

**PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES**  
**AND**  
**FOR TRANSACTIONS WITH DIRECTORS' AND STATUTORY AUDITORS' INTERESTS**

*Adopted pursuant to art. 4 of the CONSOB Regulation no. 17221 of March 12, 2010, updated with the changes made by resolution 19974 of April 27, 2017*

		<b>Date</b>
<b>Drafted</b>	Legal and corporate affairs department	24 May 2017
<b>Verified</b>	Legal, Purchases, Administration, Finance and Control Director	June 5, 2017
<b>Preventive opinion</b>	Related Parties Committee and Board of Statutory Auditors	June 15, 2017

## 1. REVISION MATRIX

Date	
November 25, 2010	Approval of the procedure by the Board of TAS SpA
	<b>Changes from previous versions</b>
July 20, 2017	Update following the changes made by resolutions no. 19925 of 22 March 2017 and no. 19974 of 27 April 2017 to Regulation 17221 of 12 March 2010. Three-year general review pursuant to the provisions of paragraph 6.1 of Consob Communication no. DEM / 10078683 of 24 September 2010, application of Regulation 17221 of 12 March 2010
... October 2018	Integration of the procedure with the regulation of transactions in which a director or auditor has an interest, on his own behalf or on behalf of third parties, pursuant to art. 2391 of the civil code or of the self-regulatory code; consequent revision.

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## 2. Premise.

- 1.1. The board of directors of Tecnologia Avanzata dei Sistemi - TAS SpA ("**TAS**" or the "**Company**"), a company subject to management and coordination by OWL SpA, pursuant to art. 2391-bis of the civil code and art. 4, paragraphs 1 and 3 of the CONSOB regulation containing provisions on transactions with related parties adopted with resolution no. 17221 of March 12, 2010, updated with the amendments made by resolution 19974 of April 27, 2017 (the "CONSOB Regulation"), has adopted procedures and rules aimed at ensuring that the transactions entered into with parties related to the Company, directly or through the subsidiaries, are carried out in a transparent manner and respecting criteria of substantial and procedural correctness (the "Procedure"). The Procedure also governs transactions in which a director or auditor has an interest, on his own behalf or on behalf of third parties, pursuant to art. 2391 of the civil code and the Corporate Governance Code.
- 1.2. The Procedure was approved by the board of directors of TAS in the meeting of [•] 2018, subject to the favorable opinion of the committee for transactions with related parties, composed exclusively of independent directors pursuant to art. 4, paragraph 3 of the CONSOB Regulation, issued on [•]. On [•] 2018, the Company's Board of Statutory Auditors assessed the compliance of the Procedure with the principles indicated in the CONSOB Regulation.
- 1.3. At the date of approval of this Procedure, the Company possesses the dimensional requirements referred to in the definition of "smaller company" provided for in art. 3, paragraph 1, letter f), of the CONSOB Regulation and, therefore, it avails itself of the right to prepare a simplified procedure pursuant to art. 10, paragraph 1, of the CONSOB Regulation, which provides for the possibility of applying the procedure envisaged for "Transactions of Lesser Importance" (as subsequently defined) also to "Transactions of Greater Importance" (as subsequently defined), without prejudice to the hypotheses of exemption pursuant to article 13 below. Therefore, both "minor" and "major" transactions will be governed by article 7 of this Procedure. If and from the moment in which the Company, pursuant to the CONSOB Regulation, no longer falls within the

category of "smaller companies", the "transactions of greater importance" will be governed by Article 8 of this Procedure.

## 2. Definitions.

2.1. In this Procedure, the terms shown with capital letters will have the meaning indicated below:

- a) **"Independent Directors"**: The directors qualified by the Company as "independent directors" following the evaluation carried out at least annually by the board of directors on the basis of the principles and application criteria of the Corporate Governance Code.
- b) **"Corporate Governance Code"**: the code of corporate governance of listed companies, approved by the committee for corporate governance, to which the Company adheres.
- c) **"Committee"**: the control, risk and related party committee set up by the board of directors pursuant to art. 4, paragraph 3, of the CONSOB Regulation and the Corporate Governance Code, to which the board of directors has entrusted, inter alia, the functions of the committee for transactions with related parties.
- d) **"Transaction"**: any transfer, both incoming and outgoing, of resources, services or the assumption of obligations, regardless of whether a consideration has been agreed, made by the Company.
- e) **"Transactions with Related Parties"**: any transfer of resources, services or obligations between the Company and one or more Related Parties, regardless of whether a consideration has been agreed. In any case, the following are considered to be included:
  - a) merger, spin-off by incorporation or spin-off in a strictly non-proportional sense, where carried out with Related Parties.

