



**PROCEDURE FOR THE REGULATION
OF TRANSACTIONS WITH RELATED PARTIES**

OVS S.P.A.

Approved by the Board of Directors of OVS S.p.A. on 19 September 2018 effective from 19 September 2018.

ARTICLE 1

Purpose and scope of application

- 1.1 This Procedure (the "**Procedure**") is adopted by OVS S.p.A. ("**OVS**" or the "**Company**") in implementation of art. 2391-bis of the Italian Civil Code and of the TRP Regulation (as defined below), also taking into account the indications and clarifications provided by Consob with communication no. DEM / 10078683 of September 24th, 2010.
- 1.2 The Procedure identifies the rules governing the approval and execution of transactions with related parties carried out by OVS, directly or through subsidiaries, in order to ensure the transparency and substantial and procedural correctness of the transactions themselves. In particular, the Procedure:
- a) establishes the methods for its adoption and any amendments and/or revisions;
 - b) identifies the categories of related parties and transactions in compliance with the provisions of Annex 1 of the TRP Regulation (as defined below);
 - c) identifies the most significant transactions, so as to include at least those that exceed the thresholds set out in Annex 1 to this Procedure;
 - d) identifies the cases of exemption from the procedural regime hereinto provided, as indicated in articles 13 and 14 of the TRP Regulation;
 - e) identifies the requirements of independence of the directors in compliance with the provisions of article 3, letter h) of the TRP Regulation;
 - f) establishes the methods used to instruct and approve the not exempted transactions with related parties of major and minor importance - including those carried out by the subsidiaries pursuant to art. 2359 (*Società controllate e società collegate*) of the Italian Civil Code;
 - g) establishes the methods and timing with which the information on the transactions are provided to the Related Parties Committee (as defined below), which expresses - depending on the case - binding opinions or advisory opinions on the transactions with related parties, and to the administration and control bodies.

ARTICLE 2

Definitions

- 2.1 In this Procedure, the following terms mean:
- a) "**Independent Directors**": the directors of OVS who meet the independence requirements set forth in art. 148, paragraph 3 of the Testo Unico della Finanza and of the Code of Conduct to which OVS has adhered and complied with. In particular, the Independent Directors are assessed as such by the Board of Directors upon appointment and subsequently on the occasion of the annual verification of the existence and permanence of their independence requirements (on which the Board of Statutory Auditors verifies the correctness of the verification procedure). This verification takes place at the meeting of the Board of Directors which approves the annual Report on corporate Governance and ownership structure;
 - b) "**Unrelated Directors**": Directors of OVS different from the counterpart of a particular Transaction and its Related Parties;
 - c) "**Non-Executive Directors**": the Directors of OVS without individual management powers, recognized as non-executive by the Board of Directors;
 - d) "**Code of Conduct**": the Code of Conduct for listed companies approved by the Corporate Governance Committee promoted by Borsa Italiana S.p.A., to which the Company adheres, as amended and integrated from time to time;
 - e) "**Related Parties Committee**" or "**Committee**": the committee referred to in Article 5 below;

- f) **"Conditions Equivalent to Market or Standard"**: conditions similar to those usually applied to unrelated parties for transactions of a similar nature, entity and risk, or based on regulated tariffs or imposed prices, or charged to parties with which OVS or its Subsidiaries are obliged by law to contract for a specific fee;
- g) **"Control"**: the power to determine the financial and management policies of a company in order to obtain benefits from its activities. It is presumed that control exists when a subject owns, directly or indirectly through its subsidiaries, more than half of the voting rights of a company unless, in exceptional cases, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when a person owns half, or less, of the voting rights exercisable at the meeting if he/she has:
- i. the control of more than half of the voting rights by virtue of an agreement with other investors;
 - ii. the power to determine the financial and management policies of the company by virtue of a statute or an agreement;
 - iii. the power to appoint or remove the majority of the members of the board of directors or of the equivalent corporate governance body and the control of the company is held by that board or body;
 - iv. the power to exercise the majority of the voting rights in the meetings of the board of directors or of the equivalent corporate governance body and the control of the company is held by that board or body.

The terms "controlling", "subsidiary/ies" and "control" used in this TRP Procedure have - *mutatis mutandis* - the same meaning as indicated above.

- h) **"Joint Control"**: the contractually agreed sharing of Control over an economic activity;
- i) **"Managers with Strategic Responsibilities"**: persons who have the power and responsibility, directly or indirectly, of the planning, management and control of the company's activities, including the directors (executive or not) of the company itself and the standing statutory auditors. In particular, Managers with Strategic Responsibilities are to be considered, in addition to the directors (executive or not) and to the standing statutory auditors, among others, the General Manager and the Manager in charge of drafting the OVS Corporate Accounting Documents;
- j) **"Independent Expert"**: one or more independent experts, chosen and appointed by the Committee (or by the Board of Directors of OVS on the recommendation of the Committee), with the task of assisting the Committee in carrying out its functions. For the purposes of selecting the Expert and its qualification as Independent, the Related Parties Committee must take into account:
- any economic, patrimonial and financial relations between them and: (i) OVS; (ii) the entities that control OVS and the Subsidiaries or are subject to common control with the latter; (iii) the directors of the companies referred to in points (i) and (ii);
 - the reasons why the relationships referred to in the preceding paragraph have been considered irrelevant for the purposes of the judgment on independence.
- k) **"OVS Group"**: all the companies that fall within the scope of consolidation of OVS;
- l) **"Significant Influence"**: the power to participate in the determination of the financial and management policies of a company without having its Control. A Significant Influence can be obtained through the possession of shares, through statutory clauses or agreements. If a person holds, directly or indirectly (for example through subsidiaries), 20% or a greater proportion of the votes that can be exercised in the subsidiary's shareholders' meeting, it is presumed to have a significant

influence, unless it can be clearly demonstrated otherwise. On the other hand, if the subject owns, directly or indirectly (for example through subsidiaries), a minority of 20% of the votes that can be exercised at the meeting of the investee, it is presumed that the participant does not have a Significant Influence, unless such an influence can be clearly demonstrated. The presence of a subject in possession of the absolute or relative majority of the voting rights does not necessarily preclude another person from having a Significant Influence;

