

PROCEDURES RELATING TO TRANSACTIONS WITH RELATED PARTIES

PURSUANT TO ART. 2391-BIS OF THE CIVIL CODE (AS IMPLEMENTED BY THE CONSOB REGULATION ADOPTED WITH RESOLUTION NO. 17221 OF 12 MARCH 2010, UPDATED TO RESOLUTION NO. 21624 OF 10 DECEMBER 2020, IN FORCE FROM 1 JULY 2021)

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1. INTRODUCTION

- 1.1 These procedures (the “**Procedures**”), which have been adopted in accordance with Section 2391-*bis* of the civil code according to the principles indicated by Consob in its regulation adopted by way of its resolution number 17221 of 12 March 2010, as subsequently amended and integrated, (the “**Consob Regulation**”), identify the rules to be followed for the approval and implementation of transactions with related parties entered into by SAES Getters S.p.A. (“**SAES**” or the “**Company**”), either directly or through subsidiaries, in order to ensure the transparency and substantial and procedural fairness of such transactions.
- 1.2 These Procedures shall apply as of 1 July 2021, to take into account the rules introduced by **Consob Resolution No. 21624 of 10 December 2020, which amended the Consob Regulation on Related Party Transactions (Consob Resolution No. 17221 of 12 March 2010, hereinafter the “Consob Regulation”)**.

2. NOTION OF RELATED PARTY - REGISTER OF RELATED PARTIES - COMMITTEE

- 2.1 For the purposes of these Procedures, “**Related Parties**” means parties defined as such by the international accounting standards adopted in accordance with the procedure referred to in Article 6 of Regulation (EC) No. 1606/2002, referred to in Article 3, paragraph 1, letter a) of the Consob Regulation. Consequently, full reference is made to the indications contained in the Appendix to the Consob Regulation, attached hereto as **Annex 1**;
- 2.2 The Administration and Finance Function, and in particular the Consolidated Office, has the task of identifying, on the basis of the information and declarations requested from the persons already identified as Related Parties of the Company, received by it or in its possession, the Related Parties of the Company and of keeping a special register in which the Related Parties identified pursuant to this article are recorded (“**Related Parties Register**”). Updating and verification of the Related Parties Register is carried out by the Administration and Finance Department,

Consolidated Office, whenever it is deemed necessary and in any case on an annual basis. The same Function shall ensure that the controlling entities and further entities indicated in Article 114, paragraph 5 of the Consolidated Law on Finance that are Related Parties of the Company, provide the latter with the necessary information in order to allow the identification of Related Parties and Related Party Transactions and communicate any updates in a timely manner. Access to the Related Parties Register is made available to all relevant departments of the Company and its subsidiaries and/or associates. The Internal Audit Function, as part of its audit plan, may carry out checks on the correct application of the provisions of this article 2.2.

- 2.3 The Committee referred to in Article 5.1 below shall resolve cases in which the identification of a related party is controversial on the basis of the relevant definition contained in paragraph 2.1. The interpretation is also made with reference to what is indicated in Consob Communication No. DEM/100786683 of 24 September 2010 and subsequent provisions, guidelines and communications applicable from time to time in this regard (the "**Communication**").

3. CONCEPT OF TRANSACTION WITH A RELATED PARTY

- 3.1 For the purpose of these Procedures, "Transaction with a Related Party" means all transfers of resources, services or obligations between the Company and a Related Party, regardless of the fact that a fee was stipulated. However, the following shall be deemed to be included: (i) mergers, spin offs by incorporation or strictly non-proportional spin offs, if carried out by the Company with Related Parties; (ii) all decisions relevant to the granting of remuneration and financial benefits, in any form, to members of the Board of Directors and controlling and administration bodies and to the Company's executives with strategic responsibilities; (iii) all capital increases with the exclusion of an option right in favour of Related Parties; and (iv) the financing transactions where Related Parties act as arranger or leader.

4. CATEGORIES OF TRANSACTIONS WITH RELATED PARTIES

- 4.1 For the purposes of these Procedures, "Material Transactions" means transactions with Related Parties where at least one of the following

relevance indices, applicable depending on the specific transaction, exceeds a 5% threshold:

- a) Index of relevance of the value: is the ratio between the value of the transaction and the net assets as shown in the most recent published consolidated Company balance sheet or, if greater, the Company's capitalisation at the close of business on the last day of open market comprised in the reference time-period of the most recent periodical accounting document (annual or six-month financial report or intermediate management report).¹
- b) (b) Index of relevance of the assets: is the ratio between all the assets of the entity which is the subject of the transaction and all of the Company's assets.² The data to be used must be that shown in the most recent published consolidated Company's balance sheet; if possible, similar data must be used to determine the assets of the entity which is the subject of the transaction.
- c) (c) *Index of relevance of the liabilities: is the ratio between all the liabilities of the acquired entity and all the Company's assets.* The data to be used must be that shown in the most recent published consolidated Company's balance sheet; if possible, similar data must be used to determine the total liabilities of the company or of the branch of the business that has been acquired.

