See note 2. [↑](#footnote-ref-4)
5. For the purpose of this Procedure: (i) Chair of the Board of Directors, except as otherwise specified, means the Chair of the Board of Directors of the Company; (ii) the powers granted and tasks assigned to the Chair of the Board of Directors may be exercised or carried out by the Chief Executive Officer whenever the Chair of the Board of Directors is absent or unable to do so or whenever specifically instructed from the Chair of the Board of Directors. [↑](#footnote-ref-5)
6. Substantive fairness means the fairness of the transaction from an economic point of view, when, for example, the price for the transfer of a good is in line with market prices and, more generally, when the transaction has not been influenced by the relationship with the related party or, at least, such relationship has not determined the acceptance of conditions unjustifiably detrimental to the Company. Procedural fairness means the compliance with procedures aimed at ensuring the substantive fairness of the transaction and, therefore, the compliance with the regulations under which the Transactions with Related Parties, at least potentially, do not engender unjustifiable detriment to the Company and its investors. In particular, the key elements of the procedural fairness are: (i) the compliance with the rules set out for the approval of the Transactions with Related Parties; (ii) the information provided to the persons resolving upon its carrying out, who must be timely made aware of any relationship with a related party (nature, origin and scope) as well as of the influence, if any, that such relationship may have had on the decision to implement the transaction and on the definition of the terms and conditions of the transaction itself; (iii) the justification of the advantages for the issuer – in light of the provisions contained in Sections 2391 and 2497-*ter* of the Italian civil code on transactions completed with the presence of a director holding an interest or in the case of a company subject to management and coordination (*direzione e coordinamento*) – in order to allow the evaluation of the influence that the relationship with the related party may have had on the definition of the terms and conditions of the transaction. [↑](#footnote-ref-6)