Transactions with Related Parties do not constitute Transactions aimed indifferently to all shareholders on equal terms.

- f) **"Group Transactions"**: transactions carried out by the subsidiaries of TAS with Related Parties.
- g) **"Transactions of Greater Importance"**: transactions in which at least one of the following significance indexes is higher than the five percent threshold, in accordance with the provisions of Annex 3 of the CONSOB Regulation:

- (i) ratio between the value of the transaction and the shareholders' equity or, if greater, with respect to the capitalization of the Company determined on the basis of the criteria of the aforementioned Annex 3, 1.1 a);
- (ii) ratio between the total assets of the entity involved in the transaction and the total assets of the Company;
- (iii) ratio of the total liabilities of the acquired entity to the total assets of the Company.

Transactions of Greater Importance are also considered transactions which, although individually lower than the aforementioned thresholds of quantitative significance, are linked within a single strategic or executive plan and, cumulatively considered, exceed these thresholds.

Finally, Transactions of Greater Importance are also considered Transactions carried out in implementation of a framework resolution which, on the basis of the foreseeable maximum amount, has not been the subject of an information document, where such transactions exceed, cumulatively considered, the thresholds indicated above.

- h)** "Transactions of Lesser Importance": Related Party Transactions other than Transactions of Greater Importance, without prejudice to the cases of exemption referred to in Article 13 of this Procedure.
- i)** "Transactions of Negligible Amount": i.e. Transactions with Related Parties in which the foreseeable maximum amount of the consideration or the foreseeable maximum value of the services to be paid by the company does not exceed, for each Transaction or in the case of several Transactions of Negligible Amount, which are homogeneous or carried out according to a single plan, the amount of Euro 100,000 (one hundred thousand) per calendar year.
- j)** "Related Parties": a person is a related party of the Company in the cases provided for in Annex 1 of the CONSOB Regulation, and in particular if:
  - a. directly or indirectly, including through subsidiaries, trustees or intermediaries:
    - (i) controls the Company;
    - (ii) is controlled by the Company;
    - (iii) is subject to common control;

- (iv) holds a stake in the Company such as to be able to exercise significant influence over the latter;
- (v) exercises control over the Company jointly with other parties;
- b. is a company associated with the Company;
- c. is a joint venture in which the Company is a participant;
- d. is a director, an auditor, one of the managers with strategic responsibilities of TAS or one of its parent companies, or the manager in charge of preparing the Company's corporate accounting documents; executives with strategic responsibilities mean those who have the power and responsibility for planning, managing and controlling the activities of the Company or its parent;
- e. is a close family member of one of the subjects referred to in letters a) or d), by which we mean those family members who are expected to influence, or be influenced by, the person concerned in their relations with the Company (e.g. the spouse or the cohabitant and children, the children of the spouse or cohabitant and other dependent family members, including those of the spouse or cohabitant);
- f. is an entity in which one of the subjects referred to in letters 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 employees of the Company or entities related to the Company.

The definition of "related party" will be made having regard to the substance of the relationship in question as well as to the form.

- k)* "Area Managers": these are the managers of the competent functions for the individual Transaction in accordance with the provisions of the internal organization of the Company.

### 3. Scope

- 3.1. The provisions of this Procedure apply (i) to Related Party Transactions carried out by the Company, and (ii) to Group Transactions.