4.2 In the case of multiple cumulative transactions in accordance with Section 5, sub-paragraph 2 of the Consob Regulation, first of all the Company will

¹ If the financial terms of the transaction are determined, the value of the transaction is: i) for cash components, the amount paid by/to the other contractual party; ii) for components composed of financial instruments, the fair value determined, on the date of the transaction, according to the international accounting principles adopted by way of Regulation (EC) no. 1606/2002; iii) for financing transactions or for transactions granting guarantees, the maximum amount payable. If the financial terms of the transaction depend, partly or in full, on measures that are still unknown, the value of the transaction is the maximum value receivable or payable under the agreement.

² For transactions involving acquisition and transfer of shares in companies which impact on the consolidation area, the value of the numerator is the participating company's total assets regardless of the percentage of capital which has been disposed of.

For transactions involving acquisition and transfer of shares in companies which do not have an impact on the consolidation area, the value of the numerator is: in the case of acquisitions, the value of the transaction plus the liabilities of the acquired company possibly taken on by the acquiring party; ii) in the case of disposals, the value of the disposed activity.

For transactions involving acquisitions and disposals of other activities (other than the acquisition of a share), the value of the numerator is: i) in the case of acquisitions, the greater between the charge and the accounting value which will be assigned to the activity; ii) in the case of disposals, the activity's accounting value.

determine the relevance of each transaction based on the index or indices as set out in paragraph 4.1 above that is or are applicable to it. In order to verify whether the thresholds set out in paragraph 4.1, sub-paragraphs (a), (b) and (c) have been exceeded, the results relevant to each index are, therefore, added together.

- 4.3 Should a transaction, or multiple cumulative transactions in accordance with Section 5, sub-paragraph 2 of the Consob Regulation, be identified as “Material Transactions” according to the indices set out in paragraph 4.1 of these Procedures and such result appears clearly unjustified taking into consideration certain specific circumstances, the Company’s directors may request an indication from Consob of alternative procedures to be followed for the purpose of calculation of the above-mentioned indices, notifying Consob of the essential characteristics of the transaction and the specific circumstances upon which the request is based before the close of negotiations.
- 4.4 For the purpose of these Procedures, “Transactions of Negligible Amount” means transactions with Related Parties whose value is equal to or less than: Euro 250,000 (two hundred and fifty thousand) euros when the Related Party is a legal person, or Euro 150,000 (one hundred and fifty thousand) when the Related Party is a natural person. In calculating these amounts, the costs to the Company must be considered net of VAT and any duties. If the amount relates to natural persons bound by an employment relationship, the amount must be understood as the Company's cost per year.
- 4.5 For the purpose of these Procedures, “Non-Material Transactions” means transactions with Related Parties other than Material Transactions described in paragraph 4.1 and Transactions of Negligible Amount described in paragraph 4.5.

5. COMMITTEE FOR TRANSACTIONS WITH RELATED PARTIES

- 5.1 For the purpose of these Procedures, “Committee” shall mean the committee established within the Board of Directors, composed of non-related directors who meet the requirements of independence set forth in the Corporate Governance Code adhered to by the Company and chaired by the *Lead Independent Director*.

- 5.2 On occasion of each transaction with Related Parties subject to the Committee's review, its members will declare the lack of a relationship with reference to the specific transaction and confirm their status as non-related directors according to these Procedures. In the event that one or more members of the Committee may be regarded as related individuals in relation to a transaction subject to the Committee's review (i) they should promptly notify the other members of the Committee and the Chairman of the Board of Directors; if only one director who is a member of the Committee qualifies as a related party, the Committee shall be duly constituted and function with the presence of the other two members; (ii) if, on the other hand, there are two members of the Committee who are related in a transaction, the Board of Directors will proceed, if possible, to replace the related members with other non-executive non-related members who meet the requirements of independence set forth in the Self Regulation Code (who shall be members of the Committee only for that specific transaction) identified in order of seniority; (iii) if it is impossible to make such an addition, the Board of Directors shall appoint an independent expert.

