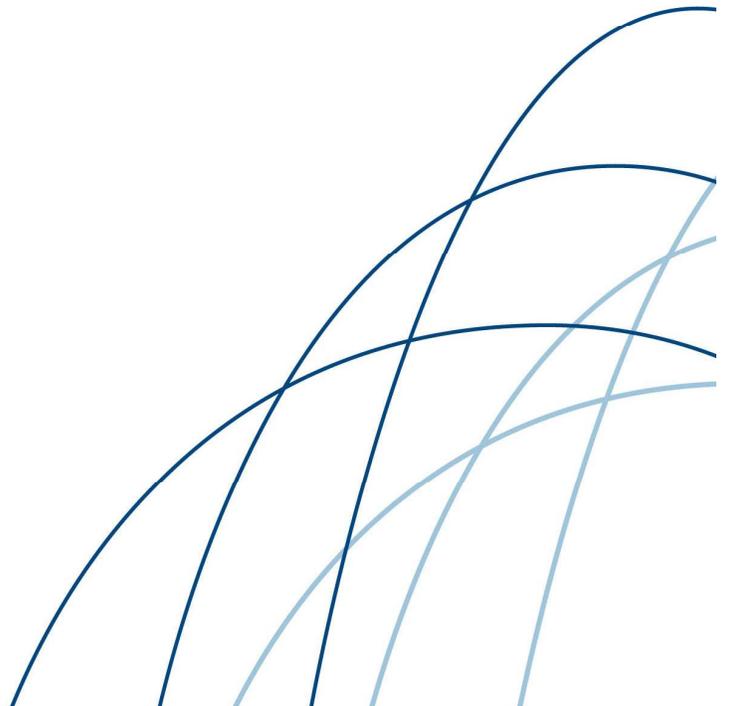




**Procedure for the management of
related-party transactions**



Procedure for the management of related-party transactions

**Approved by the Board of Directors on 12 November 2010, last modified by the
Board of Directors on 13 March 2014 and 15 March 2017**



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FOREWORD

This procedure for the management of related-party transactions (hereinafter the "**Procedure**") concerns the definition of the procedure relating to the management of related party transactions carried out directly by Maire Tecnimont S.p.A. (hereinafter "**Maire Tecnimont**" or the "**Company**"), or through direct and indirect Italian and foreign subsidiaries, in order to ensure transparency and substantial and procedural correctness.

In particular, the Procedure identifies the procedure applicable to two categories of related party transactions: (i) **Significant Related Party Transactions** (as defined below) and (ii) **Minor Related Party Transactions** (as defined below), providing specific provisions regarding the screening and approval of same.

The Procedure does not apply to certain categories of related party transactions as identified in article 2, the **Exempt Transactions** including, *inter alia*, the **Transactions of Insignificant Amounts** (as defined below).

The Procedure has been prepared on the basis of the Regulation containing provisions regarding related party transactions, adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended by resolution no. 17389 of 23 June 2010 ("**Consob Regulation 17221/2010**"). For all not specifically regulated by this Procedure, explicit reference is made to the provisions of Regulation 17221/2010, in particular as regards the regulation of information to the public on related party transactions.

Any changes made to Consob Regulation 17221/2010 - in particular with reference to the definitions of "Related-Party Transactions", "Significant Related-Party Transactions" and "Related Parties" - are understood to be automatically incorporated into this Procedure, and the provisions referring to the same are amended accordingly.

The Procedure was approved by the Board of Directors of the Company at its meeting on 12 November 2010, with the favourable opinion of the two independent directors holding office at that time. Further to the appointment of two new independent directors who were added to those previously appointed, the Board of Directors, at the meeting of 16 February 2012, made some amendments to the Procedure in order to take into account the creation of a new committee of directors, all independent, who have been assigned the functions and tasks envisaged by Consob Regulation 17221/2010; the amendments have been approved subject to the previous favourable opinion of such committee. By express resolution of the Board of Directors, the principles and criteria provided for by the Corporate Governance Code of Borsa Italiana S.p.A. shall be applied to this committee (hereinafter referred to as **Related-Party Committee**).



In the meeting held on 13 March 2014, on the proposal of and having obtained the favourable opinion of the Related-Party Committee, the Board of Directors revised the Procedure and made some changes in order to clarify certain provisions as well as make application more effective. Lastly, on 15 March 2017, the Board of Directors, on a proposal from and after the favourable opinion of the Related-Party Committee, reviewed the Procedure once again, confirming the contents thereof.

