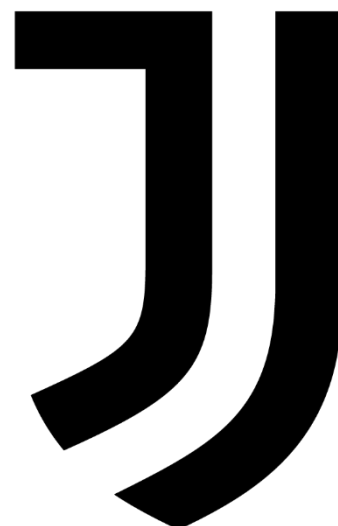


# **PROCEDURE FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS**

**(in accordance with Art. 4 of the Regulation adopted  
by Consob with resolution no. 17221 of 12 March  
2010, as amended and supplemented)**



## 1. Scope of application

This "*Procedure for the management of related party transactions*" (the "**Procedure**") has been adopted by Juventus Football Club S.p.A. ("**Juventus**" or the "**Company**") in implementation of Article 2391-bis of the Italian Civil Code and the regulation adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended and supplemented (the "**Consob RPT Regulation**")<sup>(1)</sup>, also taking account, *inter alia*, of Consob Communication no. DEM/10078683 of 24 September 2010 and the Corporate Governance Code (as defined below).

The Procedure is aimed at defining the rules relating to the identification, investigation, approval and execution of Related Party Transactions (as defined below) concluded by the Company directly or by way of companies controlled by it, as defined by the Appendix to the Consob RPT Regulation (the "**Subsidiary Companies**").

The Procedure mainly aims to: (i) identify the categories of related parties and the transactions with strategic, economic, capital or financial significance, for which there are dedicated authorisation and/or disclosure mechanisms; (ii) represent a useful reference guide for the departments involved in this process, each insofar as it is responsible and (iii) act as an instrument to protect the business assets and the Company's continuing operation as a going concern.

For all matters not expressly governed by the Procedure, reference is made to the Consob RPT Regulation, as well as to applicable legislative and regulatory provisions.

The Procedure was approved by the Company's Board of Directors on 11 November 2010 and lastly updated on 19 September 2023. The Procedure has been submitted for the opinion of the Committee and final approval by the Board of Directors in accordance with Article 4 of the Consob RPT Regulation.

The Board of Statutory Auditors supervises the compliance of the Procedure with the principles laid down in the Consob RPT Regulation as well as compliance with it, and reports on this to the shareholders' meeting in accordance with Article 153 of the Consolidated Finance Law.

## 2. Definitions

In addition to the definitions contained in other paragraphs, the following definitions apply for the purposes of this Procedure:

**"unrelated directors"** means directors other than the counterparty of a certain transaction and the related parties of the counterparty;

**"directors involved in the transaction"** means directors who have an interest, on their own behalf or that of third parties, in the transaction, in conflict with that of the Company;

**"Independent Directors"** means the Juventus directors in possession of the requirements of independence <sup>(2)</sup> envisaged by the Consolidated Finance Law (Articles 147-ter, paragraphs 4 and 148, paragraph 3) and by the Corporate Governance Code.

**"CFO"** means the *Chief Financial Officer* of Juventus.

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<sup>(1)</sup> Therein including Consob resolution no. 21624 of 10 December 2020.

<sup>(2)</sup> The existence of the requirement of independence is verified by the Board of Directors.

**"Corporate Governance Code"** means the corporate governance code of listed companies, adopted by the *"Corporate Governance Committee"*, available at the internet address <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

**"Board of Statutory Auditors"** means the board of statutory auditors of Juventus.

**"Committee"** means the committee indicated in paragraph 5 (*Committee*).

**"Conditions Equivalent to Market or Standard Conditions"** means conditions analogous to those typically applied to unrelated parties for transactions that are similar in nature, amount and risk, or based on regulated rates or on prices imposed or applied to parties with which the company is required by law to enter into contracts for a specific consideration.

**"Board of Directors"** means the board of directors of Juventus.

**"Key Management Person"** means those persons having authority and responsibility, directly or indirectly, for planning, directing and controlling the activities of the entity, including any director (whether executive or otherwise) of that entity [IAS 24, paragraph 9].

**"Information Document"** refers to the information document prepared pursuant to Article 5 of the Consob RPT Regulation.

**"Corporate Affairs Department"** refers to the *corporate affairs* department of the Company.

**"Responsible Department"** means, as appropriate, with the Company, the Revenue<sup>3</sup>, Legal and Procurement areas, classified as *"focal points"* which are responsible for reporting promptly to the CFO and to the *Corporate Affairs Department* potential related party transactions, and for managing the assessment process of the same in accordance with the regulatory provisions in force.

