

Growens S.p.A.

RELATED PARTIES TRANSACTIONS PROCEDURE

INTRODUCTION

This procedure (“**RPT Procedure**”) governs the process that Growens S.p.A. (“**Growens**” or the “**Company**”) shall apply when carrying out - either directly or through subsidiaries - Related Party Transactions (as defined below) in accordance with the applicable provisions in force (“**Laws in Force**”).

1. SCOPE

- 1.1 The RPT Procedure identifies the principles applied by the Company to ensure the transparency and substantive and procedural correctness of transactions with related parties carried out by the Company, directly or through its subsidiaries.
- 1.2 For the purposes of the RPT Procedure, without prejudice to the exemptions under Article 14 below, transaction with related parties (hereinafter “**RPT**”) means any transfer of resources, services or obligations between Related Parties (as defined in Article 5 below), regardless of whether a consideration has been agreed upon, including:
 - (a) mergers, demergers (including non-proportional) into existing or new companies [*scissione per incorporazione o scissione in senso stretto non proporzionale*], when carried out with Related Parties;
 - (b) any decision on granting remuneration and economic benefits, in any form whatsoever, to members of the management and control bodies and to executives with strategic responsibilities.
- 1.3 To identify RPTs pursuant to the RPT Procedure, the bodies involved in the examination and approval of transactions and the bodies responsible for supervising compliance with the RPT Procedure, each within their responsibility, shall prioritise the substance of the relationship and not simply its legal form.
- 1.4 The Company's management body, taking into account the reports and observations of the other corporate bodies, periodically assesses the effectiveness of the RPT Procedure and the need/opportunity to revise it at least every three years.

2. BODY IN CHARGE

Without prejudice to Article 15 of the RPT Procedure, the management body is primarily in charge of the correct application of the RPT Procedure.

3. EFFECTIVENESS

The RPT Procedure comes into force with effect from the date of commencement of trading of the Company's ordinary shares on AIM Italia - Mercato Alternativo del Capitale, a multilateral trading facility organised and managed by Borsa Italiana (“**AIM Italia**”).

4. SOURCES

- 4.1 The main regulatory sources for the purposes of the RPT Procedure are:

- (a) Regulation 17221/2010 adopted by Consob with resolution no. 17221 of 12 March 2010, as amended and supplemented. (“**Regulation 17221/2010**”);
- (b) the AIM Italia Issuers' Regulations adopted by Borsa Italiana S.p.A. (“**Borsa Italiana**”) on 3 March 2014, as amended and supplemented. (“**AIM Italia Issuers' Regulation**”);
- (c) the provisions on related parties for issuers admitted to trading on AIM Italia, adopted by Borsa Italiana in May 2012 (“**AIM Italia RPT Provisions**”).

4.2 For anything not expressly regulated by the RPT Procedure, reference is expressly made to the AIM Italia RPT Provisions and to the provisions of Regulation 17221/2010 (as applicable to the Company according to the AIM Italia Issuers Regulation). Any amendments that may be made to the AIM Italia RPT Provisions and/or to Regulation 17221/2010 (as applicable to the Company according to the AIM Italia Issuers' Regulation) - in particular with reference to the definitions of “Transactions with Related Parties”, “Transactions of Greater Importance with Related Parties” and “Related Parties” - are automatically incorporated into the RPT Procedure, and the provisions referring to them are amended accordingly.

5. DEFINITIONS

5.1 For the purposes of the RPT Procedure, capitalised terms and expressions shall have the meaning specified below:

“**Independent Directors**” means the directors qualified as independent from the Company pursuant to the paragraph Definitions, Article 1, letter (h) of the AIM Italia RPT Provisions.

“**Unrelated Directors**” means directors other than the counterparty to a specific transaction and its related parties.

“**Board of Statutory Auditors**” means the Board of Statutory Auditors of the Company, from time to time in office.

“**Related Parties Committee**” means the committee composed and operating in accordance with Article 9 of the RPT Procedure.