By means of the Company's competent Functions, the Company's CEO will send, this Procedure to all Italian and foreign direct and indirect subsidiaries of Maire Tecnimont, in accordance with article 2359 of the Civil Code, in order that they should view it and, as far as they are competent and required to do so, observe it.

SECTION I. GENERAL PROVISIONS

Article 1 - Definitions

1. The terms and expressions in upper case have the meanings provided below:

"Independent Directors": means the directors of the Company possessing the requisites of independence pursuant to article 148, paragraph 3 of Legislative Decree no. 58/1998, as recalled by article 147-ter, paragraph 4 of Legislative Decree no. 58/1998 and article 3 of the Corporate Governance Code prepared by the corporate Governance Committee of Borsa Italiana S.p.A. (Italian Stock Exchange);

"Non-Related Directors": means the directors not belonging to the counterparty of a given Transaction with Related Parties and to its Related Parties;

"Related-Party Committee": means the Company's committee set up in order to perform the tasks assigned thereto by this Procedure and Consob Regulation 17221/2010, applicable from time to time, including three Independent Directors among its members;

"Market-equivalent or Standard Conditions": means the *"market-equivalent or standard conditions"* as defined in the Consob Regulation 17221/2010 from time to time in force ⁽¹⁾;

"Board of Directors": means the Board of Directors of the Company;

"Key Management Personnel": means *"key management personnel"* as defined in the Consob Regulation 17221/2010 from time to time in force ⁽²⁾;

"Related-Party Transactions": means transactions with related parties governed by Consob Regulation 17221/2010 from time to time in force ⁽³⁾;

⁽¹⁾ For clarity, it is noted that Consob Regulation 17221/2010 defines "Market-equivalent or Standard Conditions" as conditions similar to those usually charged to unrelated parties for transactions of the same nature, extent and risk, or based on regulated rates or imposed prices or those charged to persons with which the issuer is obliged by law to contract at a certain price.

⁽²⁾ For clarity, it is noted that Consob Regulation 17221/2010 defines "Key Management Personnel" as those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that company.

⁽³⁾ For clarity, it is noted that Consob Regulation 17221/2010 defines "Related-Party Transactions" any transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Included in this notion are:

- mergers, incorporation-type spin-offs and non-proportional spin-offs in the strict sense when implemented with Related Parties;

- any decision concerning allocation of remuneration and economic benefits of any kind for members of the Board of Directors and Statutory Auditors and for Key Management Personnel.



"Significant Transactions" means the Related-Party Transactions in which at least one of the following relevance indices, applicable depending on the specific transaction, exceeds 5%: Equivalent Value Index; Asset Relevance Index, Liabilities Relevance Index, as defined on the basis of the criteria set forth under Annex 1) to this Procedure, in compliance with Annex 3) to Consob Regulation 17221/2010, as in force each time.

"Accumulated Transactions" are also classed as Significant Transactions, namely transactions that are homogeneous or carried out in the implementation of a unitary design; although unable to be quantified individually as significant transactions, when considered cumulatively, they exceed the thresholds of relevance specified in Annex 1 to this Procedure;

"Exempt Transactions": means the *"Exempt Related Party Transactions"* as defined by article 2, paragraph 1 of this Procedure, including Transactions of Insignificant Amount;

"Transactions of Insignificant Amount": means the Related Party Transactions for which the equivalent value is:

- (a) less than Euro 500,000 per individual transaction with a natural person Related Party;
- (b) less than Euro 1,000,000 per individual transaction with a Related Party other than natural persons;

"Minor Transactions": means all the Related Party Transactions other than Significant Transactions and Transactions of Insignificant Amount, as defined in the Procedure;

"Ordinary Transactions": means *"ordinary transactions"* as defined in Consob Regulation 17221/2010 from time to time in force ⁽⁴⁾;

"Chief Executive Officer": means the Chief Executive Officer of Maire Tecnimont;

"Related Parties": means *"related parties"* as defined in Consob Regulation 17221/2010 from time to time in force ⁽⁵⁾;

⁽⁴⁾ For clarity, it is noted that Consob Regulation 17221/2010 defines "Ordinary Transactions" as transactions carried out in the course of normal transactions and related financial activities of the company.