#### **4. Identification of Related Parties**

- 4.1. For the purposes of applying the Procedure, the head of the Legal, Purchases, Administration, Finance and Control areas of TAS (the "Manager"), with the support of the functions concerned, on the basis of the information received by the Company or otherwise available, draws up, manages and updates a list of Related Parties, as well as a database with all the information useful for their identification, taking care of its constant updating also with the help of other corporate functions every six months and, in any case, whenever the aforementioned function is brought to the attention of the occurrence of situations relevant for this purpose. Furthermore, to ensure effective functioning and coordination with the other units with control assignments,
- 4.2. In order to prepare and update the List of Related Parties, the Manager asks the executives with strategic responsibilities in TAS, the party that controls TAS and the parties indicated in art. 114, paragraph 5, of Legislative Decree 58/1998 (the "TUF") the communication, by sending the declaration of correlation referred to in Annex 1 to this Procedure, every six months, of the data concerning the Related Parties.
- 4.3. The subjects indicated in the previous art. 4.2. compile, sign and return to the Manager the declaration referred to in Annex 1 and promptly communicate to the same, by sending an updated version of the aforementioned declaration, the changes that have occurred in relation to the information contained therein, remaining solely responsible for the times and contents of such statements.
- 4.4. The Related Parties List is made available to the chairman and the chief executive officer, the Area Managers, the members of the Committee and the members of the board of statutory auditors.
- 4.5. The board of directors evaluates the advisability of subjecting to the Procedure other categories of subjects, other than or additional to the Related Parties, in consideration of the ownership structure of TAS, any contractual constraints pursuant to art. 2359, paragraph 1 no. 3 of the civil code, sector regulations and contractual or statutory constraints that may entail the exercise of management and coordination pursuant to art.



2497-septies of the civil code. Where necessary, the board of directors makes changes to the Procedure, subject to the favorable opinion of the Committee.

## **5. Identification of Related Party Transactions.**

- 5.1 Before carrying out any Transaction, the Area Managers verify whether, on the basis of the Related Parties List, the counterparty is a Related Party.
- 5.2. If the counterparty to the Transaction turns out to be a Related Party, the Area Manager communicates the appropriate information on the Transaction to the Manager, so that the latter, using the support of the Legal Area and any other functions involved, verifies:
- (i) whether the Transaction falls within the exemption cases referred to in Article 13 of the Procedure;
  - (ii) whether the Transaction is in implementation of a framework resolution, pursuant to art. 10 of the Procedure;
  - (iii) whether the Transaction falls within the Transactions of Greater Importance or between the Transactions of Lesser Importance.
- 5.3. In the event that, following the verification referred to in the previous art. 5.2, the Transaction does not fall within the exemption cases provided for in article 13 of the Procedure below, nor in the case of execution of framework resolutions pursuant to article 10 below, the Manager informs the Committee of the Transaction, promptly providing the information received by the Area Manager.
- 5.4. If the Transaction falls within one of the cases of exemption referred to in Article 13 below, or constitutes execution of a framework resolution pursuant to Article 10 below, the Manager shall notify the Area Manager who will provide appropriate information on the methods and terms of execution of the Transaction also for the purposes of the disclosure obligations set forth in the following article 14.

## **6. The Committee.**

- 6.1. The board of directors assigns the functions regarding the supervision of Related Party Transactions envisaged by the CONSOB Regulation to the Committee, made up of

three non-executive directors possessing the independence requisites envisaged by the TUF and the Corporate Governance Code. The board of directors appoints the chairman and the members of the Committee.

6.2. The Committee has the task of:

- (i) monitoring compliance of the Procedure with legal and regulatory provisions, as well as proposing to the Board of Directors the adoption of the necessary updates, at least every three years;
- (ii) expressing its opinion on Related Party Transactions, with particular reference to the Company's interest in carrying out the Related Party Transaction, the convenience and substantial correctness of the related conditions;
- (iii) with reference to the Transactions of Greater Importance, actively contributing to the investigation phase and participating in the negotiations, also by identifying one or more of its members as delegates, receiving complete and timely information flows, with the right to request information and formulate observations to the persons in charge of managing the investigation and conducting of negotiations.

6.3. In carrying out its activities, the Committee has the right to request, if it deems it necessary, any support and coordination activity from the other parties involved in the Company's internal control and risk management system.

6.4. The Committee may avail itself, at the Company's expense and within the limits of the budget assigned by the Board of Directors, of the support of external consultants possessing the requisites of proven competence and professionalism, subject to checking that the chosen consultant is not in situations that compromise independence.

6.5. The members of the Committee must promptly declare the existence of any conflicts of interest in relation to a specific Transaction with Related Parties.