- m) **"Significant Interest"**: means the interest of a Related Party of the Company to be considered by an independent party, acting with professional diligence, that this Related Party can obtain, either directly or indirectly, an advantage or a disadvantage of any kind from the implementation of a Transaction with Related Parties of the Company. [Significant Interests are in any case present in case of the holding – direct or indirect -, with respect to a Subsidiary or Associated company, of a shareholding of more than 10% of the share capital or the sharing, between OVS and the Subsidiary or Associated company with which the transaction is carried out, of one or more Managers with Strategic Responsibilities who benefit from incentive plans based on financial instruments (or in any case variable remuneration) that depend, directly and to a significant extent, on the outcome of the Transaction with the Related Party or, in general, from the results achieved by this Subsidiary or Associated Company]. Those deriving from the mere sharing of one or more directors or other managers with strategic responsibilities between the Company and the Subsidiaries or associated companies are not considered Significant Interests;
- n) **"Manager"**: each Director of Division or Business Unit of OVS; or each Managing Director, Chief Executive Officer, Sole Director or General Manager of the Company and/or one of its Subsidiaries; or any OVS manager who has been granted powers to perform operations of economic value equal to or greater than that of the Transactions of Negligible Amount.
- o) **"Transaction(s) with Related Party(ies)"** or **"Transaction(s)"**: in accordance with the provisions of Annex 1 of the TRP Regulation, any transfer of resources, services or obligations between OVS (i.e. the companies it directly or indirectly controls) and one or more Related Parties, regardless of whether a consideration has been agreed. In any case, the following are included: (i) merger, demerger by incorporation or non-proportional demerger, when carried out with Related Parties; (ii) any decision regarding the allocation of remuneration and economic benefits, in any form, to members of the administrative and control bodies and to managers with strategic responsibilities;
- p) **"Transactions of Negligible Amount"**: Transactions that have an amount or in any case a unit equivalent value not exceeding Euro 250,000;
- q) **"Transactions of Major Relevance"**: the Transactions - including the homogeneous transactions or those realized in execution of a unitary plan with the same Related Party or with subjects correlated both to the latter and to the Company - in which at least one of the relevance indices indicated in Annex 1 to this Procedure is exceeded;
- r) **"Transactions of Minor Relevance"**: Transactions other than Transactions of Major Relevance and Transactions of Negligible Amount;
- s) **"Ordinary Transactions"**: the Transactions that fall within the ordinary operating activity and the related financial activity of the Company and/or of the companies included in the consolidated financial statements prepared by OVS;
- t) **"Related Parties"**: the persons referred to in Article 3 below;

- u) **"Equivalent Support"**: the persons to whom functions and competences are assigned in relation to transactions with Related Parties, in the cases indicated in the following Article 6.
 - v) **"Register of Related Parties"** or **"Register"**: the register in which the Related Parties are registered, pursuant to the following Article 5.
 - w) **"Register of Transactions with Related Parties"** or **"Transactions Register"**: the register in which the Transactions with Related Parties are inserted, pursuant to the following Article 5.
 - x) **"Issuers Regulation"**: the regulation adopted by Consob with resolution no. 11971 of May 14th, 1999 and subsequent amendments and additions;
 - y) **"TRP Regulation"**: the regulation containing provisions on transactions with related parties adopted by Consob with resolution no. 17221 of March 12th, 2010 and subsequent amendments and additions;
 - z) **"Unrelated Shareholders"**: subjects with voting rights other than the counterparty of a given Transaction and of the Related Parties both to the counterparty of a given Transaction and to the Company;
 - aa) **"Subsidiary Company"**: any entity, even without legal personality, as in the case of a partnership, controlled by another entity.
 - bb) **"Associated Company"**: any entity, even without legal personality, as in the case of a partnership, in which a shareholder exercises a notable influence but not control or joint control;
 - cc) **"Close Family"**: those family members of a subject, who are expected to influence the, or be influenced by the subject involved in relations with OVS. The following are always considered Close Family: (i) a spouse not legally separated or the cohabitant and (ii) the children and dependent family members of the subject, of the spouse not legally separated or of the cohabitant;
 - dd) **"Testo Unico della Finanza"** or **"TUF"**: Legislative Decree of February 24th, 1998, no. 58 and subsequent amendments and additions.
- 2.2 The terms not specifically defined in this Procedure have the meaning assigned to them in the TRP Regulation.

ARTICLE 3

Identification of Related Parties

- 3.1 For the purposes of this Procedure, the following are considered Related Parties of OVS in compliance with the provisions of Annex 1 of the TRP Regulation:
- a) subjects that directly or indirectly, also through subsidiaries, trustees or third parties (to be considered in turn as related parties):
 - (i) control OVS;
 - (ii) are controlled by OVS;
 - (iii) share the same controlling entity with OVS;
 - (iv) hold a stake in OVS such as to be able to exert a significant influence over it;
 - (v) jointly control OVS;
 - b) companies connected to OVS;
 - c) joint ventures¹ in which OVS participates;
 - d) the Directors and standing Statutory Auditors of OVS, as well as the managers with strategic responsibilities of OVS or of the entity that controls OVS;
 - e) close family members of the subjects indicated in the previous points (a) or (d);

¹ Pursuant to Annex 1 of the Related Party Regulations, a "joint venture" is "a contractual agreement with which two or more parties undertake an economic activity subject to joint control"

- f) the parties subject to the control, also in joint form, or the significant influence of one of the subjects indicated in the previous points (d) or (e), or in which the latter subjects directly or indirectly hold a significant share, in any case not less than 20% of the voting rights;
- g) supplementary pension funds, collective or individual, Italian or foreign, established in favor of the employees and/or managers of OVS or of any person related to it.
- 3.2 The Chairman of the Board of Directors and the Chairman of the Committee, with the support of the OVS Responsible Manager, resolve the cases in which the identification of a related party is controversial based on the relative definition contained in the previous Article 3.1.
- 3.3. If the Chairman of the Board of Directors is a related party in a given transaction, the verifications and decisions pursuant to this paragraph are adopted by the Vice Chairman of the Board of Directors and by the Chairman of the Committee; if the Vice Chairman is also a related party in the same transaction or has not been appointed, by an unrelated Independent Director and by the Chairman of the Committee; if the Chairman of the Committee is a related party in a given transaction, they are replaced by an unrelated Independent Director, appointed by the other members of the Committee.