**"Working Day"** refers to any day (other than Saturday and Sunday) on which the banks are open for normal business operations in Turin.

**"Significance Indicators"**: the significance indicators envisaged by Annex 3 of the Consob RPT Regulation for the identification of Transactions of Major Significance.

**"Related Party Transactions"** are transfers of resources, services, or obligations between related parties, regardless of whether a price is charged [IAS 24, paragraph 9]<sup>(4)</sup>.

**"Transactions of Major Significance"** means the following Related Party Transactions:

- (a) Related Party Transactions for which at least one of the Significance Indicators, applicable depending on the specific transaction, is higher than 5%<sup>(5)</sup>;

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<sup>(3)</sup> In particular, the managers of the "Commercial" and "Marketing" areas who report to the Managing Director Revenue & Football Development are part of the Revenue area.

<sup>(4)</sup> Those transactions include: (i) merger operations, demerger by incorporation or demerger in the non-proportional strict sense, where implemented with related parties; and (ii) decisions on the assignment of remuneration and economic benefits, in any form, to members of the administration and control bodies and to Key Management Persons.

<sup>(5)</sup> The Significance Indicators identified by Annex 3 of the Consob RPT Regulation for the identification of Transactions of Major Significance are: (i) the indicator of relevance of the market value; (ii) the indicator of relevance of the asset and (iii) the indicator of relevance of the liabilities. For further information, see Annex 3 of the Consob RPT Regulation.

- (b) Related Party Transactions with the listed parent company or with entities related to the latter who are, in turn, related to Juventus, where at least one of the Significance Indicators is higher than 2.5%;

**"Transactions of Minor Significance"** means all Related Party Transactions other than the Transactions of Major Significance and the Transactions of Small Amount.

**"Transactions of Small Amount"** means Related Party Transactions whose total market value does not exceed the sum of Euro 200,000 if the counterparty is a natural person or the sum of Euro 500,000 if the counterparty is a legal person.

**"Delegated Body"**: means the executive director(s) of the Company or each of the directors to whom the Board of Directors has delegated its powers in accordance with Article 2381 of the Italian Civil Code or the managers and/or other company figures responsible for resolving in conformity with the provisions of the system of delegations of powers in force *pro-tempore*.

**"Ordinary Transactions"** means transactions falling within the ordinary exercise of the operational activity and the related financial activity of the Company and/or the Subsidiary Companies.

**"Related Party"** means a person or entity that is related to the entity that is preparing its financial statements.

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a Key Management Person of the reporting entity or of a parent company of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) one entity is an associate or *joint venture* of the other entity (or an associate or *joint venture* of a member of a group of which the other entity is a member);
  - (iii) both entities are *joint ventures* of the same third party;
  - (iv) one entity is a *joint venture* of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a Key Management Person of the entity (or of the parent company of the entity) [IAS 24, paragraph 9];
  - (viii) the entity, or any member of a group to which it belongs, provides management services with strategic responsibilities to the entity that prepares the financial statements or to the parent company of the entity that prepares the financial statements [IAS 24, paragraph 9].

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the *joint venture*. Therefore, for example, an associate's subsidiary and the investor that has significant influence over the associate are related to each other [IAS 24, paragraph 12]. For the purposes of this definition, the notions of "control", "joint control", "significant influence" and "close members of the family" indicated in the International Accounting Standards and also contained in the Appendix to the Consob RPT Regulation apply.

**"Issuers' Regulation"** means the regulation adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented.

**"Consolidated Finance Law"** means Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented.

### 3. Identification of Related Parties

Based upon the information and documentation available to the Company, the CFO – with the support of the *Corporate Affairs Department* – prepares the mapping of the Company's Related Parties. That mapping is included in the register of Related Parties prepared by the CFO, with the assistance of the *Corporate Affairs Department* and is made available on the Company's IT system (the **"Related Parties Register"**).

For the purposes of the aforementioned mapping, the entities indicated as Related Parties in paragraph 2 – point a) (*Definitions*), at the request of the CFO and/or the *Corporate Affairs Department*, are required to communicate promptly to the latter any useful information to allow for the correct assessment of their classification as Related Parties and for the identification of any other entities that may be classified as Related Parties.

The Committee then resolves the cases in which the identification of a Related Party is controversial based upon the respective definition contained in paragraph 2 above (*Definitions*).

If the Company has no knowledge of the Related Party qualification of a counterparty and the required information obligations have been omitted, the entity that has omitted such information will be held liable for any damage, pecuniary and non-pecuniary, even consequent to measures of the competent authorities caused to the Company from the completion of the Related Party Transaction in violation of this Procedure.