6. GENERAL PROCEDURE FOR NON-MATERIAL TRANSACTIONS

- 6.1 Before the approval of a Non-Material Transaction by a competent body or subject, the Committee will give a non-binding, well explained opinion on the Company's interest in carrying out the transaction as well as on the convenience and on the substantial correctness of the relevant conditions. For the purpose of this paragraph, a positive opinion contingent on the fact that the transaction is completed or executed according to one or more indications is considered positive. The opinion is attached to the minutes of the Committee meeting.
- 6.2 If there are not independent non-related directors on the Committee, with reference to a Non-Material Transaction, and it is not possible to replace the related independent directors according to paragraph 5.2, the Board of Directors, with the requisite vote of the non-related independent directors who are possibly attending the meeting, will instruct one or more independent experts, at the Company's expense, to issue the well explained opinion on the interest of the Company in carrying out the transaction as well as on the convenience and substantial correctness of the relevant conditions or, alternatively, will instruct the Board of Statutory Auditors to issue such an opinion, provided that the auditors, should they have an interest on their or on third parties' behalf in the transaction, will notify the

other auditors of this, specifying the nature, the terms, the origin and the extent of such interest.

- 6.3 If the specific characteristics of the transaction so require, the Committee may seek the assistance, at the Company's expense, of one or more independent experts of their choice. The Committee shall carry out a specific assessment of the independence of independent experts, before their formal appointment, by applying the criteria set out in paragraph 2.4 of Annex 4 of Consob Regulation.³ The Committee may request information on the reports of the experts, if any, by asking them to issue a formal statement. The Committee justifies the irrelevance of any economic relations for the purposes of the judgement on independence. The expense to the Company in relation to the services provided by the independent experts to the Committee (in relation to each single transaction) cannot exceed the maximum amount of 20,000 (twenty thousand) euros, save that it will be possible to exceed such threshold with the authorisation of the Chairman of the Board of Directors upon a well explained request by the Committee in the event that there is a particular complexity or specific characteristics of the transaction. When fulfilling the information and communication obligations set forth in the Consob Regulation, the Company – clarifying the reasons for such a choice – may publish only the material elements of the opinions possibly issued by the independent experts according to this paragraph (as indicated in Exhibit 4 to the Consob Regulation) as opposed to publishing the opinions in full.
- 6.4 The Committee and the body in charge of resolving the transaction shall receive, sufficiently in advance, appropriate and comprehensive information on the proposed transaction along with all relevant documentation, from the Executive Directors or a different subject who proposes to carry out the transaction and may pose questions and request clarification as regards the information they have received. The Committee will proceed with the issuing of the well explained opinion described in paragraph 6.1 within twenty one days from receiving the information relevant to the transaction, save for the possibility of extending such period by seven additional days,

³ In particular, any economic, equity and financial relations between the independent experts and: (i) the related party, its subsidiaries, its controlling entities, companies subject to joint control as well as the directors of said companies; (ii) the company, its subsidiaries, its controlling entities, companies subject to joint control as well as the directors of said companies, taken into account for the purpose of qualifying the expert as independent and the reasons why such relationships were considered irrelevant for the purpose of the independence opinion. Information on any relations can be provided by attaching a declaration from the independent experts themselves.

upon the Committee's request if the Committee has used one or more independent experts.

- 6.5 If the conditions of a proposed transaction are defined in a similar way to those applied to non-related parties for transactions of a similar nature, entity and risk, or based on regulated tariffs or on regulated prices or to those conditions applied to subjects with whom the issuer is obliged to contract at a predetermined price by law or if the contractual counterpart is selected by way of a public tender or another competitive procedure, the required documentation shall contain objective elements to prove this.
- 6.6 If, in order to carry out the transaction, a prior resolution by the competent body is required, the relevant minutes shall contain adequate explanation as to the interest of the Company in carrying out the transaction and to the convenience and the substantial correctness of the relevant conditions.
- 6.7 Where the Related Party Transaction is within the competence of the Board of Directors, the Directors involved in the Transaction shall abstain from voting. The Directors required to abstain contribute to reaching the constitutive *quorum*, but are excluded from the deliberative one. For the purposes of these Procedures, Directors Involved in the Transaction are those directors who have an interest in the transaction, on their own behalf or on behalf of third parties, that conflicts with that of the Company.
- 6.8. Without prejudice to the obligations of information set forth by the Consob Regulation, by the Issuers' Regulation and/or by the additional applicable regulation, the Executive Directors, on a three-month basis, will provide the Board of Directors and the Board of Statutory Auditors with a complete report on the execution of the Non-Material Transaction carried out by the Company in compliance with the procedure described in this paragraph 6. ⁴
- 6.9 Without prejudice to the provisions of Section 114, paragraph 1, of the Testo Unico della Finanza, a document will be made available to the public, within fifteen days from the close of each fiscal quarter, at the Company's offices and in accordance with the procedures set forth in Title II, Part I, of the Issuers Regulation, which contains details of the counterpart, the subject