⁽⁵⁾ For clarity, reference is made to the definition of related parties of Consob Regulation 17221/2010, based on which a "Related Party" of Maire Tecnimont is a party that:

- (a) directly or indirectly, also via subsidiaries, trusts or third parties: (i) controls Maire Tecnimont, is controlled by or is under joint control; (ii) has a shareholding in Maire Tecnimont such as to exercise a significant influence on the latter; (iii) exercises control over Maire Tecnimont jointly with other parties;
- (b) is an associate of Maire Tecnimont;
- (c) is a joint venture which Maire Tecnimont is party to;

"Subsidiary": means *"subsidiary"* as defined in Consob Regulation 17221/2010 from time to time in force ⁽⁶⁾;

"Associate": means *"associate"* as defined in Consob Regulation 17221/2010 from time to time in force ⁽⁷⁾.

Article 2 – EXEMPT TRANSACTIONS – exclusion cases

1. This Procedure does **not** apply, as envisaged by Consob Regulation 17221/2010 as in force:
 - a) to shareholder resolutions relating to remuneration of members of the Board of Directors and Executive Committee (pursuant to article 2389, paragraph 1 of the Civil Code) (if appointed) and resolutions on the remuneration of directors vested with special powers included in the total amount of remuneration for all directors determined in advance by the shareholders meeting (pursuant to article 2389, paragraph 3 of the Civil Code and article 19 of the Articles of Association);
 - b) to Transactions of Insignificant Amount;
 - c) to remuneration plans based on financial instruments approved by the shareholders meeting pursuant to article 114-bis of Legislative Decree 58/1998 and corresponding executive transactions;
 - d) to resolutions concerning the remuneration of directors vested with special duties, other than those mentioned under (a), as well as resolutions concerning the remuneration of key management personnel, provided that:
 - (i) the Company has in place a remuneration policy, in the definition of which the Remuneration Committee has been involved;

(d) is a member of the key management personnel of Maire Tecnimont or its parent;

(e) is a close member of the family of one of the subjects according to point (a) or (d);

(f) is an entity in which one of the subjects according to point (d) or (e) exercises control, joint control or significant influence and holds, directly or indirectly, a significant shareholding, in any case not less than 20%, of voting rights;

(g) is a complementary pension fund, collective or individual, Italian or foreign, formed for the benefit of employees of Maire Tecnimont, or any other entity related to it.

For the definition of the notions of "control", "joint control", "significant influence", "key management personnel", "close family members", "subsidiary", "associate" and "joint venture", please refer to Regulation 17221/2010.

⁽⁶⁾ For clarity, it should be noted that Consob Regulation 17221/2010 defines "Subsidiary" as the entity, even if not a legal entity, controlled by another entity.

⁽⁷⁾ For clarity, it should be noted that Consob Regulation 17221/2010 defines "Associate" as the entity, even if not a legal entity, in which a shareholder exercises significant influence but not control or joint control.



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- (ii) a report illustrating the remuneration policy has been submitted for approval or consultative vote of the shareholders meeting; and
 - (iii) assigned remuneration is coherent with said policy;
- e) to **Ordinary Transactions** which are concluded at Market-equivalent or Standard Conditions.

In case of waiver of publication obligations foreseen for Significant Transactions by article 5, paragraphs 1 to 7 of Consob Regulation 17221/2010, subject to the provisions of article 17 of (EU) regulation 596/2014, the Company shall notify Consob, within the deadline indicated in article 5, paragraph 3 of Consob Regulation 17221/2010, the counterparty, the subject, the amount, conditions and equivalence to market or standard conditions of the transactions benefiting from exemption. In the interim and annual management reports, within the scope of information foreseen by article 5, paragraph 8 of Consob Regulation 17221/2010, the Company shall specify which of the transactions subject to informative obligations indicated in said provision have been completed benefiting from this exemption;

- f) to shareholder resolutions relating to remuneration for the members of the Board of Statutory Auditors (pursuant to article 2402 of the Civil Code);
- g) to **Intragroup Transactions** i.e. to Transactions with or between subsidiaries, including jointly, as well as those with associates, where there is no Significant Influence of other Related Parties of Maire Tecnimont in the subsidiaries or associates counterparties to the transaction.