6.6. The meetings are chaired by the Chairman of the Committee or, in the event of his absence or impediment, by the most senior member in possession of the requisites of independence, present at the meeting. It is possible for Committee meetings to be held via audio-conference or video-conference, provided that all participants can be identified and are allowed to follow and intervene simultaneously in the discussion of the topics addressed, as well as view, receive and transmit documents in real time. The

meeting is in any case considered to be held in the place where the Chairman of the Committee is located. The president and secretary do not need to be in the same place.

- 6.7. The Committee must be in the presence of the majority of the members in office and resolves by absolute majority of those present. The meetings are recorded in minutes drawn up by the secretary, held and kept in chronological order and signed by the chairman of the Committee and by the secretary.

## **7. Decision-making procedure for Transactions of Lesser Importance.**

- 7.1. The power to resolve on Transactions of Lesser Importance rests with the board of directors despite any delegation of powers conferred on the basis of the current statutory provisions or existing corporate resolutions. The board of directors approves the Transactions of Lesser Importance subject to the reasoned and non-binding opinion of the Committee which will have to evaluate the Company's interest in carrying out the Transaction of Lesser Importance, as well as the convenience and substantial correctness of the related conditions.
- 7.2. The Committee will be provided, at least three days before the meeting (except in cases of urgency in which the term is reduced to one day), adequate information regarding the Transaction of Lesser Importance, as well as, in the case of transactions under standard or equivalent conditions to those of the market, objective elements of confirmation in this regard. In particular, the aforementioned information must provide evidence of the main terms and conditions relating to the Transaction of Lesser Importance, including, by way of example, the following elements:
- (i) main terms and conditions of the transaction (object, consideration and timing);
  - (ii) nature of the relationship;
  - (iii) reasons and interest of the Company in the transaction;
  - (iv) assessment procedure carried out by the Company;
  - (v) method of determining the consideration;
  - (vi) foreseeable economic, equity and financial effects of the Transaction, also at a consolidated level;

(vii) possible existence of an interest of a member of the corporate bodies.

- 7.3. The Committee, having received the information referred to in article 7.2 above, meets promptly at the request of the Chairman of the Committee to formulate its opinion on the Transaction of Lesser Importance. The opinion is sent by the Chairman of the Committee to the Board of Directors at least two days before the date set for the Board to examine the Transaction.
- 7.4. The Committee has the right to be assisted, at the expense of the Company within the limits of the budget assigned by the Company itself, by one or more independent experts of its choice, provided that they possess the requisites of recognized competence and professionalism.
- 7.5. The board of directors, having examined the opinion of the Committee, resolves on the Transaction of Lesser Importance.
- 7.6. The minutes of approval of the Transaction of Lesser Importance must provide adequate motivation regarding the interest of the Company in carrying out the transaction, as well as the convenience and substantial correctness of the related conditions.
- 7.7. The Area Managers or other company functions involved from time to time provide the Chief Executive Officer with complete information, at least quarterly, on the execution of the Transactions of Lesser Importance, also for the purpose of preparing the information by the Chief Executive Officer referred to in article 14 below.

## **8. Decision-making procedure for Transactions of Greater Importance.**

- 8.1. The power to deliberate on Transactions of Greater Importance lies with the board of directors, except where by law or by statute it belongs to the shareholders' meeting.
- 8.2. The board of directors approves the Transaction of Greater Importance subject to the favorable reasoned and binding opinion of the Committee regarding the Company's interest in carrying out the Transaction, as well as the convenience and substantial correctness of the related conditions.
- 8.3. The Committee, or one or more members delegated by it, are involved in the negotiation phase and in the preliminary phase, through the receipt of a complete and timely information flow and with the right to request information and make

observations to the delegated bodies and persons in charge the conduct of negotiations or the investigation. If the conditions of the Transaction are defined as equivalent to market or standard conditions, the documentation prepared contains objective elements of evidence.