The Related Parties communicate any changes that occur to the information already provided within 5 Working Days from the date on which the entity became aware of the respective change. In any case, the CFO updates the Related Parties Register at least on a half-yearly basis.

### 4. Identification of Related Party Transactions

The CFO – assisted by the *Corporate Affairs Department* – is given the task of establishing and keeping updated the register of Related Party Transactions (the **"Register of Related Party Transactions"**).

Depending on the circumstances, the Department Manager and/or the Delegated Body, promptly informs the CFO of the onset of acts or facts that may lead to the implementation of a Related Party Transaction. In particular, those entities inform the CFO of: (i) the identification details of the counterparty and the nature of the correlation based upon the provisions of the Related Parties Register; (ii) the type, the subject, the economic terms, even in general, and the estimated timescale of the transaction; (iii) the reasons for the transaction and (iv) any other transactions concluded with the same Related Party or with parties related to it.

Before carrying out any transaction, the CFO checks if the counterparty is a Related Party and, in that case, if it is a Transaction of Small Amount in accordance with the Procedure.

If the transaction is with a Related Party, the CFO, with the support of the concerned company departments (therein including the *Corporate Affairs Department*), checks:

- (a) if the transaction falls within the cases of exclusion indicated in paragraph 13 (*Cases of exclusion*) of the Procedure;
- (b) if the transaction falls within the Ordinary Transactions;
- (c) if the transaction is carried out in implementation of a framework resolution adopted in accordance with paragraph 10 (*Framework Resolutions*) of the Procedure; and
- (d) if the transaction falls among the Transactions of Major Significance or among the Transactions of Minor Significance in accordance with the Procedure.

If the transaction falls within one of the circumstances of exclusion indicated in paragraph 13 (*Cases of exclusion*), or is completed in implementation of a framework resolution. The CFO then notes the transaction in the specific section of the Register of Related Party Transactions.

If a transaction does not fall within one of the circumstances of exclusion indicated in paragraph 13 (*Cases of exclusion*) or is not completed in implementation of a framework resolution, the CFO promptly submits the transaction for the attention of the Committee, promptly providing the necessary information. In that case, the provisions indicated in the rules on Related Party Transactions in paragraphs, as appropriate, 6.1 (*Examination of the Transaction*), with reference to Transactions of Minor Significance, or 7.1 (*Examination of the Transaction*), with reference to Transactions of Major Significance, will apply.

If, even following the checks indicated above, the CFO is not certain (i) if the transaction falls within one of the cases of exclusion indicated in paragraph 13 (*Cases of exclusion*), (ii) if the transaction falls within the category of Ordinary Transactions, or (iii) of the market value of the transaction for the purpose of determining if it is a Transaction of Small Amount or if the transaction falls within the Transactions of Major Significance or within the Transactions of Minor Significance in accordance with the Procedure, the assessment is deferred to the Committee.

For the purpose of carrying out its assessment, the Committee, if considered necessary, may (i) request from the CFO, or from the company department involved, further information and make observations as well as (ii) be assisted by one or more independent experts in accordance with the provisions of paragraphs, as appropriate, 6.1 (*Examination of the Transaction*), with reference to Transactions of Minor Significance, or 7.1 (*Examination of the Transaction*), with reference to Transactions of Major Significance.

## **5. Committee**

The Consob RPT Regulation requires the establishment of a Committee which is involved each time in assessing the transaction. The Juventus Board of Directors has established, in accordance with the *Corporate Governance Code*, the "Control and Risks Committee" which is also attributed the role of Committee responsible for the matters indicated in the Consob RPT Regulation.

The Committee is composed as envisaged by the Consob RPT Regulation in force *pro tempore*.

## **6. Transactions of Minor Significance**

### **6.1 Examination of the Transaction**

The Transactions of Minor Significance are investigated so as to illustrate in-depth and with documentary evidence the Company's interest in completing the transaction, the reasons for the transaction itself as well as the convenience and substantial fairness of its conditions.

The preliminary documentation, summarised in a specific report by the CFO with the support of the *Corporate Affairs Department* which describes the transaction comprehensively, also indicating the date on which the transaction must be resolved, shall be made available to the Committee and the Board of Directors (or the Delegated Body) appropriately in advance of the date on which they are required to express their opinion.

The Committee must, in good time prior to the approval of the transaction, formulate a motivated, non-binding opinion on the Company's interest in completing the transaction and the convenience and substantial fairness of the respective terms and conditions. The opinion is attached to the minutes of the Committee meeting.