“**Significant Influence**” means an influence, with regard to a subsidiary or associate counterparty to the transaction, which exists (i) due to a shareholding – direct or indirect – of more than 5% of share capital of the subsidiary or associate counterparty to the transaction by other Related Parties of Maire Tecnimont, or (ii) in the case of joint control of the Company and the Subsidiary or Associate counterparty by one or more Key Managers with incentive schemes based on financial instruments (or other variable remuneration) which depend directly and to a large extent on the results of the subsidiary or associate with which the transaction takes place.

In the case of Intragroup Transactions, the appointed body of the subsidiary or associate counterparty to the transaction must promptly inform, prior to implementation of the Intragroup Transaction, the Group's Chief Financial Officer of the transaction in question, sending an information sheet stating the essential elements pursuant to article 3, paragraph 7) of this Procedure.

The Group's Chief Financial Officer, after consulting with the Manager Appointed to prepare the company's accounting documents and the Group Corporate Secretary, will evaluate the recurrence of the cases of exclusion referred to in letter (g) herewith of this article and, after verifying the conditions of the exemption, upon authorisation of the Company's Chief Executive Officer, will inform the appointed body of the subsidiary or associate counterparty to the transaction of the authorization to perform the transaction.

2. The exemptions listed above are without prejudice to the obligations of information to the public specified in article 5 of Consob Regulation 17221/2010.

SECTION II. SIGNIFICANT TRANSACTIONS

Article 3 - Approval of Significant Transactions

1. Except in the case in which these are the competence of the Shareholders Meeting, the examination and approval of Significant Transactions, including through direct and indirect Italian and foreign subsidiaries of Maire Tecnimont, are the responsibility of the Board of Directors of the Company, subject to the justified favourable opinion of the Related-Party Committee, in accordance with article 4.
2. If a subsidiary wishes to implement Significant Transactions with related parties of Maire Tecnimont, it must first, through its appointed body, send the Group's Chief Financial Officer an information sheet describing the transaction in question and which must contain at least the information necessary to prepare the Informative Document pursuant to paragraphs 7 and 11 of this article.
3. The Board passes resolutions with the majorities foreseen in the Articles of Association.
4. The Company's Chief Executive Officer sends the Chairman of the Related-Party Committee complete and adequate information on the transaction considered, in time to allow the Related-Party Committee to accurately assess the proposed transaction. As soon as he receives this information, the Chairman of the Related-Party Committee must convene a meeting of the Related-Party Committee in order to evaluate: (i) the transaction generally, (ii) any existence with individual members of the Related-Party Committee of relations with the counterparties to the transaction examined and their related parties and, if applicable, to take steps equivalent to those described in article 4, paragraph 6 below, (iii) the terms and conditions with which the Related-Party Committee will receive the necessary information from the parties carrying out the negotiations, and (iv) whether to be assisted, at the expense of the Company, by independent experts of his choice.



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5. The Company's Chief Executive Officer must promptly inform the Chairman of the Related-Party Committee of completion of negotiations, also preparing a note describing the key elements of the agreements reached with the counterparty.
 6. Within 3 working days of notification of the completion of negotiations, the Committee Chairman shall convene a meeting of the Related-Party Committee to be held by sending the Related-Party Committee all documentation available. During this meeting, the Related-Party Committee shall express a **binding opinion** pursuant to article 4 below regarding the interest of Maire Tecnimont in completing the transaction, as well as the convenience and substantial correctness of the relevant conditions.

The Chairman of the Related-Party Committee will, via the Group Corporate Secretary, send the opinion of the Related-Party Committee to the Chairman of the Board of Directors of Maire Tecnimont, who will promptly convene a meeting of the Board of Directors to which the transaction and the opinion of the Related-Party Committee shall be submitted, sending, duly in advance and in any case at least 5 working days prior to the meeting date, all documentation necessary to the Directors and Auditors.

7. The information to be provided to the Directors shall, in any case, include:
 - the indication of the general characteristics of the transaction (in particular the subject, justification, amount, timing and nature of the relationship);
 - the indication of the method of determination of the amount and/or principal terms and conditions that may generate obligations for the Company;
 - the indication of foreseeable economic, equity and financial effects of the transaction, also at the consolidated level;
 - the indication of any interests (also indirect) of the members of corporate offices in the transaction.
8. The Board of Directors is required to evaluate in particular the justification of the transaction, the interest of the Company in carrying out the same as well as the substantial viability and accuracy of the conditions of the transaction in question.
9. The minutes of the resolution of the Board of Directors meeting approving the Significant Transaction shall indicate the justification of the Company's interest in carrying out the same as well as the substantial viability and accuracy of the conditions of the transaction.
10. In case of Transactions with Related Parties performed by means of subsidiaries, the Company's Chief Executive Officer shall inform the appointed body of the subsidiary of the resolutions passed by Maire Tecnimont, in order to enable the resolutions to be passed as necessary to complete the Transaction.