- 8.4. The Committee has the right to be assisted, at the Company's expense within the limits of the budget assigned by the Company itself, by one or more independent experts of its choice.
- 8.5. With reference to the Transactions of Greater Importance submitted for its approval, the board of directors receives, well in advance, adequate information regarding the transaction itself, as well as the nature of the correlation, the methods of execution of the transaction, including economic conditions for its implementation, the assessment procedure followed and any risks for the Company, in addition to the opinion given by the Committee.
- 8.6. The minutes of approval of the Transaction of Greater Importance provide adequate motivation regarding the Company's interest in completing the transaction, as well as the convenience and substantial correctness of the related conditions.
- 8.7. The board of directors and the board of statutory auditors must be informed at least quarterly on the execution of the Transactions of Greater Importance.
- 8.8. In the event that there are at least three unrelated independent directors, the resolutions approving the Transactions of Greater Importance are adopted with the favorable opinion of the independent directors who may be present or in their absence, with the opinion of an independent expert. In addition, the tasks and prerogatives attributed to the Committee for the negotiation and preliminary stages of the Transactions of Greater Importance are attributed to one or more unrelated directors who may be present or to an independent expert.
- 8.9. The provisions referred to in Article 5 of the CONSOB Regulation on the subject of "Information to the public on transactions with related parties" apply.
- 8.10. The Area Managers or the other company functions involved from time to time provide the Chief Executive Officer with complete information, at least quarterly, on the execution of the Transactions of Greater Importance, also for the purpose of preparing the information provided by the Chief Executive Officer referred to in article 14 below.

**9. Transactions within the competence of the shareholders' meeting.**

- 9.1. When a Transaction of Lesser Importance falls within the competence of the shareholders' meeting or must be authorized by the latter, the same procedural rules contained in article 7 apply in the preliminary phase and in the approval phase of the proposed resolution to be submitted to the shareholders' meeting, the board of directors being replaced by the body of the assembly.
- 9.2. When a Transaction of Greater Importance falls within the competence of the shareholders' meeting or must be authorized by the latter, the same procedural rules contained in article 8 apply in the preliminary phase and in the approval phase of the proposed resolution to be submitted to the shareholders' meeting, the board of directors being replaced by the body of the assembly.
- 9.3. Transactions of Greater Relevance that may be resolved by the shareholders' meeting in the presence of a contrary opinion from the directors or independent directors cannot in any case be carried out if they have been approved with a contrary vote of the majority of non-related voting shareholders. The contrary vote is relevant only on condition that the unrelated shareholders present at the meeting represent at least ten percent of the share capital with voting rights.

**10. Procedure for the approval of framework resolutions.**

- 10.1. For the purposes of this Procedure, the board of directors may adopt framework resolutions relating to mutually homogeneous transactions to be carried out with certain categories of related parties.
- 10.2. The transactions contemplated in the framework resolutions will be subject to the procedural rules referred to in articles 7 and 8, distinguishing according to whether the foreseeable maximum amount of the transactions subject to the resolution, cumulatively considered, determines the application of the rules relating to Transactions of Lesser Importance or to Transactions of Greater Importance. These

procedures will not be applicable to individual transactions concluded in implementation of the framework resolution adopted by the board of directors.

- 10.3. The framework resolutions, adopted in accordance with article 10:
- (i) they cannot be effective for more than one year;
  - (ii) they must refer to sufficiently determined Transactions;
  - (iii) report at least the foreseeable maximum amount of the Transactions to be carried out in the reference period and the reasons for the conditions envisaged.
- 10.4. The Area Managers or other corporate functions involved from time to time must provide the Chief Executive Officer, also for the purpose of the latter's preparation of the information to be provided to the Board of Directors pursuant to article 14 below, a complete at least quarterly information on the implementation of framework resolutions.
- 10.5. On the occasion of the approval of a framework resolution, the Company publishes an information document pursuant to Article 14.2, if the foreseeable maximum amount of the Transaction with Related Party subject to the same framework resolution exceeds the relevance thresholds indicated in the Annex 3 to the CONSOB Regulation.

## **11. Transactions carried out through subsidiaries.**

- 11.1. If the Company examines or approves a Transaction with Related Parties to be concluded through a subsidiary<sup>1</sup>, where the Transaction is subject to this Procedure, the provisions of Articles 7 and 8 will apply. To this end, the subsidiary must inform the Manager in advance about the operation to be carried out.
- 11.2. Group Transactions with the following characteristics are subject, in addition to the prior examination and approval of the Company, to the provisions set forth in Articles 7 and 8 of this Procedure:

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For these purposes, reference is made to the notion of control provided for by Article 2359 of the Italian Civil Code and not to the definition relevant to the identification of related parties.