ARTICLE 4

Identification of roles and responsibilities within the Procedure

The roles and responsibilities in the Procedure are shown below.

- 4.1 **Chairman of the Board of Directors:** the Chairman of the Board of Directors of OVS, within the scope of the Procedure, is called, inter alia, to:
- establish - jointly with the Chairman of the Committee and taking into account the assessments of the Manager - whether the transaction to be carried out falls within the Procedure, and in particular: (i) if the counterparty is included in the Related Parties Register kept at the Secretariat of Legal and Corporate Affairs; (ii) whether the transaction falls within the cases of exemption of the Procedure; (iii) if the transaction is of Major or Minor Relevance (also taking into account the possible cumulation);
 - identify, in case of necessity, the conditions set forth in this Procedure, together with the Chairman of the Board of Statutory Auditors, the Equivalent Support and give instructions to the Secretariat of Legal and Corporate Affairs, for the activation of the above Equivalent Support.
- 4.2 **Board of Directors:** the Board of Directors, within the scope of the Procedure, is called, inter alia, to:
- approve the Procedure and any amendments and/or revisions;
 - approve the Transactions with Related Parties of Major Relevance.
- 4.3 **Chairman of the Committee:** the Chairman of the Related Party Committee, within the scope of the Procedure, is called, inter alia, to:
- determine - jointly with the Chairman of the Board of Directors and taking into account the assessments made by the Manager - whether the operation to be carried out falls within the Procedure;
 - convene, through the Secretary of the Board of Directors, the Committee for the relevant resolutions pursuant to the Procedure;
 - control the accuracy, completeness and exhaustiveness of the documentation necessary to instruct the Committee's deliberations and that is transmitted to the relative members in the terms established by the regulations adopted by the Committee itself and, in any case, in time to allow a complete evaluation of the operation;

- to illustrate, in the meetings of the Board of Directors, the evaluations conducted by the Committee and the determinations made by it in relation to a transaction submitted to it.
- 4.4 **Related Party Committee:** the Committee, within the scope of the Procedure, is the body responsible for:
- expressing the prior opinion on the Procedure and any amendments and/or revisions, pursuant to art. 4 of the OPC Regulation;
 - expressing a motivated and non-binding prior opinion on the interest of the company in carrying out Transactions of Minor Relevance and on the convenience and substantial correctness of the related conditions pursuant to art. 7 of the TRP Regulation and according to the procedures described in the following Article 10;
 - participating in the negotiations and preliminary activities conducted prior to the completion of the Transactions of Major Importance and express the prior motivated and binding opinion on the interest of the company in completing the transaction and on the substantive and procedural correctness of the transaction pursuant to art. 8 of the TRP Regulation and according to the procedures described in the following Article 9.
- 4.5 **Chairman of the Board of Statutory Auditors:** the Chairman of the Board of Statutory Auditors, within the scope of the Procedure, is called to collaborate with the Chairman of the Board of Directors to identify the Equivalent Support to be activated if the conditions set out in this Procedure are met.
- 4.6 **Board of Statutory Auditors:** in compliance with the TRP Regulations, the Board of Statutory Auditors of OVS monitors compliance with the Procedure and the TRP Regulation, as well as compliance with it by the parties to whom the same Procedure is addressed and reports to the Shareholders' Meeting, pursuant to art. 2429 c.c. and of the art. 153 of the TUF.
- 4.7 **Secretariat of Legal and Corporate Affairs:** the Secretariat of Legal and Corporate Affairs, within the scope of the Procedure, with regard to the legal aspects, is called inter alia to:
- elaborate the Procedure and its possible amendments/revisions, to be submitted to the resolutions, to the extent of their respective competence, of the Committee and of the Board of Directors;
 - prepare and keep the Register of Related Parties and the Register of Transactions with related parties, update them on the basis of the information received from interested parties and transmit it to the Chairman of the Board of Directors, the Chief Executive Officer, the Chairman of the Committee, the Financial Reporting Officer and to managers;
 - coordinate the collection of information relating to Transactions with Related Parties to be submitted to the Related Parties Committee and the Board of Directors for the purpose of making the respective resolutions;
 - support, in collaboration with the Responsible Manager, the relevant Manager, in evaluating the application of the Procedure to a potential transaction, in view of the subsequent sharing and verification of said assessment with the Chairman of the Board of Directors and the Chairman of the Committee ;
 - activate, in case of need and on the instructions of the Chairman of the Board of Directors, the Equivalent Support for the immediate replacement of the member of the Committee that has declared the existence of a correlation with respect to the single transaction on which he is called to intervene.
- 4.8 **Responsible Manager:** the Responsible Manager for preparing the OVS Corporate Accounting Documents, within the scope of the Procedure, is called, inter alia, on the economic-financial aspects, to:

- support, in collaboration with the Secretariat of Legal and Corporate Affairs, the relevant Manager, in evaluating the application of the Procedure to a potential transaction, in view of the subsequent sharing and verification of said assessment with the Chairman of the Board of Directors and with the Chairman of the Committee;
- provide, during the meetings of the Related Parties Committee and the Board of Directors convened pursuant to the Procedure, the information for which they are responsible for the Transaction with a Related Party on which the aforementioned bodies are called to express themselves;
- prepare, with the support of the Secretariat of Legal and Corporate Affairs, the Information Document pursuant to Attachment 4 of the TRP Regulation in case of approval of Transactions of Major Relevance;
- provide the Board of Directors and the Board of Statutory Auditors on a quarterly basis with information pertaining to the Transactions with Related Parties of Minor Relevance and to the Transactions to which the exemption regime referred to in Article 15 has been considered applicable;
- verify in the final balance the existence of transactions with Related Parties and completing the appropriate disclosures in the financial statements;
- communicate quarterly to the Chairman of the Committee and the Chief Executive Officer (i) the capitalization values of the Company, based on the data published by Borsa Italiana S.p.A., and (ii) the consolidated shareholders' meeting equity values, based on the last published periodical accounting document, based on which to calculate the relevance indices;

4.9 **Secretary of the Board of Directors:** the Secretary of the Board of Directors, within the scope of the Procedure, is called to:

- convene - on the instructions of the Chairman of the Related Party Committee - the Committee itself, so that it can perform the activities within its competence pursuant to the TRP Regulation and the Procedure.