⁴ As at the date these Procedures are approved, reference is made in particular to the market informing duties under Section 114 of the TUF (communication to the public of privileged information) and Sections 70, 71 and 71-bis of the Issuers' Regulation and Sections 5 and 6 of the Consob Regulation, as subsequently integrated and amended.

and the value of the transactions approved in the relevant three-month period, whether a negative opinion has been issued according to paragraph 6.1 by the Committee (or by the independent experts or the Board of Statutory Auditors in the cases set out in paragraph 6.2), as well as the reasons why the competent body decided not to agree to such opinion and proceeded with the transaction notwithstanding it. Within the same deadline the negative opinion issued by the Committee (or by the independent experts or the Board of Statutory Auditors in the cases set out in paragraph 6.2) will be made available to the public by annexing it to the informative document or by posting it on the Company's website.

7. SPECIAL PROCEDURE FOR MATERIAL TRANSACTIONS

- 7.1 Pursuant to article 10, paragraph 1, of the Consob Regulation, without prejudice to the following, as long as the Company maintains the status of "small company" (as defined in the Consob Regulation), the provisions of article 6 shall also apply to the preparation and approval of Material Transactions. In particular, these transactions must be approved by the Board of Directors after the Committee has issued a reasoned favourable opinion on the Company's interest in carrying out the transaction as well as on the convenience and substantial correctness of the related conditions. For the purpose of this paragraph, a positive opinion contingent on the fact that the transaction is completed or executed according to one or more indications is considered positive. The Directors involved in the Transaction shall abstain from voting. The Directors required to abstain contribute to reaching the constitutive *quorum*, but are excluded from the deliberative one.
- 7.2 If there are not independent non-related directors, with reference to a Material Transaction, and it is not possible to replace the related independent directors according to paragraph 5.2, the Board of Directors, with the requisite vote of the non-related independent directors who are possibly attending the meeting, will instruct one or more independent experts, at the Company's expense, to issue the well explained opinion on the interest of the Company in the carrying out of the transaction as well as on the convenience and substantial correctness of the relevant conditions or, alternatively, will instruct the Board of Statutory Auditors to issue such opinion, provided that the Auditors, should they have an interest on their or on third parties' behalf in the transaction, will notify the other auditors of this, specifying the nature, the terms, the origin and the extent of such

interest. This is without prejudice to the necessary involvement of the *Lead Independent Director* or of the Committee's other representative in the negotiations stage and in the instructing stage as set forth in paragraph 7.6.

- 7.3 If the specific characteristics of the Material Transaction so require, the Committee may seek the assistance, at the Company's expense, of one or more independent experts of their choice. When fulfilling the information and communication obligations set forth in the Consob Regulation, the Company – clarifying the reasons for such a choice – may publish only the material elements of the opinions possibly issued by the independent experts according to this paragraph (as indicated in Exhibit 4 to the Consob Regulation) as opposed to publishing the opinions in full. The opinion is attached to the minutes of the Committee meeting.
- 7.4 The Committee and the body in charge of resolving on the transaction shall receive, sufficiently in advance, appropriate and comprehensive information on the proposed transaction along with all relevant documentation, from the Executive Directors or a different subject who proposes to carry out the transaction and may pose questions and request clarifications as regard the information they have received. The Committee will proceed with the issuing of the well explained opinion described in paragraph 6.1 within twenty one days from receiving the information relevant to the transaction, without prejudice to the possibility of extending such period by seven additional days, upon the Committee's request, if it has been assisted by one or more independent experts.
- 7.5 If the conditions of a proposed transaction are defined in a similar way to those applied to non-related parties for transactions of a similar nature, entity and risk, or based on regulated tariffs or on regulated prices or to those applied to subjects with whom the issuer is obliged to contract at a predetermined price by law, the required documentation shall contain objective elements to prove this.
- 7.6 The *Lead Independent Director* as the chairman of the Committee (or in the case that the *Lead Independent Director* is a related subject in relation to a specific transaction, a different member of the Committee with ad-hoc power of attorney) shall be promptly involved in the negotiation stage and in the instructing stage of Material Transactions, through the receipt of a complete and prompt information flow, and shall be entitled to request information from and to make observations to the Executive Directors or to

those different subjects who are in charge of the negotiations or of the instructing stage.

7.7 The minutes of the Board of Directors meeting at which the Material Transaction is approved shall give a well detailed explanation as regards the Company's interest in carrying out the transaction and as to the convenience and substantial correctness of the relevant conditions.

7.8 Without prejudice to the obligations of information set forth by the Consob Regulation, by the Issuers' Regulation and/or by any additional applicable regulation⁵, on a three-month basis, the Executive Directors shall provide the Board of Directors and the Board of Statutory Auditors with a complete report on the execution of the Material Transactions carried out by the Company in compliance with the procedure described in this paragraph 7.