- (i) these are atypical or unusual Transactions, meaning those Transactions which, due to their significance, relevance, nature of the counterparties, subject of the transaction, method of determining the price and timing (near the end of the financial year), may generate doubts about the correctness or completeness of the information in the financial statements, conflicts of interest, protection of company assets, protection of minority shareholders;
- (ii) the equivalent value is greater than 200,000.00 (two hundred thousand).

## **12. Transactions with directors' and statutory auditors' interests.**

- 12.1. Without prejudice to the application of this Procedure, the following apply to transactions with a value exceeding Euro 20,000.00 (twenty thousand) and in which a member of the Board of Directors or the Board of Statutory Auditors has an interest, on his own behalf or on behalf of third parties, the following apply provisions.
- 12.2. Pursuant to art. 2391 of the civil code and of the Corporate Governance Code, before discussing the single item on the agenda of the board meeting, each director and statutory auditor must report any interests, on his own behalf or on behalf of third parties, of which they have in relation to the matter or issue to be discussed, specifying its nature, terms, origin and scope. In the case of the chairman or chief executive officer and the Transaction falls within his competence, he abstains, in any case, from carrying out the Transaction itself, referring the matter to the board of directors.
- 12.3. The operations referred to in this article are approved upon the release by the Committee of a non-binding report on the reasons and convenience for the Company of the same. To this end, where available, the Area Manager communicates the appropriate information on the transactions in question to the Manager, so that the latter, with the support of the Legal Area and any other functions involved, can send them to the Committee as support for the aforementioned report.
- 12.4. In the Board resolution, the directors concerned, as a rule, do not participate in the discussion and resolution on relevant issues, leaving the meeting. The resolution of



the board of directors must in any case adequately justify the reasons and convenience for the Company of the transaction.

- 12.5. In order to ensure compliance with the preliminary and decision-making procedures provided for in this article 12, the directors and statutory auditors of the Company issue, annually and in the event of changes, a declaration in which the potential interests of each in relation to the Company are represented.
- 12.6. The parties for which potential interests are indicated are, in any case, different from Related Parties. The interest can be relevant even if indirect (for example, through a close family member). The declaration should also indicate the companies, with the exception of the subsidiaries and affiliates of the Company, in which the person who makes it holds positions of director, statutory auditor or executive with strategic responsibilities or with which he has a significant commercial, financial or professional, with particular attention to those who exercise, even indirectly, activities in the same sector of operation of the Company.
- 12.7. In any case, the directors and statutory auditors indicate in advance the interests they hold in relation to the individual transactions that the Company intends to carry out, it being understood that the assessment of the directors and statutory auditors is subjective.
- 12.8. In the event that the person with an interest is a director, the report of interest is brought to the attention of the chief executive officer (or to the chairman of the board of directors in the event that the subject with an interest is the chief executive officer), who informs the other directors and the board of statutory auditors.
- 12.9. In the event that the person bearing an interest is a statutory auditor, the report of the interest is brought to the attention of the other statutory auditors and the chairman of the board of directors.

### **13. Exclusions and Exemptions.**

13.1 In addition to Small Amount Transactions, the provisions of this Procedure do not apply:

- (i) to the shareholders' meeting resolutions pursuant to art. 2389, first paragraph of the civil code, relating to the remuneration due to the members of the board of directors

and the executive committee, nor to the resolutions regarding the remuneration of directors vested with particular offices, falling within the total amount determined by the shareholders' meeting pursuant to art. 2389, third paragraph, of the civil code;

- (ii) to the shareholders' meeting resolutions pursuant to art. 2402 of the civil code, relating to the remuneration due to the members of the board of statutory auditors.