The Committee may ask to be assisted, at the expense of the Company, by one or more independent experts chosen by it having proven professionalism and expertise in the matters of interest (the Committee itself verifies in advance the independence of the experts, taking account of the relationships indicated in paragraph 2.4 of Annex 4 to the Consob RPT Regulation). If the Committee asks to be assisted by one or more independent experts, the maximum limit of expenditure - which must be consummate to the value of the Related Party Transaction - will be identified in agreement by the Committee and by the CFO.

### **6.2 Approval of the Transaction**

The Transactions of Minor Significance are resolved subject to the motivated, non-binding opinion of the Committee which must send that opinion to the resolving body responsible for approving the Related Party Transaction in question.

The Board of Directors or the Delegated Body resolves on the basis of the investigative documentation and the opinion of the Committee. If the transaction is under the remit of the Board of Directors, the directors involved in the transaction abstain from voting on the same. Furthermore, the resolution acknowledges the reasons relating to the Company's interest in carrying out the transaction as well as the convenience and substantial fairness of the transaction and the respective conditions. In cases where the resolving body disagrees with the opinion of the Committee, the resolution must specify the reasons for such disagreement.

The Board of Directors and the Board of Statutory Auditors are informed by the CFO or by the *Corporate Affairs Department*, at least on a quarterly basis, of the execution of Transactions of Minor Significance.

## **7. Transactions of Major Significance**

### **7.1 Examination of the Transaction**

The Transactions of Major Significance are investigated so as to illustrate in-depth and with documentary evidence the Company's interest in completing the transaction, the reasons for the transaction itself as well as the convenience and substantial fairness of its conditions.

The preliminary documentation, summarised in a specific report by the CFO with the support of the *Corporate Affairs Department* which describes the transaction comprehensively, also indicating the date on which the transaction must be resolved, shall be made available to the Committee and the Board of Directors appropriately in advance of the date on which they are required to express their opinion.

The resolution on completing a Transaction of Major Significance is adopted by the Company's Board of Directors as that power may not be delegated to the Delegated Body.

The Committee or one or more of its members, specifically delegated by the Committee, are promptly involved in the negotiations and in the preliminary phase through the receipt of a complete and updated flow of information, with the right to request information and to make observations to the persons involved in holding the negotiations or performing the preliminary investigation.

The Committee may ask to be assisted, at the expense of the Company, by one or more independent experts chosen by it having proven professionalism and expertise in the matters of interest (the Committee itself verifies in advance the independence of the experts, taking account of the relationships indicated in paragraph 2.4 of Annex 4 to the Consob RPT Regulation). If the Committee asks to be assisted by one or more independent experts, the maximum limit of expenditure - which must be consummate to the value of the Related Party Transaction - will be identified in agreement by the Committee and by the CFO.

## **7.2 Approval of the Transaction**

The Transactions of Major Significance are resolved after having obtained the motivated binding opinion of the Committee on the Company's interest in carrying out the transaction as well as on the convenience and substantial fairness of the respective terms. The opinion is attached to the minutes of the meeting of the Committee; the latter must send that opinion to the Board of Directors.

The Company's Board of Directors resolves on whether or not to complete the Transaction of Major Significance based upon the preliminary documentation and the motivated binding opinion of the Committee. If the transaction is under the remit of the Board of Directors, the directors involved in the transaction abstain from voting on the same. Furthermore, the resolution acknowledges the motivations in relation to the Company's interest in carrying out the transaction as well as the convenience and substantial fairness of the respective terms and conditions.

The Board of Directors and the Board of Statutory Auditors are informed by the CFO or by the *Corporate Affairs Department*, at least on a quarterly basis, of the execution of Transactions of Major Significance.

The Board of Directors may approve the Transactions of Major Significance despite the contrary opinion of the Committee, provided that the completion of such transactions is authorised, in accordance with Article 2364, paragraph 1, number 5) of the Italian Civil Code, by the shareholders' meeting, which resolves in accordance with the provisions of paragraph 11.2 (*Transactions of Major Significance under the remit of the Shareholders' Meeting*) of this Procedure.

## **8. Related Party Transactions by way of the Subsidiary Companies**

If one of the cases of exclusion regulated by this Procedure does not apply, the Subsidiary Companies submit for prior examination and/or approval of the Company the Related Party Transactions that they intend to implement. In that case, the provisions contained in paragraphs 6 (*Transactions of Minor Significance*), 7 (*Transactions of Major Significance*) and 11 (*Transactions under the remit of the Shareholders' Meeting*) apply, insofar as they are applicable.