8. NON-MATERIAL TRANSACTIONS WHICH ARE THE RESPONSIBILITY OF THE SHAREHOLDERS' MEETING

8.1 In the case where a Non-Material Transaction is the responsibility of the Shareholders' meeting or must be authorised by the Shareholders' meeting, the provisions under paragraph 6 of these Procedures shall apply in the preliminary phase and in the phase of approval of the draft resolution that is to be submitted to the Shareholders' meeting.

9. MATERIAL TRANSACTIONS WHICH ARE THE RESPONSIBILITY OF THE SHAREHOLDERS' MEETING

9.1 In the case where a Material Transaction is the responsibility of the Shareholders' meeting or must be authorised by the Shareholders' meeting, the provisions under paragraph 7 of these Procedures shall apply in the preliminary phase and in the phase of approval of the draft resolution that is to be submitted to the Shareholders' meeting.

9.2 In the event of a Material Transaction falling within the competence of the Shareholders' Meeting, the proposed resolution to be submitted to the Shareholders' Meeting can be approved by the Board of Directors even in the presence of a negative opinion of the Committee for Transactions with Related Parties. In this case, subject to compliance with the majorities

required by law and the Articles of Association, as well as with the provisions in force concerning conflicts of interest, the execution of the Material Transaction is prevented only if the majority of the Unrelated Shareholders voting at the meeting vote against the Transaction and the Unrelated Shareholders present at the meeting represent at least 10% of the share capital with voting rights. For the purposes of these Procedures, "Unrelated Shareholders" means shareholders with voting rights other than the counterparty of a given transaction and persons related both to the counterparty of a given transaction and to the Company, as defined by Consob Regulations.

10. FRAMEWORK RESOLUTION

- 10.1 The Board of Directors may approve – in compliance with the provisions of paragraphs 6 and 7 of these Procedures depending on the foreseeable maximum amount of the transactions, taken into consideration jointly, which are the subject of the resolution – framework resolutions relevant to financing or purchasing transactions and/or transactions for the supply of finished or part-finished products with related parties, for a duration not exceeding one year, reporting, among other things, the maximum amount of the transactions which are the subject of the resolution and the likely most material conditions.
- 10.2 The execution of each framework resolution shall be communicated by the department responsible for the transaction to the delegated bodies of the Company, which shall inform the Board of Directors at least quarterly.
- 10.3 On the occasion of the approval of a framework-resolution, the Company shall publish an information document pursuant to article 11 below, if the foreseeable maximum amount of the Related-Party Transaction covered by the framework-resolution exceeds one of the materiality thresholds identified for the determination of Material Transactions.

11. Disclosure

- 11.1 On the occasion of Material Transactions, to be carried out also by Italian or foreign subsidiaries, the Board of Directors of the Company prepares, pursuant to art. 114, fifth paragraph, of the Consolidated Law on Finance and art. 5 of the Consob Regulations, an information document (hereinafter the "Information Document") drafted in compliance with Annex 4 of the Consob Regulations.

- 11.2. Without prejudice to the provisions of Article 17 of Regulation (EU) No. 596/2014, the Information Document shall be made available to the public at the Company's registered office and according to the procedures indicated in Part III, Title II, Chapter I of the Issuers' Regulation, within seven days from the approval of the Related Party Transaction by the competent body or, if the competent body resolves to submit a contractual proposal, from the moment when the contract, even preliminary, is concluded according to the applicable rules. In cases of competence or authorisation by the Shareholders' Meeting, the Information Document shall be made available within seven days of the approval of the proposal to be submitted to the Shareholders' Meeting.
- 11.3. In the event of a Related Party Transaction falling within the competence of the Shareholders' Meeting, if there are significant updates to be made to the Information Document, the Company, no later than the twenty-first day before the Shareholders' Meeting, makes a new version of the Information Document available to the public at the Company's registered office and according to the procedures indicated in Part III, Title II, Chapter I, of the Issuers' Regulations. The Company may incorporate by reference information already published.
- 11.4. The Company prepares the Information Document also if, during the financial year, it concludes with the same Related Party, or with subjects related both to the latter and to the Company itself, transactions that are homogeneous or carried out in execution of a unitary design which, although not qualifying individually as Material Transactions with Related Parties, exceed, when considered cumulatively, the thresholds envisaged for Material Transactions with Related Parties. Transactions carried out by Italian or foreign subsidiaries are also taken into account for the purposes of this paragraph and any transactions excluded under this Procedure are not considered.
- 11.5. If the thresholds of significance are exceeded as a result of an accumulation of transactions as per paragraph 11.4, the Information Document is made available to the public within fifteen days of the approval of the Related Party Transaction or of the conclusion of the contract that causes the threshold of significance to be exceeded and contains information, also on an aggregate basis for homogeneous Related Party Transactions, on all the Related Party Transactions considered for the purposes of the accumulation. If the Related Party Transactions that determine the crossing of the thresholds of relevance are carried out by Subsidiaries, the Information