“**Market or Standard Equivalent Terms**”: means “market or standard equivalent terms” as defined in Regulation 17221/2010 from time to time in force;

“**Department in Charge**” means the department in charge of the individual transaction in accordance with the Company's internal regulations or the body or person delegated if there is no internal structure. With specific reference to RPTs carried out through subsidiaries, the Department in Charge is that department of the Company responsible for the prior examination or prior approval of the individual transaction that the subsidiary intends to carry out.

“**Group**” means the Company and the companies included in its consolidated financial statements (i.e. its subsidiaries).

“**Importance Indexes**”: to identify RPTs of Greater Importance (as defined below) under the RPT Procedure, the following Importance Indexes shall apply:

- (a) **equivalent value importance index**: is the ratio between the equivalent value of the RPT and the shareholders' equity taken from the most recent consolidated balance sheet published by the Company or, if higher, the capitalisation of the Company recorded at the close of the last open market day included in the period covered by the most recently

published periodic accounting document (annual or half-yearly financial report or interim management report).

If the financial terms of the RPT are determined, the RPT's equivalent value is:

- (i) for cash components, the amount paid to/from the contractual partner;
- (ii) for components consisting of financial instruments, the fair value determined, at the date of the RPT, in accordance with the international accounting standards adopted by Regulation (EC) No. 1606/2002;
- (iii) for RPTs providing financing or guarantees, the maximum disbursement amount.

If the financial conditions of the RPT depend, in whole or in part, on quantities yet undefined, the equivalent value of the RPT is the maximum value receivable or payable under the agreement;

- (b) **asset importance index:** is the ratio between the total assets of the entity concerned by RPT and the total assets of the Company. The data to be used must be taken from the most recent consolidated balance sheet published by the Company. Where possible, similar data should be used to determine the total assets of the entity concerned by the RPT.

For RPTs for the acquisition or disposal of equity investments in companies that affect the scope of consolidation, the value of the numerator is the total assets of the subsidiary, regardless of the percentage of the capital concerned by the disposal.

For RPTs for the acquisition and sale of equity investments in companies that do not affect the scope of consolidation, the value of the numerator is:

- (i) in case of acquisitions, the equivalent value of the RPT plus any liabilities of the acquired company assumed by the buyer;
- (ii) in case of divestments, the consideration for the divested business.

For RPTs of acquisition and sale of assets other than the acquisition of an equity interest, the value of the numerator is:

- (i) in case of acquisitions, the higher of the consideration and the book value that will be attributed to the asset;
- (ii) in case of divestments, the book value of the asset.

- (c) **liability importance index:** is the ratio between the total liabilities of the acquired entity and the total assets of the Company. The data to be used must be taken from the most recent consolidated balance sheet published by the Company. Where possible, similar data should be used to determine the total liabilities of the company or business unit acquired.

For the purposes of the cumulation of RPTs referred to in Article 11.2, the Company shall first determine the relevance of each transaction on the basis of the index or indices applicable to it. To verify whether the thresholds set forth in the definition of RPTs of Greater Importance are exceeded, the results for each index are then added together.

“Related Party Transaction” or **“RPT”** means any transfer of resources, services or obligations between related parties, regardless of whether a consideration has been agreed. The following transactions are in any event considered as RPTs:

- (a) mergers, demergers by incorporation or demergers in the strict non-proportional sense, when carried out with related parties;
- (b) any decision on granting remuneration and economic benefits, in any form whatsoever, to members of the management and control bodies and to executives with strategic responsibilities.

“RPTs of Greater Importance” means:

- (a) RPTs where at least one of the Importance Indexes, applicable depending on the specific transaction, exceeds 5%;
- (b) RPTs with the listed parent company (if any), or with parties related to the latter that are in turn related to the Company, if at least one of the Relevance Indices is higher than 2.5%.

“RPTs of Lesser Importance”: all RPTs other than Transactions of Greater Importance and Transactions for Smaller Amounts.

“Transactions for Smaller Amounts” or **“RPTs for Smaller Amounts”** means RPTs whose absolute value is equal to or less than EUR 150,000 and for which the following has been considered:

- (i) the absence of appreciable risk to investors; and
- (ii) the fact that such RPT may be of “negligible relevance” even when compared with the average values of RPTs concluded in the previous 3 years.