In particular, the managing director (or, where present, the delegated body) of the Subsidiary Company, before undertaking a transaction, verifies (possibly with the support of the Company's CFO) whether or not the counterparty is a related party. If it is found that the transaction counterparty is a related party and that the transaction does not fall among the cases of exclusion envisaged by paragraph 13 (*Cases of Exclusion*), the managing director (or, where present, the delegated body) refrains from continuing the investigation and/or negotiations and informs the Company's CFO. Having received the communication, the Company's CFO communicates it, as appropriate, to the Board of Directors or to the Delegated Body, which provides instructions in relation to the continuation of the transaction in conformity with the provisions of the Procedure. The activities described in the above paragraphs are adequately documented and made traceable.

## **9. Urgent transactions**

In the case of urgency, if the transaction is not under the remit of the shareholders' meeting and does not have to be authorised by it, and where expressly permitted by the articles of association, subject to the provisions of Article 5 of the Consob RPT Regulation and the reserve of responsibility of the Board of Directors for Transactions of Major Significance, the Related Party Transactions may be concluded in derogation of the provisions of paragraphs 6 and 7 of this Procedure, provided that:

- (a) if the transaction to be completed falls under the responsibilities of a Delegated Body, the Chairman of the Board of Directors is promptly informed of the reasons of urgency and, in any case, prior to completing the Related Party Transaction;
- (b) the Related Party Transactions are subject, without prejudice to their effectiveness, to a non-binding resolution of the next ordinary shareholders' meeting;
- (c) the Board of Directors prepares a report containing an adequate motivation of the reasons of urgency. The Board of Statutory Auditors reports its assessments to the shareholders' meeting on the existence of the reasons of urgency;
- (d) the report and the assessments indicated in letter c) are made available to the public at least twenty-one days before the day fixed for the shareholders' meeting at the registered office and by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation. Those documents may be contained in any Information Document indicated in paragraph 16 of the Procedure;
- (e) by the day after the shareholders' meeting, the Company makes available to the public, by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation, information on the outcomes of the vote, with particular regard to the number of votes expressed by unrelated shareholders.

## **10. Framework resolutions**

The Board of Directors may adopt framework resolutions for series of homogeneous Related Party Transactions to be implemented by the Company or by Subsidiary Companies with certain categories of Related Parties. In that case, the framework resolutions:

- (a) do not have effectiveness longer than one year;
- (b) refer to sufficiently determined Related Party Transactions, indicating at least the expected maximum amount of the Related Party Transactions to be implemented in the period of reference and the motivation of the conditions established.

Complete information on the implementation of framework resolutions is provided to the Board of Directors at least quarterly.

On the occasion of the approval of a framework resolution by the Board of Directors, the Company will publish an Information Document if the expected maximum amount of the Related Party Transactions to be implemented in the period of reference identified in the framework resolution exceeds one of the Significance Indicators.

The provisions of paragraphs 7 (*Transactions of Minor Significance*) and 8 (*Transactions of Major Significance*) above do not apply to individual Related Party Transactions concluded in implementation of a framework resolution.

Transactions concluded in implementation of a framework resolution subject to an Information Document published in accordance with this paragraph are not completed for the purposes of the accumulation envisaged by Article 5, paragraph 2 of the Consob RPT Regulation.

## **11. Transactions under the remit of the Shareholders' Meeting**

### **11.1 Transactions of Minor Significance under the remit of the Shareholders' Meeting**

When a Transaction of Minor Significance is under the remit of the shareholders' meeting or must be authorised by it, in the preliminary investigation phase and in the phase of approval of the resolution proposal to be submitted to the shareholders' meeting, the provisions relating to Transactions of Minor Significance indicated in paragraph 6 (*Transactions of Minor Significance*) apply.

### **11.2 Transactions of Major Significance under the remit of the Shareholders' Meeting**

When a Transaction of Major Significance is under the remit of the shareholders' meeting or must be authorised by it, in the negotiation phase, in the preliminary investigation phase and in the phase of approval of the resolution proposal to be submitted to the shareholders' meeting, the provisions relating to Transactions of Major Significance indicated in paragraph 7 (*Transactions of Major Significance*) apply.

For a Transaction of Major Significance under the remit of the shareholders' meeting or that must be authorised by it in accordance with the Articles of Association, if the Committee has issued a negative opinion on the resolution proposal to be submitted to the shareholders' meeting (even if the opinion is not binding), without prejudice to respect of the constitutive and deliberative *quorums* required by law or possibly envisaged by the Articles of Association for the shareholders' meeting resolution in question and the legal provisions on conflict of interests, the Transaction of Major Significance may not be completed if the majority of the unrelated shareholders who are voting express a contrary vote to the transaction, provided that the unrelated shareholders present at the shareholders' meeting represent a percentage equal to at least 10% of the share capital with voting right.