11. In the event that the **Related-Party Committee** has expressed a **negative opinion** regarding the Significant Transaction, such transaction cannot be approved by the Board of Directors and cannot therefore be put in place. If a positive opinion is given, the Company prepares and makes available to the Directors and Auditors, during the same meeting as under paragraph 6, second subsection of this article, the draft Informative Document on the transaction prepared, according to the model and contents given in Annex 4 to Consob Regulation no. 17221/2010. The Informative Document is made available to the public within the terms established by article 5 of Consob Regulation no. 17221/2010.
12. The same procedure pursuant to this Section II is also applied for approval by the Board of Directors of proposed resolutions of Significant Transactions to be submitted to the Shareholders Meeting, where such transactions are within the competence of the Shareholders Meeting or must be authorised by the same. Merely to ensure complete clarity, please note that at present, the rules of this Procedures, in view of the provisions of point 11 above, **do not establish** for Significant Transactions for which the Shareholders' Meeting is competent that, in the event of a negative opinion of the Related-Party Committee on the Significant Transactions, they may be authorised by the shareholders' meeting if the majority of "voting non-related shareholders" do not rule against the transaction (referred to as a "whitewash" in the shareholders' meeting). Equally, there is no provision, in urgent cases connected with company crises, for Significant Transactions for which the shareholders' meeting is competent to be concluded as an exemption to the provisions of the procedure as specified under article 11, paragraphs 2 and 3 of Consob Regulation no. 17221/2010.
13. The Chief Executive Officer reports to the Board of Directors and the Board of Statutory Auditors, at least every three months, on the execution of Significant Transactions.

Article 4 – Involvement of the Related-Party Committee

1. The Chief Executive Officer or the persons assigned to conduct negotiations or screening of a Significant Transaction are required to promptly provide the Related-Party Committee with complete and updated information on the progress and development negotiations concerning the transaction as well as the progress of screening of said transaction to ensure that the Related-Party Committee can perform their duties, as required by Consob Regulation 17221/2010 from time to time in force.
2. The Chief Executive Officer or the persons assigned to conduct negotiations or screening are required to promptly provide all clarification and further documents to the Related-Party Committee, as may be requested by the latter.



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3. The Related-Party Committee may submit comments and suggestions to the Chief Executive Officer and to the persons assigned to conduct negotiations or screening.
 4. The Related-Party Committee expresses a **binding justified opinion** on the interest of the Company to carry out each Significant Transaction as well as the substantial viability and correctness of foreseen conditions.

In order for said opinion to be considered favourable, it is necessary that the Related-Party Committee fully agree with execution of the Significant Transaction in question.

Nevertheless, if the opinion, even though expressly defined as in favour of execution of the Significant Transaction, expresses a negative evaluation of the individual aspects of the transaction, it shall also contain an indication of the reasons it is felt that such evaluation does not undermine the overall opinion on the interest of the Company in executing the transaction as well as on the substantial correctness of the corresponding conditions.

5. For the purposes of complete evaluation of the Significant Transactions submitted for its examination, the Related-Party Committee, taking into account the nature, value and other characteristics of the individual transaction, has the right to be assisted by one or more independent experts of their choice. Expenses related to the involvement of independent experts shall be borne by the Company.
6. In the event that one of the members of the Related-Party Committee may not be qualified as "Non-Related Director" with respect to the transaction in question, the functions of the Related-Party Committee pursuant to the preceding provisions, including the issue of the justified opinion, shall be carried out by the other two Non Related Independent Directors who are members of the Related-Party Committee, who shall adopt unanimous decisions. In the event that two of the members of the Related-Party Committee may not be qualified as "Non-Related Directors" with respect to the transaction in question, the functions pertaining to the Related-Party Committee pursuant to the foregoing provisions, including the issue of the justified opinion, shall be carried out by the Non-Related Independent Director. For lack thereof, the opinion will be given by an independent expert appointed by the Board of Directors (equivalent supervision).