“Ordinary Transactions”: transactions that are part of the ordinary course of business and related financial activities;

For the purposes of the RPT Procedure, **“Operating Activities”** means all the Company's main revenue-generating activities and all other management activities that cannot be classified as “investment” or “financial”. A “financial activity” is “ordinary” when is ancillary to the performance of the operating activity (e.g., loans obtained for the performance of transactions not belonging to the operating activity cannot be considered ordinary RPTs because they are related to investment activity).

The Company adopts the following general criteria to assess whether a transaction falls within the ordinary course of business or the related financial activity:

- (a) scope of the transaction: the scope of the transaction being unrelated to the activity typically carried out by the Company constitutes an index of anomalies that may indicate that it is not ordinary;
- (b) recurring of the type of transaction within the Company's activity: the Company regularly repeating the transaction represents a significant index that if falls within the ordinary business, in the absence of other indexes to the contrary;

- (c) size of the transaction: a transaction that is part of the Company's operating activity may not be part of the ordinary course of business on account of it being of a particularly significant size;
- (d) contractual terms and conditions: in particular, transactions envisaging a non-monetary consideration, even if an expert appraisal has been carried out by third parties, shall normally be considered as not falling within the ordinary course of business;
- (e) nature of the counterparty: among RPTs, a subset of transactions may be identified that do not fall within the ordinary course of business (or the related financial activity) because they are carried out with a counterparty that has characteristics that are abnormal with respect to the type of transaction carried out (e.g. the sale of a capital asset, classified as a non-current asset held for sale, to a company controlled by a director that does not operate in the sector in which the asset is used or that clearly lacks an organisation capable of using that asset).

“Related Party”: an entity is a related party to a company if:

- (a) directly or indirectly, including through subsidiaries, trustees or intermediaries:
 - (i) controls the company, is controlled by it, or is subject to common control;
 - (ii) holds an interest in the company such that it can exercise significant influence over the company;
 - (iii) exercises control over the company jointly with other parties;
- (b) is an affiliate of the company;
- (c) is a joint venture in which the company participates;
- (d) is one of the executives with strategic responsibilities of the company or its parent company;
- (e) is a close family member of one of the persons referred to in points (a) or (d);
- (f) is an entity in which one of the persons referred to in points (d) or (e) exercises control, joint control or significant influence or holds, directly or indirectly, a significant share, in any case not less than 20%, of the voting rights;
- (g) is a supplementary pension fund, collective or individual, Italian or foreign, set up for the benefit of employees of the company, or any other entity related to it.

For the purposes of this definition, the terms **“control”**, **“joint control”**, **“significant influence”**, **“executives with strategic responsibilities”**, **“close family members”**, **“subsidiary”** and **“joint venture”** have the meaning assigned to them in Annex 1 of the AIM Italia RPT Provisions.

“Unrelated Shareholders”: means the persons who have the right to vote other than the counterparty to a given transaction and the persons related to both the counterparty to a given transaction and the company.

“Subsidiary”: means an entity, even without legal personality, as in the case of a partnership, controlled by another entity.

“Affiliated Company”: means an entity, even if it is not a legal person, as in the case of a partnership, in which a shareholder exercises significant influence but not control or joint control.

6. AMENDMENTS TO THE RPT PROCEDURE

Resolutions on the amendments to be made to the RPT Procedure are approved with the favourable opinion of the Independent Directors who may be present or, in their absence, with the non-binding opinion of an independent expert; in defining any amendments to the RPT Procedure, the Company's management body identifies which rules require amendments to the Company's Articles of association and resolves with the favourable opinion of the Independent Directors who may be present or, in their absence, with the non-binding opinion of an independent expert.

7. RELATED PARTY IDENTIFICATION

7.1 The Related Party is identified through a self-certification, by means of which the recipient of the request for information sent by the Company declares under its own responsibility that it “is” or “is not” a Company Related Party.