If the transaction requires publication in the Information Document and there are significant updates to be made to the same, the Company, by the twenty-first day before the shareholders' meeting, makes available to the public, at the registered office and by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation, a new version of the Information Document. The Company may include by way of reference the information already published.

### **11.3 Urgent transactions linked to situations of company crisis**

If expressly permitted by the Articles of Association and without prejudice to the provisions of Article 5 of the Consob RPT Regulation, in the case of urgency related to situations of company crisis, Related Party Transactions may be concluded in derogation of the provisions of the above rules, provided that the shareholders' meeting called to resolve is subject to the following provisions:

- (a) the body that convenes the shareholders' meeting prepares a report containing an adequate motivation of the reasons of urgency and the Board of Statutory Auditors reports to the shareholders' meeting its assessments on the existence of the reasons of urgency;
- (b) the report and the assessments are made available to the public at least twenty-one days before the day fixed for the shareholders' meeting at the registered office and by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation. Those documents may be contained in any Information Document indicated in paragraph 5 of the Consob RPT Regulation; If the assessments of the control body are negative, the shareholders' meeting resolves by the methods indicated in paragraph 11.2 above; otherwise, the provisions of paragraph 9, letter e) above apply.

## **12. Equivalent controls**

If one or more members of the Committee are Related Parties with respect to a certain transaction on which the Committee is asked to express an opinion and in any case where it is not possible to establish a Committee in accordance with the rules of composition indicated in paragraph 5 (*Committee*), the following equivalent controls must be adopted, in order:

- (a) if one of the Committee members is related, the decision of the Committee is adopted by majority by the remaining unrelated members of the Committee, provided that the majority of these are Independent Directors, or,
- (b) the opinion of the Committee is issued by two Independent Directors or, as long as only one director within the Board of Directors can be qualified as an unrelated Independent Director, by the sole unrelated Independent Director, provided that the majority of the Independent Directors, or the only Independent Director, is not, with respect to the specific transaction, a Related Party; or
- (c) the opinion is issued by the Board of Statutory Auditors, provided that the majority of members of the same are not Related Parties in the specific transaction; or,
- (d) the opinion is issued by an independent expert identified from persons having recognised professionalism and expertise in the matters of interest, whose independence and absence of conflicts of interest are assessed.

The members of the Committee are required to declare promptly the existence of any relationships of correlation in relation to the specific Related Party Transactions, in order to allow for the equivalent controls envisaged by this paragraph to be applied.

If one of the equivalent controls is used, the provisions laid down in relation to the process that must be followed by the Committee shall apply, insofar as they are compatible.

## **13. Cases of exclusion**

In conformity with the provisions of Article 13 of the Consob RPT Regulation, the provisions of the same and of this Procedure do not apply:

- (a) to the shareholders' meeting resolutions indicated in Article 2389, paragraph 1 of the Italian Civil Code, on remuneration due to members of the Board of Directors and the executive committee (where appointed), and to the shareholders' meeting resolutions indicated in Article 2402 of the Italian Civil Code on remuneration due to members of the Board of Statutory Auditors;
- (b) to any resolutions on the remuneration of directors invested with particular roles falling within the total sum determined in advance by the shareholders' meeting in accordance with Article 2389, paragraph 3 of the Italian Civil Code.

The provisions of the Consob RPT Regulation and of this Procedure do not apply to transactions resolved by the Company and aimed at all shareholders under the same conditions, therein including:

- (a) capital increases on option, even in service of convertible bond loans, and free capital increases envisaged by Article 2442 of the Italian Civil Code;
- (b) demergers in the strict sense, total or partial, with criterion of proportional attribution of shares;
- (c) reductions of share capital by way of reimbursement to the shareholders envisaged by Article 2445 of the Italian Civil Code and purchases of treasury shares in accordance with Article 132 of the Consolidated Finance Law.

The provisions of the Consob RPT Regulation and this Procedure do not apply to Transactions of Small Amount. If, during the same financial year, transactions are concluded with the same Related Party or with parties related to the latter and to the Company, that are homogeneous or implemented in execution of a unitary plan which, although individually of market value not exceeding the amount of Euro 200,000 if the counterparty is a natural person or the amount of Euro 500,000 if the counterparty is a legal person, exceed, considered overall, that threshold, the transaction which determines the exceeding of the aforementioned threshold is subject to a resolution in conformity with the provisions of this Procedure.