SECTION III. MINOR TRANSACTIONS

Article 5 - Approval of Minor Transactions

1. The approval of Company's Minor Transactions is the responsibility of the Chief Executive Officer, in accordance with the powers granted, or the Board of Directors or the

Shareholders Meeting if said transactions fall into a category of transaction, which, by law, articles of association or resolution of the Board, are assigned, respectively, to the same.

2. If the transaction comes under the scope of the competence of the Company's Board of Directors, the Company's Chief Executive Officer sends the Chairman of the Related-Party Committee complete and adequate information on the transaction intended to be carried out, in time to allow the Related-Party Committee to accurately assess the proposed transaction. As soon as he receives this information, the Chairman of the Related-Party Committee must convene a meeting of the Related-Party Committee in order to evaluate: (i) the transaction generally, (ii) any existence with individual members of the Related-Party Committee of relations with the counterparties to the transaction examined and their related parties and, if applicable, to take steps equivalent to those described in article 6), paragraph 4 below and, (iii) whether to be assisted, at the expense of the Company, by independent experts of his choice. The Related-Party Committee shall express the **non-binding opinion** during the same meeting, or if the Related-Party Committee believes further investigations necessary or the negotiation of the transaction has not yet been completed, at a later meeting to be held once the relevant information has been obtained or the negotiations of the transaction completed.
3. The Committee Chairman will, via the Group Corporate Secretary, send the non-binding opinion of the Related-Party Committee to the Chairman of the Board of Directors of Maire Tecnimont, who will promptly convene a meeting of the Board of Directors to which the transaction shall be submitted, sending, duly in advance and in any case at least 3 working days prior to the meeting date, all documentation necessary to the Directors and Auditors, complete with the non-binding opinion of the Related-Party Committee.
4. In any case, the information provided to Directors shall contain:
 - the indication of the general characteristics of the transaction (in particular the subject, justification, amount, timing and nature of the relationship);
 - the indication of the method of determination of the amount and/or principal terms and conditions that may generate obligations for the Company;
 - the indication of any interests (also indirect) of members of corporate offices in the transaction.

The minutes of the Board of Directors meeting approving the Minor Transaction shall indicate the justification of the Company's interest in carrying out the same as well as the substantial viability and accuracy of the conditions of the transaction.

5. If the transaction conditions are defined as Market-equivalent or Standard Conditions, the documentation prepared shall contain objective evidence.



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6. The same procedure pursuant to this Section III shall apply, *mutatis mutandis*, with reference to the Minor Transactions attributed to the competence of the Company's Chief Executive Officer, without prejudice to the disclosure obligations pursuant to article 7, paragraph 1 below.
 7. Resolutions concerning Minor Transactions in which the Managing Director has an interest on behalf of third parties remain the responsibility of the Board of Directors and therefore the former observes the obligation to abstain pursuant to article 2391 of the Civil Code.
 8. The same procedure pursuant to this Section III is also applied for approval by the Board of Directors of proposed resolutions of Minor Transactions to be submitted to the Shareholders Meeting, where such transactions are within the competence of the Shareholders Meeting or must be authorised by the same. For mere clarity, it is specified that at present the rules of this Procedures do not provide, in urgent cases connected with company crises, for Minor Transactions to be concluded as an exception to the procedural provisions set forth under article 11, paragraph 1 of Consob Regulation no. 17221/2010.
 9. If a subsidiary of the Company wishes to implement Minor Transactions with related parties of Maire Tecnimont it must first, through its appointed body, send the Group's Chief Financial Officer an information sheet describing the transaction in question at least in general terms and with the information required under paragraph 2 of article 7 below, in order to obtain the necessary authorizations in compliance with existing company procedures.
 10. Through the Group Corporate Secretary, the Chief Financial Officer will send the members of the Related-Party Committee a quarterly report on Minor Transactions implemented by the subsidiaries.

Article 6 - Involvement of the Related-Party Committee

1. The Chief Executive Officer shall send to the Related-Party Committee, with reasonable notice, documentation containing all relevant information for the accurate evaluation of the transaction in order that the Related-Party Committee is able to carry out its tasks in accordance with article 7 of Consob Regulation 17221/2010.
2. This without prejudice to the right of the Related-Party Committee to ask questions and request that further information be provided.
3. Prior to their approval by the competent body, the Related-Party Committee expresses a **non-binding justified opinion** on the interest of the Company in carrying out the Minor Transactions as well as the substantial viability and correctness of foreseen conditions.