7.2 Directors, statutory auditors, executives with strategic responsibilities of the Company and Group companies and persons who, directly or indirectly, through one or more intermediaries:

- (a) control - even jointly with other parties - the Company, are controlled by it, or are subject to common control with it; or
- (b) hold an interest in the Company such that they may exercise significant influence over the Company,

must promptly, and in any case by the 30th calendar day of each quarter of the year starting on January 1 of each year, communicate to the Chairman of the Board of Directors any information useful to allow a correct assessment of their classification as Related Parties and the identification of other parties, which may be classified as Related Parties by virtue of different connections with them.

8. RPTS' ASSESSMENT AND APPROVAL

8.1 Pursuant to the combined provisions of Article 13 of the AIM Italia Issuers' Regulation and Article 10 of Regulation 17221/2010, the Company exercises the right to apply to RPTs of Greater Importance the procedure established for RPTs of Lesser Importance set forth in the following paragraphs. Therefore, the rules under this Article 8 will apply both to RPTs of Greater Importance and to RPTs of Lesser Importance.

8.2 The delegated bodies (the **“Delegated Bodies”**) are in charge of approving RPTs which, as the case may be, fall within their remit based on the powers conferred on them by Board resolution. Where there are no Delegated Bodies, the management body is responsible for approving RPTs. The Delegated Bodies may always submit for approval by the management body the RPTs that would fall in their remit.

8.3 In any case, RPTs are approved after a non-binding opinion of the Related Parties Committee on the Company's interest in carrying out the transaction, the convenience and substantial fairness of the related terms.

8.4 To enable the Related Parties Committee to issue a reasoned opinion on the matter:

- (i) the Department in Charge must provide in due time complete and adequate information about the RPT to the body in charge of deciding on the RPT and to the Related Parties Committee. In particular, this information must concern the nature of the relationship, the main terms and conditions of the RPT, the timing, the reasons underlying the RPT and any risks for the Company and its subsidiaries;
 - (ii) if the Related Parties Committee deems it necessary or appropriate, it may request the advice of one or more independent experts of its choice, at the Company's expense, up to a maximum amount of EUR 50,000 per RPT. In selecting the experts, persons of recognised professionalism and competence on the subjects of interest will be chosen, assessing their independence and absence of conflicts of interest. Unrelated independent experts may be called upon to provide an opinion and/or expertise, as appropriate, on the financial terms and/or technical aspects and/or the lawfulness of RPTs.
- 8.5 The Related Parties Committee must give its opinion in due time for the approval of the RPT and must provide to the body in charge of deciding on the approval of the RPT adequate information on the investigation conducted on the RPT to be approved. This information must at least cover the nature of the relationship, the terms and conditions of the RPT, the timing, the evaluation procedure followed and the reasons underlying the RPT as well as any risks for the Company and its subsidiaries. The Related Parties Committee should also forward any other opinions issued in relation to the RPT to the body in charge of deciding on the RPT.
- 8.6 If the RPT falls within the remit of the management body, the minutes of the approval resolutions must contain adequate reasons as to the Company's interest in carrying out the RPT as well as the appropriateness and substantial fairness of the related terms.
- 8.7 In the event that, pursuant to legal provisions or the Articles of association, RPTs fall within the remit of the shareholders' meeting or must be authorised by the latter, during the negotiation phase, the assessment phase and the approval phase of the resolution proposal to be submitted to the Shareholders' Meeting, the provisions above of this Article 8 shall apply. If the management body intends to submit the RPT of Greater Importance to the Shareholders' Meeting despite an opinion to the contrary or in any case without taking into account the remarks made by the Related Parties Committee, the RPT may not be carried out if the majority of the voting Unrelated Shareholders vote against the RPT, provided, however, that the Unrelated Shareholders attending the Shareholders' Meeting represent at least 10% of the share capital with voting rights.
- 8.8 Following the decision of the relevant body on the RPT, the latter shall promptly communicate the outcome of this resolution to the Department in Charge.
- 8.9 The Delegated Bodies or the management body (as the case may be), at least on a quarterly basis, report on the performance of RPTs, and provide all the documentation necessary for a clear representation of the RPTs to the management body (in the case of the Delegated Bodies), the Board of Statutory Auditors and the Related Parties Committee on the performance of RPTs. In particular, at least the following information shall be provided for each individual RPT: (i) the counterparty with which each transaction has been entered into; (ii) a summary description of the characteristics, manners, terms and conditions of each transaction; (iii) the reasons for each transaction and the related interests and the effects of each transaction on the balance sheet, profit and loss account and financial position.
- 8.10 If the Company is subject to management and coordination, in the RPTs influenced by this activity, the opinions provided for in this Article 8 shall contain precise indications of the reasons and convenience of the transaction, if necessary also in the light of the overall result of

the management and coordination activity or of operations aimed at fully eliminating the damage deriving from the individual RPT.