Without prejudice to the information obligations envisaged by Article 5, paragraph 8 of the Consob RPT Regulation, the provisions of this Procedure do not apply in the following circumstances:

- (a) remuneration plans based upon financial instruments approved by the shareholders' meeting in accordance with Article 114-bis of the Consolidated Finance Law and respective executive transactions;
- (b) resolutions, other than those indicated above, on the remuneration of members of the Board of Directors and the directors invested with particular roles as well as the other Key Management Persons, provided that:
  - (i) the Company has adopted a remuneration policy approved by the shareholders' meeting;
  - (ii) an executive committee consisting exclusively of non-executive directors, for the majority independent, (e.g. the "Appointments and Remuneration Committee") has been involved in defining the remuneration policy;
  - (iii) the assigned remuneration is identified in conformity with that policy and quantified on the basis of criteria that do not involve discretionary assessments;

- (c) Ordinary Transactions concluded at Conditions Equivalent to Market or Standard Conditions. The information obligations envisaged by Article 13, paragraph 3, letter c) of the Consob RPT Regulation remain in place. In the case of a derogation from the publication obligations envisaged for Transactions of Major Significance by Article 5, paragraphs 1 to 7 of the Consob RPT Regulation, without prejudice to the provisions of Article 17 of Regulation (EU) no. 596/2014, the Company:
  - (i) communicates to Consob and to the independent directors who express opinions on related party transactions, by the term indicated in Article 5, paragraph 3 of the Consob RPT Regulation (i.e. within 7 days from the approval of the transaction or, if the competent body resolves to submit a contractual proposal, within 7 days from the time the contract, even preliminary, is concluded based upon applicable regulations) the counterparty, the subject, the fee for transactions that have benefited from the exclusion as well as the reasons why it is considered that the transaction is ordinary and concluded at conditions equivalent to those of the market or *standard* conditions, providing objective evidence. Based upon that information, the independent directors who express opinions on related party transactions verify, within two months from receiving the aforementioned information, the correct application of the exemption conditions to that type of transaction, and
  - (ii) indicate in the interim management report and annual management report, in the information envisaged by Article 5, paragraph 8 of the Consob RPT Regulation, which of the transactions subject to disclosure obligations indicated in that latter provision have been concluded invoking the exclusion envisaged in this letter.
- (d) transactions with or between Subsidiary Companies, even jointly, by the Company, as well as transactions completed by the Company, or by the Subsidiary Companies, with companies related to the Company, if, in the Subsidiary Companies or related counterparties, there are no significant interests of other Related Parties of the Company. Interests deriving from the mere sharing of one or more directors or Key Management Persons between the company and the subsidiary or related companies are not considered to be significant <sup>(6)</sup>;
- (e) transactions to be carried out on the basis of instructions for stability purposes imparted by Supervisory Authorities or on the basis of provisions issued by the parent company for the execution of instructions imparted by Supervisory Authorities in the interest of the group's stability, without prejudice to the provisions of Article 5 of the Consob RPT Regulation;

The cases of exclusion envisaged by this paragraph 13 also apply with reference to Related Party Transactions implemented by Subsidiary Companies indicated in paragraph 8. Furthermore, if transactions that benefit from one of the cases of exemption indicated in this paragraph 13 are Transactions of Major Significance, the company will communicate to the Independent Directors, who

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<sup>(6)</sup> By way of example, there is a significant interest if a major influence is exercised by the related party counterparty of the transaction. There is also a significant interest if one or more directors or other Key Management Persons of the Company benefit from incentive plans based upon financial instruments (or in any case variable remuneration) depending upon the results achieved by the Subsidiary Companies with which the transaction is performed. In this case, the assessment of significance is carried out in light of the weight given to the remuneration that depends upon the performance of the subsidiary (therein including the cited incentive plans) compared to the overall remuneration of the director or the Key Management Persons.

express an opinion on the Related Party Transaction, the counterparty, the subject and the fee of the transaction that benefited from the exclusion; that information is sent on an annual basis.

#### **14. Internal information on Related Party Transactions**

The Board of Directors and the Board of Statutory Auditors, at least on a quarterly basis, receive complete information prepared by the CFO or by the *Corporate Affairs Department* on the execution of Related Party Transactions carried out or approved in the quarter of reference (both if the completion of the transaction is subject to approval of the Company's Board of Directors or shareholders' meeting and if the completion of the transaction is approved by a different body or entity having the necessary powers), specifically indicating:

- (a) the type of transaction; and
- (b) each Related Party Transaction concluded in the presence of a negative opinion expressed by the Committee and the respective motivations.