Document is made available to the public within fifteen days from the moment when the Company required to prepare the document is informed of the approval of the Related Party Transaction or of the conclusion of the contract that determines the relevance. Pursuant to Article 114, paragraph 2, of the Consolidated Law on Finance, the Company responsible for preparing the document shall issue the necessary instructions for the Subsidiaries to provide the information necessary for the preparation of the document. The Subsidiaries shall promptly transmit such information.

- 11.6. Within the time limits set out in Articles 11.2. and 11.5. of these Procedures, the Company shall make available to the public, as an attachment to the Information Document referred to in Article 11.1. above or on its website, any opinions issued by independent directors and experts qualified as independent that the Board of Directors may have used. If the Board of Directors has made use of independent experts, the Document shall also highlight what is required by art. 2.4 of Annex 4 of the Consob Regulation, including the evaluations carried out to select the independent experts and to assess their independence, pursuant to art. 6.3 of these Procedures.
- 11.7 If, in relation to a Material Transaction, the Company is also required to prepare an information document pursuant to articles 70, paragraphs 4 and 5, and 71 of the Issuers' Regulation, the Company may publish a single document containing the information required by Annex 4 of the Consob Regulation and by the same articles 70 and 71. In this case, the document shall be made available to the public, at the registered office and in the manner indicated in Part III, Title II, Chapter I, of the Issuers' Regulations, within the shortest period of time provided for by each of the applicable provisions. If the Company decides to publish the required information in two separate documents, it may include by reference the information already published.
- 11.8. Pursuant to Article 6 of the Consob Regulation, if a Related Party Transaction is disclosed through the dissemination of a press release pursuant to Article 17 of Regulation (EU) No. 596/2014, the latter shall contain, in addition to the other information to be published pursuant to the aforementioned regulation, the following information:
 - a) the description of the transaction;
 - b) an indication that the counterparty to the transaction is a Related Party and a description of the nature of the relationship;

- c) the business name or name of the counterparty to the transaction;
- d) an indication of whether or not the materiality thresholds for Material RPTs have been exceeded and an indication of whether or not a disclosure document will be published subsequently pursuant to these Procedures;
- e) the procedure that has been or will be followed for the approval of the Related Party Transaction and, in particular, whether the Company has availed itself of a case of exclusion provided for in Article 12 of these Procedures;
- f) the possible approval of the Related Party Transaction despite the contrary opinion of the Independent Directors constituting the Related Party Transactions Committee.

11.9. At the same time as the public dissemination, the Company shall transmit to Consob the documents and opinions referred to in the preceding points of this Article by means of a link to the storage mechanism authorised pursuant to Article 65-septies, paragraph 3, of the Issuers' Regulations.

12. TRANSACTIONS CARRIED OUT BY CONTROLLED COMPANIES

12.1 If the Company, based on a provision of law or on an internal organisational provision, must express its approval, evaluation or authorisation in relation to Non-Material Transaction or Material Transactions of a controlled company, the Committee and the Board of Directors shall receive, sufficiently in advance, from the Executive Directors or by the different subject which was so informed, comprehensive and adequate information as regards the transaction. The approval, the evaluation or the authorisation of the transactions by the Company shall be expressed, by the Board of Directors, subject to the opinion of the Committee as to the substantial correctness of the related conditions. The opinion is not binding in the case of Non-Material Transactions, but it must be positive in the case of Material Transactions. The provisions of paragraphs 6 and 7 of these Procedures shall respectively apply.

13. EXEMPTIONS

13.1 These Procedures and the provisions of the Consob Regulation shall not apply:

- a) neither to the resolutions of the Shareholders' meeting referred to in Section 2389, first paragraph, of the Civil Code relevant to the remuneration granted to the members of the Board of Directors and of the executive committee, if established, nor to resolutions concerning the remuneration of Directors holding particular mandates falling within the comprehensive amount pre-determined by the Shareholders' meeting according to Section 2389, third paragraph, of the Civil Code;
- b) to the resolutions of the Shareholders' meeting under Section 2402 of the Civil Code relevant to the remuneration of the members of the Board of Statutory Auditors; and
- c) to the approval and execution of the Non-Material Transactions.
- d) transactions approved by the Company and addressed to all shareholders on equal terms, including:
 - i. rights issues, including those servicing convertible bonds, and free capital increases pursuant to Article 2442 of the Italian Civil Code;
 - ii. demergers in the strict sense, whether total or partial, with proportional share allocation criteria;
 - iii. the reduction of the share capital by means of reimbursement to shareholders pursuant to Article 2445 of the Italian Civil Code and the purchase of treasury shares pursuant to Article 132 of the Consolidated Law on Finance.