9. RELATED PARTIES COMMITTEE

- 9.1 The Related Parties Committee is from time to time appointed by the majority of the Board of Directors for a maximum of 3 non-executive, independent members who are not Related Parties with reference to the specific RPT.
- 9.2 The members of the Related Parties Committee are required to promptly declare whether there is any correlation in relation to the specific RPT, to allow for the application of the Equivalent Measures under Article 10 below.
- 9.3 Decisions of the Related Parties Committee may also be held by teleconference or by written procedure. The procedure for written consultation, or for obtaining written consent, is not subject to any particular constraints, provided that each member is guaranteed the right to participate in the decision as well as adequate information. The decision shall be taken by written approval of a single document by the majority of the members of the Related Parties Committee. The procedure must be concluded within 5 days of the commencement of the procedure or within the different time limit indicated in the text of the decision.

10. EQUIVALENT MEASURES

- 10.1 In the event that one or more members of the Related Parties Committee are a Related Party with respect to a specific RPT on which the Related Parties Committee is called upon to express an opinion, and in any case in which a Related Parties Committee cannot be set up in accordance with the rules of composition set forth in Article 9.1, the following equivalent measures must be adopted, in that order, to the extent applicable:
- (i) if one of the members of the Related Parties Committee is a Related Party, the decision of the Related Parties Committee shall be taken by majority vote of the remaining unrelated members of the Related Parties Committee, provided that the majority of these members are Independent Directors; or
 - (ii) the opinion referred to in Article 8 above is issued by 2 Independent Directors or, as long as only one director can be qualified as an Independent Director within the Board of Directors, by the Independent Director alone, provided that the majority of Independent Directors, or the only Independent Director, is not, with respect to the specific RPT, a Related Party; or
 - (iii) the opinion referred to in Article 8 above is issued by the Board of Statutory Auditors, provided that all its members are not, with reference to the specific RPT, Related Parties. If one or more members of the Board of Statutory Auditors have an interest in the RPT, on their own behalf or on behalf of third parties, they must inform the other auditors, specifying its nature, terms, source and scope; or
 - (iv) if the measure under point (iii) above cannot be applied, the opinion referred to in Article 8 above shall be issued by an independent expert identified by the Board of Directors from among persons of recognised professionalism and competence on matters of interest, having assessed their independence and absence of conflicts of interest.