4.10 **Manager:** each Manager competent to carry out an operation, within the Procedure is called to:

- evaluate, with the support of the Responsible Manager (for the economic-financial aspects) and the Secretariat of Legal and Corporate Affairs (for legal aspects), if the operation to be carried out falls within the Procedure, and in particular: (i) check whether the counterparty is part of the Register of Related Parties kept in the Secretariat of Legal and Corporate Affairs; (ii) evaluate whether the transaction falls within the cases of exemption of the Procedure; (iii) evaluate whether the transaction is Major or Minor Relevance (also taking into account the possible cumulation);
- if the assessment referred to in point (i) above has a positive outcome or an uncertain outcome, communicate this result to the Chairman of the Board of Directors and to the Chairman of the Committee for the purpose of taking subsequent decisions.

ARTICLE 5

Register of Related Parties and Register of Transactions with Related Parties and identification of Transactions of Major Relevance

5.1 OVS establishes the Register of Related Parties, in which the Related Parties identified pursuant to the previous Article 3 are registered. OVS also establishes the Register of Transactions with Related Parties, in which all the Transactions with Related Parties of Major and Minor Relevance are noted.

5.2 The preparation and updating of the Register of Related Parties and the Register of Transactions with Related Parties, maintained in electronic form, are handled by the

Secretariat of Legal and Corporate Affairs of OVS in agreement with the Responsible Manager. The Registers are also kept in compliance with privacy regulations.

- 5.3 The Secretariat of Legal and Corporate Affairs of OVS shall communicate in writing to each Director and Statutory Auditor as well as to Managers with Strategic Responsibilities of OVS or of the person who controls OVS the registration in the Register, requesting to each one of them the initial transmission of the data on their close relatives, the entities in which they or their close relatives exercise control, also in joint form, or significant influence or hold a significant share, in any case not less than 20%, of the voting rights, all as identified under the previous Article 3.1.
- 5.4 The Directors and Standing Statutory Auditors, as well as the Managers with Strategic Responsibilities of OVS or the entity that controls OVS are required to promptly notify the Secretariat of Legal and Corporate Affairs of OVS of any change relevant to the identification of the persons related to them. In any case, the Secretariat of Legal and Corporate Affairs of OVS updates the register at least once every six months.
- 5.5 For the purpose of identifying the Transactions of Major Relevance, the Responsible Manager:
- (i) periodically identifies and communicates the capitalization values, based on the data published by Borsa Italiana S.p.A., and (ii) the consolidated shareholders' meeting equity values, on the basis of the last published periodical accounting document, on the basis of which to calculate the relevance indices;
 - (ii) records and updates the countervalues of the Transactions that are of a homogeneous nature or fall within the scope of a unitary plan that are put in place with the same Related Party of the Company or with subjects related to the latter and to the Company, save the application of an exemption hypothesis referred to in Article 15 below.

ARTICLE 6

Related Parties Committee

- 6.1 The Company's Board of Directors establishes a Committee for Transactions with Related Parties (hereinafter "Related Parties Committee" or "Committee") made up exclusively of Independent Directors, no fewer than three in number.
- 6.2 The Related Parties Committee has also been set up, even though the Board of Directors has assigned the relevant powers to an existing committee, provided that it is composed as indicated in paragraph 6.1 above.
- 6.3 In the event that at least three Independent Directors are not in charge, the resolutions regarding changes to the Procedure and Transactions of Major Relevance and Transactions of Minor Relevance, pursuant to the provisions of the TRP Regulations on Equivalent Support, are approved prior favorable opinion of the Independent Directors who may be present or in their absence, upon the motivated non-binding opinion of an Independent Expert chosen among subjects with recognized professionalism and competence on the subjects concerned.
- 6.4 Each member of the Committee must promptly notify the Secretariat of Legal and Corporate Affairs, the Chairman of the Board of Directors, the Chairman of the Board of Statutory Auditors and the Committee of any correlation with the individual transaction he is called upon to intervene. In case of notification, the Secretariat of Legal and Corporate Affairs, on the instructions of the Chairman of the Board of Directors (or, in case of impossibility or inactivity, of the Board of Directors) shall immediately replace the involved person, through the involvement of Equivalent, applying the order indicated below:
- replacement with another Independent Director, in office and unrelated;

- replacement with an effective member of the Board of Statutory Auditors (other than the Chairman), in office and unrelated.

The substitute takes temporarily over for the exclusive purpose of examining and expressing himself on the specific Transaction in which there is a correlation with the temporarily replaced Committee member.

6.5 The regime concerning Equivalent Support applies, also in the case of:

- termination of the position, for any reason, of a member of the Related Parties Committee;

- loss of one of these of the independence requirements set out in Article 2.1 (a).

In such cases, the substitute remains in office until the first useful meeting of the Board of Directors called to deliberate for the reinstatement of the Committee.

6.6 The Related Parties Committee performs the functions envisaged by current legislation and by this Procedure.

6.7 Members of the Related Parties Committee remain in office until resignation, termination of the office of Director or loss of the independence requirements.

6.8 If the Board of Directors has not provided for the appointment of the Related Parties Committee, the members of the Related Parties Committee elect a Chairman from among themselves, who will have the task of coordinating the Committee's activities and performing the functions envisaged by this procedure and the applicable legislation.