In order for said non-binding opinion to be considered favourable, it is necessary that the Related-Party Committee fully agrees with execution of the Minor Transaction in question.

Nevertheless, if the non-binding opinion, even though expressly defined as in favour of execution of the Minor Transaction, expresses a negative evaluation of individual aspects of the transaction, it shall also contain an indication of the reasons it is felt that such evaluation does not undermine the overall opinion on the interest of the Company in executing the transaction as well as on the substantial correctness of the corresponding conditions.

For the purposes of complete evaluation of the Minor Transactions submitted for their examination, the Related-Party Committee, taking into account the nature, value and other characteristics of the individual transaction, has the right to be assisted by one or more independent experts of its choice. Expenses related to the involvement of independent experts shall be borne by the Company.

4. In the event that one of the members of the Related-Party Committee may not be qualified as "Non-Related Director" with respect to the transaction in question, the functions of the Related-Party Committee pursuant to the preceding provisions, including the issue of the non-binding justified opinion, shall be carried out by the other two Non Related Independent Directors who are members of the Related-Party Committee, who shall adopt unanimous decisions. In the event that two of the members of the Related-Party Committee may not be qualified as "Non-Related Directors" with respect to the transaction in question, the functions pertaining to the Related-Party Committee pursuant to the foregoing provisions, including the issue of the non-binding justified opinion, shall be carried out by the Non Related Independent Director. For lack thereof, the non-binding opinion will be given by an independent expert appointed by the Board of Directors (equivalent supervision).

Article 7 - Subsequent disclosure requirements

1. The Chief Executive Officer reports to the Board of Directors and the Board of Statutory Auditors, at least every three months, on the implementation of Minor Transactions carried out in the quarter in question, for which it or the board are competent.
2. The detail of individual transactions shall contain at least the following information:
 - the counterparty with which each transaction was put in place;
 - a brief description of the characteristics, terms and conditions of each transaction;



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- the justifications and related interests of each transaction as well as the effects of the same in equity, economic and financial terms;
 - the procedures for determining the economic conditions applied, alignment with market standards as well as the non-binding opinion of the Related-Party Committee.
3. Without prejudice to compliance with the provisions of article 17, of (EU) Regulation no. 596/2014, within fifteen days of the end of each quarter, the Company's Chief Executive Officer shall ensure that the Company makes available to the public at its registered office and in the manner described in Title II, Section I of Consob Regulation 11971/1999, a document containing details of Minor Transactions approved in the quarter in question in the presence of a **non-binding negative opinion** of the Related-Party Committee.
 4. In particular, in this document the following is provided for each transaction:
 - the counterparty;
 - the subject;
 - the amount;
 - the reasons for which it was decided not to share the non-binding negative opinion of the Related-Party Committee.
 5. Within fifteen days of the close of each quarter, the non-binding negative opinions of the Related-Party Committee relating to Minor Transactions approved in the quarter in question are made available to the public in an annex to the document referred to in article 7 or on the Company's website.
 6. Once every six months, prior to approval of the Annual and Interim Financial Report, the Related-Party Committee will receive a disclosure from the Group's Chief Financial Officer on Related Party Transactions, other than those of Insignificant Amount.

SECTION IV. COMMON PROVISIONS

Article 8 - Framework resolutions

1. The Board of Directors, should it be appropriate to refer to a plurality of homogeneous transactions of a recurring nature, may adopt framework decisions for the following categories of transactions:
 - i. transactions relating to the administration of assets;
 - ii. transactions involving the provision of services, including consultancy.

2. Framework resolutions shall refer to sufficiently well-defined categories of transactions, specifying the maximum transaction amount expected to be implemented during the period in question and the justification of the conditions.

Framework resolutions also specify the expiry of their validity, which can under no circumstances exceed one year.

3. Depending on the maximum expected transaction amount subject to framework resolutions, the approval of such resolutions shall be in accordance with the procedure for the approval of Significant Transactions pursuant to Section II or the procedure for approval of Minor Transactions pursuant to Section III.
4. Individual transactions carried out in implementing a framework resolution are not subject to the procedures pursuant to Sections II and III.
5. The Chief Executive Officer reports to the Board of Directors, at least every three months, on the implementation of framework resolutions in the quarter in question.