11. DISCLOSURE ON RPTS OF GREATER IMPORTANCE

- 11.1 For RPTs of Greater Importance, to be carried out also by subsidiaries of the Company, the Company prepares, for the purposes of Article 13 of the AIM Italia Issuers' Regulations - a disclosure document prepared in accordance with Annex 3 of the AIM Italia RPT Provisions (“**Disclosure Document**”).
- 11.2 The Company prepares the Disclosure Document even if, during the year, it concludes with the same Related Party, or with parties related both to the latter and to the Company itself, similar transactions or transactions carried out as part of a single project which, although not individually classifiable as RPTs of Greater Importance, exceed, where considered cumulatively, the Importance Indexes. For the purposes of cumulation, transactions carried out by subsidiaries will also be taken into account, while transactions that may be excluded pursuant to Article 14 shall not be considered.
- 11.3 Without prejudice to the provisions of Article 11 of the AIM Italia Issuers' Regulations, the Disclosure Document is made available to the public, at the registered office in the manner indicated in Article 17 of the AIM Issuers' Regulations, within seven days from the approval of the RPT of Greater Importance by the relevant body or, if the relevant body decides to submit a contractual proposal, from the moment in which the agreement, including a preliminary agreement, is concluded in accordance with the applicable regulations. In case the RPT falls within the Shareholders' Meeting remit or is to be authorised by the latter, the same Disclosure Document shall be made available within seven days of approval of the proposal to be submitted to the Shareholders' Meeting. If there are significant updates to be made to the Disclosure Document published under this Article 11, the Company shall make a new version of the document available to the public, at the Company's registered office and in the manner indicated in Article 17 of the AIM Italia Issuers' Regulations, no later than the twenty-first day before the Shareholders' Meeting. The Company may include by reference information already published.
- 11.4 Should the Importance Indexes be exceeded on account of the cumulation of transactions provided under Article 11.2 above, the Disclosure Document shall be made available to the public within fifteen days of the approval of the transaction or the execution of the agreement determining the Importance Index to be exceeded and shall contain information, also on an aggregate basis for similar transactions, on all the transactions considered for the purposes of cumulation. If the transactions that lead to the Importance Indexes being exceeded are carried out by subsidiaries, the Disclosure Document is made available to the public within fifteen days of the Company's approval of the transaction or the execution of the agreement that triggers the Importance of the RPT.
- 11.5 The Company shall issue the necessary instructions so that the subsidiaries provide the information necessary for the preparation of the Disclosure Document. Subsidiaries shall transmit this information promptly.
- 11.6 Within the terms provided under Articles 11.3 and 11.4 above, the Company shall make available to the public, as an annex to the Disclosure Document or on its website, any opinions of Independent Directors and independent experts. As to the opinions of independent experts, the Company may publish only the elements indicated in Annex 3 of the AIM Italia RPT Provisions, giving reasons for this choice.
- 11.7 If, in relation to a RPT of Greater Importance, the Company is also required to prepare a disclosure document pursuant to Articles 12, 14 and 15 of the AIM Italia Issuers' Regulations, it may publish a single document containing the information required by Article 11.1 above and by the same Articles 12, 14 and 15 of the AIM Italia Issuers' Regulations. In this case, the document shall be made available to the public, at the registered office and in the manner indicated in Article 17 of the AIM Italia Issuers' Regulations, within the shortest period of time provided for by each of the applicable provisions. If the Company publishes the information

referred to in this Article 11.7 in separate documents, it may include by reference the information already published.

- 11.8 The Company provides information in its interim and annual reports:
- (a) on individual RPTs of Greater Importance concluded during the reporting period;
 - (b) on any other individual transactions with related parties, as defined pursuant to Article 2427, second paragraph, of the Italian Civil Code, concluded during the reporting period, which had a significant impact on the Company's financial position or results;
 - (c) any changes or developments in related party transactions described in the last annual report that had a material effect on the Company's financial position or results during the reporting period.
- 11.9 For the purposes of Article 11.8 above, information on individual RPTs of Greater Importance may be included by reference to the disclosure documents published pursuant to Articles 11.1, 11.2 and 11.6, indicating any significant updates.
- 11.10 If, for any reason whatsoever, no press release has been sent to the market regarding RPTs carried out and/or approved despite a negative opinion of the Related Parties Committee, a document must be made available to the public at the company's registered office, within 15 (fifteen) days of the end of each quarter of the financial year, containing an indication of the counterparty, the scope, the consideration for the RPTs approved in the quarter in question despite a negative opinion expressed by the Committee and the reasons why it was decided not to follow said opinion. Within the same period, the opinion is made available to the public as an annex to the document or on the Company's website.

12. PROMPT DISCLOSURE OBLIGATIONS

- 12.1 If a RPT is subject to the price-sensitive disclosure requirements set out in Article 11 of the AIM Italia Issuers' Regulations and therefore must be communicated to the market pursuant to and for the purposes of the Company's "Insider Dealing Procedure", the press release to be disclosed to the public must include the following information:
- (i) an indication of the counterparty to the RPT and a description of the nature of the existing correlation;
 - (b) the name or the name of the Related Party;
 - (c) an indication of whether the Importance Indexes for RPTs of Greater Importance have been exceeded and an indication of any subsequent publication of the Disclosure Document;
 - (d) an indication of the procedure followed for the approval of the RPT and whether it falls within the excluded transactions referred to in Article 14 below;
 - (e) any approval of the RPT despite the opinion to the contrary of the Related Party Transactions Committee.