#### **15. Information on Transactions of Minor Significance**

Without prejudice to the provisions of Article 17 of Regulation (EU) no. 596/2014 (the "**MAR**"), for Transactions of Minor Significance approved despite the negative opinion of the Committee, within fifteen days from the end of each quarter, a specific document (the "**Quarterly Document**") is provided to the public containing an indication of the counterparty, the subject and the fee for any Transactions of Minor Significance approved during the quarter of reference, as well as the reasons why it was decided not to accept the opinion of the Committee which must be attached to the Quarterly Document.

The Quarterly Document is published by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation.

#### **16. Information on Transactions of Major Significance**

In accordance with the provisions of Article 5 of the Consob RPT Regulation, for (i) each Transaction of Major Significance, as well as for (ii) several homogeneous transactions or those implemented in execution of a unitary plan which, when accumulated, exceed the Significance Indicators, the Company is required to prepare an Information Document, made available to the public at the registered office and by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation, within 7 days (or within 15 days in the case of accumulation of Related Party Transactions):

- (a) from the approval of the Related Party Transaction or the proposal to be submitted to the shareholders' meeting, in the case of Related Party Transactions under the remit of the shareholders' meeting;
- (b) from the conclusion of the contract, even preliminary, if the competent body has resolved to submit a contractual proposal.

The Information Document is prepared in conformity with Annex 4 of the Consob RPT Regulation. The Information Document contains, in attachment, any opinions of the independent directors and independent experts, chosen in accordance with paragraph 6.1 or 7.1 of the Procedure, and the opinions issued by experts classified as independent used by the management body. With reference to the aforementioned opinions of independent experts, the Company may decide to publish only the elements indicated in Annex 4, motivating that decision.

At the same time as the public information, the Company sends to Consob the Information Document and the opinions by way of link to the automated storage mechanism in accordance with the Issuers' Regulation.

If, in relation to a Transaction of Major Significance, the Company is also required to prepare an information document in accordance with Articles 70, paragraphs 4 and 5, and 71 of the Issuers' Regulation, it may publish a single document containing the information required by Annex 4 of the Consob RPT Regulation and by those Articles 70 and 71. In that case, the document is made available to the public, at the registered office and by the methods indicated in Part III, Title II, Chapter I of the Issuers' Regulation, in the shortest period among those envisaged by each of the applicable provisions. If separate documents are published, the Company may include by way of reference the information already published.

#### **17. Periodic information**

In accordance with Article 154-ter of the Consolidated Finance Law, as cited by Article 5, paragraph 8 of the Consob RPT Regulation, the Company's Board of Directors provides information in the interim management report and in the annual management report:

- (a) on the individual Transactions of Major Significance concluded in the period of reference;
- (b) on any other individual Related Party Transactions, as defined in accordance with Article 2427, paragraph 2 of the Italian Civil Code, concluded in the period of reference which have significantly influenced the Company's financial position or results;
- (c) on any modification or development of the Related Party Transactions described in the last annual report which have had a significant effect on the Company's financial position or results in the period of reference <sup>(7)</sup>.

#### **18. Public information obligations**

If a Related Party Transaction is made known through the dissemination of a press release in accordance with Article 17 of Regulation (EU) no. 596/2014, the latter indicates, in addition to the other information to be published in accordance with the aforementioned rule, at least the following information:

- (a) the description of the transaction;
- (b) the indication that the transaction counterparty is a related party and the description of the nature of the correlation;
- (c) the name or company name of the transaction counterparty;
- (d) whether or not the transaction exceeds the Significance Thresholds and an indication of any subsequent publication of an Information Document in accordance with paragraph 16 of the Procedure;

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<sup>(7)</sup> In accordance with Communication no. DEM/10078683 of 24 September 2010 the relevant perimeter of the correlation is defined, with reference to the information indicated in letters b) and c) by way of reference to the notion established in international accounting standards. Letter a), on the other hand, refers to Transactions of Major Significance as defined in accordance with Article 3, paragraph 1, letter b) of the RPT Regulation.

- (e) the procedure that has been or will be followed for the approval of the transaction and, in particular, whether the Company invoked a case of exclusion envisaged by paragraph 13 of the Procedure;
- (f) any approval of the transaction despite the contrary opinion of the independent directors.

**19. Modification and publication of the Procedure**

The CFO checks that the provisions contained in the Procedure are compliant with the provisions of laws and regulations in force and what is established by other regulatory sources applicable to the Company and informs the Committee and the Board of Statutory Auditors of the same.

The update, modification and supplementation of the Procedure are approved by the Board of Directors at the proposal of the Committee. If the Committee or at least three Independent Directors are no longer in office, the equivalent controls indicated in paragraph 12 (*Equivalent Controls*) will apply.

The Procedure is published on the Company's internet website as well as, also by reference to that website, in the annual management reports.