13.2 These Procedures and the provisions of the Consob Regulation (except for the information duties set forth in Section 5, paragraph 8, of the Consob Regulation) also do not apply:

- a) to remuneration plans based on financial instruments approved by the Shareholders' meeting according to Section 114-bis of the Testo Unico della Finanza and relevant executive transactions;
- b) resolutions relating to the remuneration of directors and board members holding particular offices, other than those indicated in paragraph 13.1(a), as well as executives with strategic responsibilities, provided that: (i) the Company has adopted a

remuneration policy; (ii) a remuneration committee set up in accordance with the provisions of the Corporate Governance Code has been involved in defining the remuneration policy; (iii) the remuneration policy has been submitted to the approval of the Shareholders' Meeting; (iv) the remuneration assigned is consistent with that policy and quantified on the basis of criteria that do not involve discretionary assessments;

- c) (c) to the transactions which fall within the ordinary transactional activity and the connected financial activity which are carried out under circumstances similar to those normally practised towards non-related parties in transactions of similar nature, entity and risk or based on regulated tariffs or on regulated prices or similar to those applied to subjects with whom the issuer is obliged to contract at a predetermined price by law or if the contractual counterpart is selected by way of a public tender or another competitive procedure. However, without prejudice to the provisions of Section 114, paragraph 1, of the Testo Unico della Finanza (Consolidated Law on Finance), the Company:
- (i) shall notify the Committee, prior to the completion of a Material Transaction, of the decision to avail itself of the exemption provided for in this paragraph 13.2 letter c) as well as the reasons why the transaction is considered ordinary and concluded at arm's length or standard conditions. In the communication, the Committee shall receive information on the counterparty, the object and the consideration envisaged for such a transaction; the Committee shall verify without delay the correct application of the conditions for exemption; this verification shall also be valid as an ex post verification of the correct application of the conditions for exemption where the transaction is subsequently approved by the competent body without any change in any substantial term or condition of the transaction that could have influenced the Committee's assessment; and
 - (ii) shall notify Consob and the Committee, within the time limit indicated in Article 5, paragraph 3 of the Consob Regulations, of the counterparty, the object and the consideration of the transactions that have benefited from the exemption provided for in this paragraph 13. 2 letter c) as

well as the reasons why the transaction is considered to be ordinary and concluded at arm's length or standard conditions, providing objective elements of verification; the Committee shall verify without delay, and in any case within 7 (seven) days of the communication, the correct application of the exemption conditions provided for in this paragraph 13.2 letter c) to Material Transactions if the same, although communicated in accordance with point (i) above, have been carried out at conditions that are substantially different from those already communicated to the Committee; and

- (ii) shall indicate in the intermediate management report and in the annual management report which transactions, among the transactions subject to informing obligations, have been carried out using the exemption set forth in this paragraph 13.2, sub-paragraph (c).
- d) (d) to transactions with or between companies controlled, also jointly, by the Company as well as to transactions with companies affiliated to the Company, provided that in the controlled or affiliated companies which are the counterpart of the transactions there are not significant interests of other Related Parties of the Company. The existence of significant interests is assessed with particular respect to the financial relationship between the controlled or affiliated companies and the other Related Parties of the Company.⁶

13.3 The Committee receives at least once every six months (by 30 June and by 31 January) from the Administration and Finance Function information on

⁶ By way of example, there is a significant interest: (i) of the subject controlling the Company, in the case that the same subject holds a share in the controlled companies or in the affiliates whose effective weight, assessed according to the criteria indicated in the Communication, exceeds the actual weight of the share held by that subject in the Company; (ii) of the Company's Executives with strategic responsibilities, if they benefit from incentive plans based on financial instruments (or, in any event, of variable remuneration) which depend in not insignificant terms upon the results of the controlled company and/or of the affiliate, also with reference to their overall remuneration; (iii) of the Executives with strategic responsibilities, if they are creditors of the controlled company or the affiliates and these credits, in light of the specific circumstances, including the amount of the credit and the financial situation of the controlled company or of the affiliate, are such as to incentivise the financial strengthening of the controlled company or of the affiliate.

the application by the Company of the cases of exemption relating to Material Transactions in the previous year.