6.9 The Related Party Committee or Equivalent Support identified pursuant to this Article 6 may be assisted, at the expense of the Company, by one or more Independent Experts chosen from subjects with recognized professionalism and competence on the matters concerned, in application of the provisions of the previous Article 2.1, letter j).

ARTICLE 7

Reserve of jurisdiction and limits on the granting of proxies

7.1 The decision and execution of Transactions of Minor Relevance, if not reserved to the competence of the Board of Directors, fall within the powers of one or more members of the Board of Directors of the Company (also under the management powers already conferred).

7.2 If the correlation subsists with the competent Manager, or with a Related Party through them, the latter shall abstain from completing the Transaction by investing the Board of Directors by the latter.

7.3 Transactions of Major Relevance are the sole responsibility of the Board of Directors of the Company except for matters reserved by law and/or by the Articles of Association for which the assembly is responsible.

ARTICLE 8

Examination of the Transaction and information to the Related Parties Committee

8.1 The Manager who intends to carry out a transaction must first ascertain whether the counterparty of this transaction falls under the Register of Related Parties. To this end, each final beneficiary of the transaction has to be verified.

8.2 The Manager also evaluates the relevance of the eventual Transaction (also taking into account the possible cumulation) and whether it is included in the cases of exemption of the Procedure.

8.3 In the event that the Manager has ascertained that the counterparty of the transaction falls under the Register of Related Parties (or, if the outcome of such verification is uncertain), they promptly inform the Chairman of the Board and the Chairman of the Committee.

8.4 The Chairman of the Board and the Chairman of the Committee assess, after consulting the Chief Executive Officer, (i) whether it is included in the cases of exemption of the

Procedure and (ii) whether the proposed Transaction is one of the Transactions of Major Relevance or the Transactions of Minor Relevance, on the basis of the parameters calculated by the Responsible Manager pursuant to Article 5.5 above.

- 8.5 When a Transaction with a Related Party is deemed probable, the Chairman of the Company's Board of Directors promptly delivers, in view of the dynamics of execution of the Transaction, a written communication to the Related Parties Committee containing, based on the elements currently available and to reasonably possible estimates, a summary of the Transaction indicating:
- (i) the Related Party of the company that is the counterparty to the Transaction;
 - (ii) the nature of the correlation;
 - (iii) if it is a Transaction of Major Relevance or a Transaction of Minor Relevance;
 - (iv) the conditions of the Transaction, including the indication of the executive procedures, the methods for determining the consideration, the terms and conditions;
 - (v) the interest of the Company in carrying out the Transaction;
 - (vi) the motivations underlying the Transaction and the possible risks that could derive from its realization; and
 - (vii) any other useful information that may allow the Related Parties Committee to evaluate the nature and value of the Transaction.

Together with the aforementioned communication, every document is sent to the available state relating to the Transaction with a Related Party.

- 8.6 On the basis of the information communicated pursuant to Article 8.4 above, if a member of the Related Parties Committee is, with respect to a specific Transaction, a Related Party, within the two days following receipt of the aforementioned information, they inform the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors, as well as the Secretariat of Legal and Corporate Affairs, so that they can be replaced by an Equivalent Support according to the procedure indicated in the previous Article 6.4.
- 8.7 Without delay and in any case within four days, taking into account any urgent reasons, from the receipt of the communication referred to in paragraph 8.4 above, the Chairman of the Related Parties Committee convenes the Committee to carry out any more opportune and preliminary verification.
- 8.8 The procedural procedure for approving Transactions with Related Parties will follow the provisions contained in the following Article 9, in the case of Transactions of Major Relevance, or in the subsequent Article 10, in the case of Transactions of Minor Relevance.

ARTICLE 9

Procedure for Transactions of Major Relevance

- 9.1 The approval of Transactions of Major Importance falls within the exclusive competence of the Board of Directors of OVS and requires the prior favorable opinion of the Related Parties Committee pursuant to this Article 9, without prejudice to the provisions of paragraph 9.6 below.
- 9.2 The Related Parties Committee is involved in the phase of negotiations and in the preliminary phase of Transactions of Major Relevance through the receipt of a complete and timely flow of information and with the power to request information and to make observations to the delegated bodies and the persons in charge of the management, negotiation or investigation. To this end, before the start of negotiations, the Chairman of the Board of Directors or the Responsible Manager, possibly through the Secretariat of Legal and Corporate Affairs, after making available the information referred to in Article 8.4 above, provide, during the negotiations, the transmission of update reports with the evidence of any significant deviations from the information previously

provided. The Committee may also participate directly in the negotiations or delegate one or more of its members for this purpose.

- 9.3 At the outcome of the investigation and, in any case, at least 2 (two) days before the date set for the meeting of the Board of Directors of the Company convened for approval of the Transaction of Major Relevance (except in cases of proven urgency) the Related Parties Committee issues a reasoned opinion on the (i) existence of an interest of the Company in carrying out the Transaction and (ii) convenience and substantial correctness of the related conditions. The notice of convocation together with the illustrative material containing all the opportune and adequate information about the operation to be carried out must be sent to the members of the Related Parties Committee, also by e-mail, well in advance of the date set for the reunion. The opinion of the Committee is reported in a report of the meeting which, together with the information material examined by the Committee itself, is filed with the Secretariat of Legal and Corporate Affairs.
- 9.4 The opinion of the Related Parties Committee contains a clear indication of whether the Committee is favorable or not with respect to the completion of the Transaction. If the Company is subject to management and coordination, in the Transactions of Major Importance influenced by such activity, the opinion of the Related Parties Committee shall promptly indicate the reasons and the convenience of the Transaction, if appropriate also in light of the overall result of the management and coordination or direct operations to eliminate the damage deriving from the single transaction with a related party.
- 9.5 During the meeting of the Board of Directors called to approve the Transaction of Major Relevance, each member of the Board and the Board of Statutory Auditors may request the Related Parties Committee to clarify the opinion expressed; the Committee (in person of its Chairman) responds during the meeting, also with the assistance of external employees and/or consultants of the Company, as well as the Independent Expert who may have provided support to the Committee itself, if they have been invited by the Related Parties Committee to participate in the Board meeting.
- 9.6 If the Company's Articles of Association provide for it, the Board of Directors may execute a Transaction of Major Relevance on which the Committee has expressed a negative opinion, if said transaction has also been approved by the shareholders' meeting, with quorums required for the adoption of ordinary shareholders' meeting's resolutions and with the favorable vote of the majority of voting shareholders who are not Related Parties (provided that the latter represent at least 10% of the share capital with voting rights). To this end, before the start of the shareholders' meeting, those entitled to vote are required to communicate the existence of a correlation relationship with respect to the specific Transaction placed on the agenda.
- 9.7 In the event of approval of the Transaction with a Related Party, the minutes of the resolution of the Board of Directors provide an adequate justification regarding the Company's interest in carrying out the Transaction as well as the convenience and substantial correctness of the related conditions.
- 9.8 Once approved by the Board of Directors, the Secretary of the Board promptly informs the Responsible Manager and the Manager in charge of the transaction so that they can proceed for the activities of their respective competence.