13. TRANSACTIONS OF ITALIAN OR FOREIGN SUBSIDIARIES

- 13.1 The Company promptly receives from the Italian and foreign subsidiaries all the information necessary to allow identifying Related Parties and the nature of the transactions carried out by them. This is also to comply with the disclosure requirements under the AIM Italia Issuers' Regulations.
- 13.2 Should the Company examine in advance or approve, in whatever manner and independently of an express resolution, transactions carried out by Italian or foreign subsidiaries of the Group with parties related to the Company, the provisions contained in Article 8 above shall apply, insofar as applicable.

14. EXCLUSION CASES

- 14.1. The RPT Procedure shall not apply:
- (a) to shareholders' meeting resolutions pursuant to Article 2389, first paragraph, of the Italian Civil Code, concerning the remuneration payable to the members of the Board of Directors and the Executive Committee (pursuant to Article 2389, paragraph 1, of the Italian Civil Code, if any), nor to resolutions concerning the remuneration of directors holding special offices falling within the total amount previously determined by the shareholders' meeting pursuant to Article 2389, third paragraph, of the Italian Civil Code;
 - (b) to resolutions passed by the Shareholders' Meetings under in Article 2402 of the Italian Civil Code concerning the remuneration payable to the members of the Board of Statutory Auditors;
 - (c) to RPTs for Smaller Amounts;
 - (d) to remuneration plans based on financial instruments approved by the shareholders' meeting and related implementing transactions;
 - (e) to resolutions concerning the remuneration of directors holding special offices and other executives with strategic responsibilities, provided that:
 - (i) the Company has adopted a remuneration policy;
 - (ii) a committee made up exclusively of non-executive directors, the majority of whom are independent, was involved in defining the remuneration policy;
 - (iii) a report setting out the remuneration policy has been submitted to the shareholders' meeting for approval or advisory vote;
 - (iv) the remuneration awarded is consistent with this policy;
 - (f) Ordinary RPTs that are concluded on Market or Standard Equivalent Terms, without prejudice to the obligations set out in Article 14.2 below for Ordinary RPTs of Greater Importance;
 - (g) to RPTs with or between subsidiaries (including jointly) of the Company, as well as RPTs with companies affiliated to the Company, if there are no interests (qualified as important within the meaning of Article 14.3 below) of other Related Parties of the Company in the subsidiaries or affiliated counterparties of the RPT;

- (h) without prejudice to the provisions of Article 11, to transactions to be carried out based on the instructions issued for stability purposes by Supervisory Authorities, or based on the instructions issued by the parent company to carry out instructions issued by Supervisory Authorities in the interest of the stability of the Group.
- 14.2 For the purposes of the exclusion referred to in Article 14.1(f) above in relation to Ordinary RPTs of Greater Importance, the Company shall comply with the disclosure obligations provided for in Article 11 of the AIM Italia Issuers' Regulations, and shall indicate in the report on operations the counterparty, the scope and the consideration of the RPTs of Greater Importance concluded during the financial year making use of the exclusion provided for in the above letter (f).
- 14.3 For the purposes of the exclusion referred to in Article 14.1(g) above (*i.e.*, transactions with or between subsidiaries), the importance of a related party's interest in a transaction shall be assessed based on its nature, amount and any other element relevant to the assessment. This assessment is normally carried out by the Chief Executive Officer, who may request the opinion of the Committee or, if necessary, of independent experts appointed for this purpose, also taking into account the criteria indicated by Consob.

15. SUPERVISION

The Company's Board of Statutory Auditors is in charge of supervising:

- (a) on the compliance of the RPT Procedure with the principles set out in Regulation 17221/2010 and the AIM Italy RPT Provisions; and
- (b) on the compliance with and correct application of the RPT Procedure,

and shall report to the shareholders' meeting in accordance with Article 2429, paragraph 2, of the Italian Civil Code.

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