In particular, the Chief Executive Officer shall inform the Board of Directors of transactions carried out in implementing framework resolutions, specifying for each:

- the counterparty with which the transaction was put in place;
- a brief description of the characteristics, procedures and terms and conditions of the transaction;
- the justifications and related interests of the transaction as well as the effects of the same in equity, economic and financial terms;
- procedures for determining the economic conditions applied and (where significant) alignment with market standards.

Article 9 – Amendments

This procedure may be amended only in writing and in compliance with the procedure specified in article 4 of Consob Regulation 17221/2010 or upon obtaining a favourable opinion from the Related-Party Committee.

Article 10 – List of Transactions with Related Parties

1. In order to fulfil the disclosure obligations and coordinate with the administrative and accounting procedures pursuant to article 154-*bis* of Legislative Decree no. 58/1998, the Chief Executive Officer, and the appointed body of the subsidiaries shall inform, in



accordance with the provisions of the Procedure, the Group Chief Financial Officer of the Related Party Transactions implemented.

2. The Group Chief Financial Officer shall prepare a list on electronic media in which the Transactions with Related Parties other than Transactions of Insignificant Amount are reported, implemented directly or through Subsidiaries, specifying the counterparty, the amount of the single Transaction, the dates of issue of the Related-Party Committee's opinion and of approval by the competent body, to be submitted once every six months to the Related-Party Committee.
3. The Manager responsible for the drafting of the corporate accounting documents may have access at any time to the list as per this article 10.

Article 11 – Effective date of the Procedure

This Procedure came into force on 1 January 2011 and was modified on 13 March 2014 and last, on 15 March 2017.

Annex 1

IDENTIFICATION OF SIGNIFICANT RELATED PARTY TRANSACTIONS

1. The internal procedures identify quantitative type criteria for the identification of "significant transactions" in order to include at least the categories of transactions specified below.

1.1. Transactions in which at least one of the following relevance indices, applicable depending on the specific transaction, exceeds 5%:

a) Equivalent value relevance indicator: this is the ratio between the equivalent value of the transaction and the shareholders' equity specified on the latest balance sheet published (consolidated, if prepared) by the company or, for listed companies, if greater, the capitalisation of the company noted at the closure of the last trading day included in the reference period of the latest regular accounting document published (annual or interim financial report or additional periodic financial information, where drafted). For bank, this is the ratio of the equivalent value of the transaction and the regulatory capital specified on the latest balance sheet published (consolidated, if prepared).

If the economic conditions of the transaction are determined, the equivalent value of the transaction is:

- i) for cash entries, the amount paid to/by the contractual counterparty;
- ii) for the components comprising financial instruments, the fair value determined as at the transaction date, in compliance with the international accounting standards adopted by Regulation (EC) No 1606/2002;
- iii) for loan transactions or concessions of guarantees, the maximum amount that can be disbursed.

If the economic conditions of the transaction depend entirely or partly on values that are not yet known, the equivalent value of the transaction is the maximum value that can be received or paid in accordance with the agreement.

b) Asset relevance index: this is the ratio of total assets of the entity concerned by the transaction and total assets of the company. The data to be used must be taken from the latest balance sheet published (consolidated, if prepared) by the company; where possible, similar data must be used to determine total assets of the entity concerned by the transaction.

For purchases and sales of equity investments in companies with effects on the consolidation area, the value of the numerator is the total assets of the investee, regardless of the percentage of the capital concerned.



For purchases and sales of equity investments in companies with no effect on the consolidation area, the numerator value is:

- i) in the event of purchases, the equivalent value of the transaction increased by the liabilities of the company acquired as may be assumed by the buyer;
- ii) in the event of sales, the price of the asset sold.

For purchases and sales of other activities (other than the purchase of an equity investment), the numerator value is:

- i) in the event of purchases, the greater of the price and the book value assigned to the asset;
- ii) in the event of sales, the book value of the asset.

c) *Liability relevance index*: this is the ratio of total liabilities of the entity acquired and total assets of the company. The data to be used must be taken from the latest balance sheet published (consolidated, if prepared) by the company; where possible, similar data must be used to determine total liabilities of the company or business unit acquired.