ARTICLE 10

Procedure relating to Transactions of Minor Relevance pertaining to the Board of Directors or delegated bodies

- 10.1 Transactions of Minor Relevance are approved by the Board of Directors (and/or by the Manager with the powers to carry out the Transaction), according to their respective

powers, after the non-binding opinion of the Related Parties Committee pursuant to this Article 10 , sent at least 2 days before the approval of the Operation (except in cases of proven urgency).

- 10.2 The opinion of the Committee must be drawn up taking into account the provisions of the previous Article 9.4.
- 10.3 In the event that the transaction is approved by the Board of Directors, the minutes shall bear adequate justification regarding the Company's interest in carrying out the Transaction, as well as the convenience and substantial correctness of the related conditions.
- 10.4 In the event that the Transaction falls within the powers delegated to a Manager, the Secretariat of Legal and Corporate Affairs shall promptly inform it of the opinion expressed by the Committee. The Manager may proceed with the execution of the Transaction of Minor Relevance, even in the event of a negative opinion of the Related Parties Committee, but with the prior approval of the Board of Directors.

ARTICLE 11

Operations within the competence of the Shareholders' Meeting

- 11.1 If the transaction to be carried out falls within the matters falling within the competence of the assembly or must be approved by it, the same procedures indicated in the previous Articles 8, 9 and 10 must be respected, according to whether it is a Transaction of Major Relevance or Transaction of Minor Relevance. In this case, the Related Parties Committee must issue its reasoned opinion on the Company's interest in completing the Transaction and on the convenience and substantial correctness of the related conditions upon approval, by the Board of Directors of the Company, of the proposed resolution to be submitted to the assembly.
- 11.2 The opinions of the Committee and of any appointed independent experts are attached to the proposed resolution approved by the Company's Board of Directors.
- 11.3 In the case of Transactions of Major Relevance, for the approval of the proposed resolution that - if required by the Company's Articles of Association - has been submitted to the shareholders' meeting despite the negative opinion of the Related Parties Committee, the vote of the majority of the voting shareholders who are not Related Parties is necessary (provided that the latter represent at least 10% of the share capital with voting rights), without prejudice to compliance with the quorums constituting and deliberating required for the adoption of ordinary or extraordinary shareholders' meeting's resolutions.
- 11.4 In the case of Transactions to be submitted to the shareholders' meeting which are characterized by proven urgency, the provisions of the following Article 15.8 apply.

ARTICLE 12

Transactions through subsidiaries

- 12.1 The procedures indicated in the preceding Articles 8, 9 and 10 also apply if a Transaction with Related Parties is performed by a company controlled by the Company, without prejudice to the exemptions envisaged in the following Article 15.
- 12.2 In order to allow the application of the provisions referred to in the previous Article 12.1, the Subsidiaries, in the person of the Chief Executive Officer or the Sole Director, promptly inform the Responsible Manager and the Secretariat of the Board of Directors of OVS regarding the Transactions with Related Parties of OVS that the Subsidiaries intend to carry out, by sending in advance and promptly, the information referred to in Article 8.4 and the documentation necessary to proceed with the provisions of this Procedure, to allow OVS to fulfill its obligations under TRP Regulation and the Procedure itself.

- 12.3 The Chairman of the Board of Directors (and/or the person who has been granted powers to perform specific operations), after consulting with the Related Parties Committee, may from time to time propose to the Board of Directors of the Company that the procedures described in the previous Articles 7, 8 and 9 be applied by the Company for Transactions with Related Parties of the Subsidiaries to be realized with Related Parties of these Subsidiaries.

ARTICLE 13

Framework resolutions

- 13.1 For the purposes of this Procedure, the adoption of framework resolutions relating to series of homogeneous transactions to be performed by the Company, directly or through subsidiaries, with certain categories of Related Parties is permitted. In this case, the framework resolutions:
- a) have a temporal efficacy not exceeding one year;
 - b) refer to sufficiently determined Transactions with Related Parties, indicating at least the foreseeable maximum amount of the Transactions to be carried out during the reference period and the justification for the expected conditions.
- 13.2 The framework resolutions are adopted in compliance with and according to the provisions set forth in Articles 8, 9 and 10, depending on the foreseeable maximum amount of the transactions subject to the framework resolution, cumulatively considered.
- 13.3 The Chairman of the Board of Directors of OVS, as part of the periodic report prepared pursuant to the Company's bylaws, provides the Board of Directors, the Committee and the Board of Statutory Auditors, at least every three months, with complete information on the state of implementation of the framework resolutions.
- 13.4 On the occasion of the approval of a framework resolution by the Board of Directors, OVS publishes an information document pursuant to Article 5 of the TRP Regulation if the foreseeable maximum amount of the Transactions to be carried out in the reference period identified in the framework resolution exceeds some of the materiality thresholds determined in application of Annex 1 to this Procedure.
- 13.5 The provisions of Articles 8, 9 and 10 do not apply to individual Transactions with Related Parties concluded in implementation of a framework resolution.