- 13.4 Without prejudice to the provisions of Section 5 of the Consob Regulation, if the transaction is not the responsibility of, nor must it be authorised by, the Shareholders' meeting, Transactions with Related Parties may in urgent cases be effected without the application of Sections 7 and 8 of the Consob Regulation and of paragraphs 6 and 7 of these Procedures, provided that:
- a) (a) if the transaction falls within the field of responsibility of a Director with ad-hoc powers of attorney or of the executive committee, the Chairman of the Board of Directors and the Lead Independent Director are informed of the urgency before the transaction is effected;
 - b) (b) if the transaction falls within the field of responsibility of the Chairman of the Board of Directors as a result of an ad-hoc power of attorney, the Chairman of the Board of Directors informs the Board of Directors of the urgency before the transaction is effected;
 - c) (c) such transactions are subsequently the subject, without prejudice to their validity, of a non-binding resolution of the first subsequent Shareholders' meeting;
 - d) (d) the Board of Directors drafts a report including an adequate explanation of the reasons for the urgency and the Board of Statutory Auditors reports its assessment as to the existence of the reasons for the urgency reasons to the Shareholders' meeting;
 - e) (e) the report and the assessments described in sub-paragraphs (d) are made available to the public at least twenty one days prior to the day on which the Shareholders' meeting is scheduled at the Company's offices and according to Title II, Part I, of the Issuers' Regulation; and
 - f) (f) on or before the day following the Shareholders' Meeting the companies make available to the public and according to Title II, Part I, of the Issuers' Regulation the information and the outcome of the vote, with particular respect to the overall number of cast votes by non-related Shareholders.

13.5 The efficacy of paragraph 13.4 is conditional upon the approval of the requisite amendments to the Company's bylaws by an Extraordinary Shareholders' Meeting.

14. MISCELLANEOUS

14.1 The Procedures herein shall apply as from 1 July 2021 and, as from that date, any other procedures put in place by the Company in relation to transactions with Related Parties shall be considered repealed.

14.2 Any amendments to these Procedures are resolved by the Board of Directors subject to the Committee's positive opinion and are subject to the publicity obligations set forth in the Consob Regulation.

Annex 1

For ease of reading, the Appendix to the Consob Regulation, which sets out the definitions of Related Party, Related Party Transaction, Key Management Personnel and Close Family Members, is reproduced below.

DEFINITIONS OF RELATED PARTIES AND TRANSACTIONS WITH RELATED PARTIES AND RELATED DEFINITIONS ACCORDING TO INTERNATIONAL ACCOUNTING STANDARDS

1. Definitions of related parties and related party transactions according to international accounting standards. For the purposes of article 3, paragraph 1, letter a) of these regulations, the definitions contained in the international accounting standards, referred to below, shall apply:

Related Parties

A related party is a person or entity that is related to the reporting entity. (a) A person or a close family member of that person 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 one of the executives with strategic responsibilities of the reporting entity or of a parent company. (b) An entity is related to a reporting entity if any of the following 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 that is part 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 represented by a post-employment benefit plan for the benefit of employees of the reporting entity or of 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 one of the executives with strategic responsibilities of the entity (or of a parent of the entity); (viii) the entity, or any member of a group to which it belongs, provides management with strategic responsibility services to the reporting entity or to the parent of the reporting entity [IAS 24, paragraph 9]. In the definition of related party, an associate includes the subsidiaries of the associate and a joint venture includes the subsidiaries of the joint venture. Therefore, for example, a subsidiary of an associate and the investor that has significant influence over the associate are related to each other [IAS 24, paragraph 12].

Related party transactions

A related party transaction is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged [IAS 24, paragraph 9].

2. Definitions functional to those of 'related parties' and 'related party transactions' under International Accounting Standards The terms 'control', 'joint control' and 'significant influence' are defined in IFRS 10, IFRS 11 (Arrangements for Joint Control) and IAS 28 (Investments in Associates and Joint Ventures) and are used with the meanings specified in those IFRSs [IAS 24, paragraph 9].

Executives with Strategic Responsibilities

The executives with strategic responsibilities are those individuals who have the power and responsibility, directly and indirectly, for the planning, direction and control of the company's activity, including directors (both executive and non-executive) of that company [IAS 24, section 9].

Close Family Members

Close family members of a person are those family members who are expected to influence, or be influenced by, that person in their dealings with the entity, including (a) that person's children and spouse or domestic partner; (b) children of that person's spouse or domestic partner; (c) dependants of that person or spouse or domestic partner [IAS 24, paragraph 9].

3. Principles for interpreting definitions

3.1 In reviewing each related party relationship, attention shall be paid to the substance of the relationship and not merely its legal form [IAS 24, paragraph 10].

3.2 The above definitions are interpreted by reference to the body of international accounting standards adopted in accordance with the procedure in Article 6 of Regulation (EC) No 1606/2002.