ARTICLE 14

Disclosure to the public and to CONSOB obligations

- 14.1 The Chairman of the Board of Directors sends to the Committee, the Board of Directors and the Board of Statutory Auditors, at least every three months, detailed information on the state of execution of the Transactions with Related Parties previously approved, including the individual Transactions carried out of the framework resolutions previously approved by the Board of Directors pursuant to Article 13. In particular, the terms and conditions according to which the Transactions were carried out must be communicated to the Committee, the Board of Directors and the Board of Statutory Auditors the changes introduced to ensure compliance any conditions indicated by the Related Parties Committee in its opinion on the Transaction must be specified.
- 14.2 To this end, the Managers promptly notify the Chairman of the Board of Directors and the Responsible Manager of the Transactions carried out in the reference quarter.
- 14.3 The Responsible Manager collects the information necessary for the fulfillment of the information obligations to the public and to Consob as per articles 5, 6, 12, paragraph 2, and 13, paragraph 3, lett. c) of the TRP Regulation, where applicable, according to the procedures and in compliance with the timescales envisaged therein.

- 14.4 Without prejudice to the provisions of Article 17 of EU Regulation 596/2014, within fifteen days of the end of each quarter of the reference year, the Company makes available to the public at the registered office and in the manner indicated by the applicable regulatory provisions, as well as on its website, an information document containing the indication of the counterparty, the object and the consideration of the Transactions of Minor Relevance approved in the reference quarter in the presence of a negative opinion of the Related Parties Committee, as well as the reasons for the which the Board of Directors has decided not to share this opinion. The aforementioned negative opinions are attached to the document. This document is prepared by the Responsible Manager with the support of the Secretariat of Legal and Corporate Affairs and transmitted to the corporate bodies in charge for forwarding to Consob and disclosure to the public.
- 14.5 On the occasion of the approval of Transactions of Major Relevance, to be carried out also by Subsidiaries, OVS shall prepare, under the supervision of the Responsible Manager with the Secretariat of Legal and Corporate Affairs, an Information Document pursuant to Article 5 of the TRP Regulation and its Annex 4. This document must be made available to the public, at the registered office and in the manner indicated by the applicable regulatory provisions, as well as sent to Consob, within seven days from the approval of the transaction by the competent body or, if the competent body decides to present a contractual proposal, from the moment in which the contract, even preliminary, is concluded according to the applicable regulations.
- 14.6 The aforementioned Information Document must also be prepared if:
- (i) during the year, are concluded with the same Related Party, or with subjects related both to the latter and to OVS, transactions that are homogeneous or carried out in execution of a unitary design which, although not individually identifiable as Transactions of Major Relevance, exceed, where cumulatively considered, the thresholds of relevance identified in application of Annex 1 to this Procedure. To this end, transactions carried out through Italian or foreign subsidiaries that do not fall within the exemptions pursuant to Article 15 below are also recorded;
 - (ii) in the case in which the exceeding of the relevance thresholds is determined by the accumulation of transactions, the information document is made available to the public within fifteen days from the approval of the Transaction or from the conclusion of the contract that determines the exceeding of the threshold of relevance and contains information, even on an aggregate basis for homogeneous transactions, on all the Transactions considered for the purpose of cumulation. If the Transactions that result in exceeding the relevance thresholds are carried out by Subsidiaries, the information document shall be made available to the public within fifteen days from the moment when OVS has been informed of the approval of the transaction or of the conclusion of the contract that determines the relevance.
- 14.7 If a Transaction with Related Parties is also subject to the disclosure obligations pursuant to Article 17 of EU Regulation 596/2014, in the press release to be disseminated to the public, in addition to other information to be published pursuant to the aforementioned standard, also the following information must be contained:
- (i) an indication that the counterparty to the transaction is a Related Party and a description of the nature of the relationship;
 - (ii) the name of the counterparty of the transaction;
 - (iii) whether the transaction exceeds the relevance thresholds identified in accordance with Annex 1 to this Procedure, and an indication of any subsequent publication of an information document pursuant to Article 5 of the TRP Regulation;

(iv) the procedure that has been or will be followed for the approval of the transaction and, in particular, if OVS has availed itself of an exemption case envisaged by the following Article 15;

(v) the possible approval of the transaction despite the contrary opinion of the Related Party Committee.

14.8 The Subsidiaries, in order to allow the Company to fulfill their information obligations, promptly send all the information required by articles 5 and 6 of the TRP Regulation. In particular, the Subsidiaries send to the Responsible Manager:

(i) within the 10th day following the close of each calendar quarter, a note on Related Party Transactions carried out during the reference period;

(ii) within 5 days from the approval of the Transaction or from the conclusion of the contract that determines the overcoming of at least one of the relevance thresholds in Annex 1 of this Procedure, information, also on an aggregate basis for transactions of a homogeneous nature, relating to Transactions with Related Parties which, cumulatively considered, exceed at least one of the relevance thresholds.

ARTICLE 15

Operations excluded from the scope of the Procedure

15.1 The provisions of this Procedure do not apply to the shareholders' meeting's resolutions pursuant to art. 2389, first paragraph, of the Italian Civil Code relating to the remuneration due to the members of the Board of Directors of OVS, or to the resolutions concerning the remuneration of directors vested with special duties falling within the total amount eventually determined by the shareholders' meeting pursuant to art. 2389, third paragraph, of the Italian Civil Code and the Company's Articles of Association, or to the shareholders' meeting's resolutions pursuant to art. 2402 of the Italian Civil Code relating to the fees due to members of the Board of Statutory Auditors of OVS.

15.2 The provisions of this Procedure do not apply to Transactions of Negligible Amount.

15.3 Without prejudice to the obligations of periodic accounting information required by Article 5, paragraph 8, of the TRP Regulation, the provisions of this Procedure do not also apply:

a) to compensation plans based on financial instruments approved by the OVS shareholders' meeting pursuant to art. 114-bis of the TUF and related executive transactions;

b) to the resolutions, other than those indicated in the previous Article 15.1, regarding the remuneration of the Directors of OVS with special duties as well as of the managers with strategic responsibilities, provided that:

(i) OVS has adopted a remuneration policy;

(ii) in the definition of the remuneration policy, a committee consisting exclusively of non-executive directors, mostly independent, has been involved;

(iii) a report illustrating the remuneration policy has been submitted to the approval or advisory vote of the OVS shareholders' meeting;

(iv) the remuneration assigned is consistent with this policy;

c) to Ordinary Transactions that are concluded at Conditions Equivalent to Market or Standard. In case of applicability of this type of exclusion, the Company is in any case bound to the periodic reporting obligations referred to in Article 5, paragraph 8 and Article 13, paragraph 3, lett. c) of the TP Regulation, as well as the obligations under art. 17 of EU Regulation 596/2014 and its implementing provisions, where the conditions are met.

- 15.4 The provisions of this Procedure also do not apply to Transactions with or between Subsidiaries, also jointly, by OVS as well as to Transactions with Companies Connected to OVS, provided that in the Subsidiaries or Associated counterparties of the Transaction there are no Significant Interests of another Related Party of the Company, without prejudice to the information obligations pursuant to article 5, paragraph 8 and article 13, paragraph 3, lett. c) of the TRP Regulation, as well as the obligations under art. 17 of EU Regulation 596/2014 and its implementing provisions, where the conditions are met. However, the Board of Directors, upon the non-binding opinion of the Committee, may set preventive limits in advance, with reference to: (i) the type and nature of the Transaction; and/or (ii) the amount of the Transaction on an individual and/or cumulative basis for Transactions having a similar nature or the same type; and/or (iii) timeframe of the Transactions, and/or (iv) the counterparty's identity.
- 15.5 If the Board of Directors has set limits to the exemptions pursuant to the previous Article 15.4, the Chairman of the Board of Directors sends to the Committee, the Board of Directors and the Board of Statutory Auditors, at least quarterly, a detailed report in on the execution status of Transactions with or between Subsidiaries or Associated Companies. To this end, the Managers promptly notify the Chairman of the Board of Directors and the Financial Reporting Officer of the operations performed in the reference quarter.
- 15.6 Without prejudice to the provisions of Article 15.5 above, the Chief Executive Officer shall provide the Committee with information on the Transactions with Related Parties subject to exemption – with the exception of the Transactions of Negligible Amount - pursuant to this article and/or the TRP Regulation and shall report on the state of its execution at the first useful meeting of the Committee.
- 15.7 In cases of urgency and where this is required by the Company's Articles of Association, Transactions with Related Parties, which are not attributed to the competence of the OVS shareholders' meeting by the law or the Articles of Association, may be concluded by the Board of Directors or by the competent delegate body (with the exception, in the latter case, for the hypothesis referred to in Article 7.2 above) by way of derogation from the provisions of the preceding Articles 8, 9 and 10 - and without prejudice to the information obligations referred to in Article 5 of the TRP Regulation - provided that:
- a) in the case of Operations that fall within the competence of Manager, the Chairman of the Board of Directors is informed of the reasons for urgency prior to the completion of the Transactions;
 - b) the Transactions in question are subsequently subject, without prejudice to their effectiveness, to a non-binding resolution adopted by the first ordinary Ordinary Shareholders' Meeting of OVS;
 - c) the Board of Directors of OVS, in convening the Shareholders' Meeting referred to in letter b), prepares a report containing a detailed indication of the reasons for urgency. The Board of Statutory Auditors of OVS reports to the Shareholders' Meeting referred to in letter b) its assessments on the existence of the reasons for urgency;
 - d) the report and assessments referred to in letter c) above are made available to the public at least 21 days before the date set for the Shareholders' Meeting at the registered office of OVS and in the manner indicated in Title II, Chapter I , of the Issuers Regulation;
 - e) within the day following the day in which the OVS Shareholders' Meeting is held, information on the results of the vote, with particular regard to the total number of votes cast by the Unrelated Shareholders, is made available to the public in the manner indicated by the applicable regulatory provisions,.

- 15.8 The hypothesis of exclusion provided for in this article can also be applied in the case of Transactions carried out through Subsidiaries referred to in Article 12 above.
- 15.9 Where expressly permitted by the Articles of Association, in the presence of transactions to be submitted for approval by the Shareholders' Meeting which are urgently linked to corporate crisis situations, without prejudice to the provisions of Article 5 of the TRP Regulation, where applicable, the Transaction may be performed by the Board of Directors by way of derogation from the relevant provisions, provided that the conditions set forth in art. 11, paragraph 5 of the TRP Regulation or of the applicable regulations, also secondary, from time to time.

ARTICOLO 16

Final provisions

- 16.1 In order to ensure coordination with the administrative and accounting procedures pursuant to art. 154-bis of the TUF, the periodic information on Transactions of Major Relevance, on Transactions of Minor Relevance and on Transactions carried out through Subsidiaries referred to in the previous articles are also provided to the Responsible Manager.
- 16.2 The Board of Directors of OVS periodically evaluates, and in any case, at least every three years, whether to proceed with a revision of the present Procedure, taking into account, inter alia, the effectiveness demonstrated in the application procedure and any changes in the ownership structure of the Society. The amendments to this Procedure are approved by the Board of Directors following the opinion of the Related Parties Committee pursuant to this Procedure and art. 4 of the TRP Regulation.
- 16.3 The Board of Statutory Auditors of OVS monitors the compliance of this Procedure with the general principles indicated in the TRP Regulation as well as on its compliance and reports to the Shareholders' Meeting pursuant to art. 2429, second paragraph, of the Italian Civil Code or art. 153 of the TUF.
- 16.4 This Procedure is available to the public on the Company's website in the "Investor Relations" section and is referred to, by reference to the website itself, in the annual report on operations; the related provisions, as amended on 19 September 2018, are effective from 19 September 2018.
- 16.5 For any matters not expressly provided for in this Procedure, the provisions of law and regulations from time to time in force shall apply.