13.2 Without prejudice to the disclosure obligations referred to in articles 14.4 and 14.5 of the Procedure below, the Procedure also does not apply to the Related Party Transactions indicated below:

- (i) the compensation plans based on financial instruments approved by the shareholders' meeting pursuant to art. 114-bis of the TUF and the related executive transactions;
- (ii) to the resolutions concerning the remuneration of directors vested with particular offices, other than those referred to in the previous art. 13.1, as well as executives with strategic responsibilities, provided that:
  - (a) the Company has adopted a remuneration policy;
  - (b) the Committee has been involved in defining the remuneration policy;
  - (c) a report illustrating the remuneration policy has been submitted to the consultative vote of the shareholders' meeting;
  - (d) the remuneration awarded is consistent with this policy.
- (iii) to Ordinary Transactions that are concluded at conditions equivalent to market or standard conditions, in accordance with the provisions of article 13.3 below;
- (iv) to Transactions with or between subsidiaries, even jointly, as well as to transactions with associated companies, if there are no interests, qualified as significant, of other Related Parties of the Company in the subsidiaries or associated companies that are counterparties to the transaction. Interest arising from the mere sharing of one or more directors or other executives with strategic responsibilities between the Company and its subsidiaries or associates are not considered significant. A Related Party of the Company is deemed to have a significant interest, for the purposes of this article 13.2 (iv), when it holds the counterparty of the transaction in the subsidiary or associated company,

13.3 "Ordinary transactions" are those transactions that fall within the ordinary exercise of operating activities and related financial activities ("**Ordinary Operations**"). For this

purpose, "operating activity" is understood to mean the main revenue-generating activities of the Company and all other management activities that cannot be classified as "investment" or "financial". To assess whether a transaction falls within the "ordinary exercise" of operating activities, we refer to the object, the recurrence, the size, the contractual terms and conditions and the nature of the counterparty to the transaction. For the purposes referred to in this article 13.3, an "investment" is considered: (i) any transaction that results in the purchase or sale of fixed assets (for example purchases and sales of property, plant and machinery or intangible assets) to exception of "non-current" assets which are held for sale; (ii) financial investments that do not fall within the so-called "cash equivalents". On the other hand, a "financial asset" is considered to be any activity that determines changes (i) in the size and composition of the paid-up equity; (ii) of the loans obtained by the Company. "Conditions equivalent to market or standard conditions" are conditions similar to those usually applied to unrelated parties for transactions of a corresponding nature, size or risk, or based on regulated tariffs or on imposed prices or those applied to subjects with whom TAS is required by law to contract for a certain consideration. On the other hand, a "financial asset" is considered to be any activity that determines changes (i) in the size and composition of the paid-up equity; (ii) of the loans obtained by the Company. "Conditions equivalent to market or standard conditions" are conditions similar to those usually applied to unrelated parties for transactions of a corresponding nature, size or risk, or based on regulated tariffs or on imposed prices or those applied to subjects with whom TAS is required by law to contract for a certain consideration.

#### **14. Disclosure.**

- 14.1 Without prejudice to the disclosure obligations pursuant to the CONSOB Regulation, the chief executive officer, on the basis of the information received from the Area Managers, informs at least quarterly:
- a) the board of directors, the Committee and the board of statutory auditors regarding the Transactions of Lesser Relevance and the Transactions of Greater Relevance carried out, with particular reference to the nature of the correlation, the executive methods of the Transaction, the terms and conditions of the Transaction, the valuation procedure followed, the underlying reasons as well as any risks for the Company and its subsidiaries;
  - b) the board of directors with regard to the execution of the framework resolutions;
  - c) the Committee and the Board of Statutory Auditors regarding Related Party Transactions excluded from the application of this Procedure which have in any case been carried out.
- 14.1. On the occasion of Transactions of Greater Importance, the Company must prepare an information document pursuant to art. 5 of the CONSOB Regulation.
- 14.2. If the Company, during the financial year, concludes with a Related Party, or with subjects related to the latter, Transactions that are homogeneous or carried out in execution of a unitary plan which, although not individually qualifiable as Transactions of Greater Importance, exceed the relevance thresholds indicated in Annex 3 of the CONSOB Regulation, when considered cumulatively, the Company must prepare an information document. In this case, the provisions of article 5 of the CONSOB Regulation will apply.
- 14.3. Without prejudice to the provisions of Article 17 of Regulation (EU) no. 596/2014, the Company, within fifteen days of the end of each quarter of the year, makes available to the public, at the registered office and in the manner indicated in Title II, Chapter I, of the regulation adopted with CONSOB resolution no. 11971 of 14 May 1999, a document containing the indication of the counterparty, the object and the consideration of the Transactions of Lesser Importance approved in the reference quarter in the presence of a negative opinion of the Committee, as well as the reasons for which it was deemed necessary do not share this opinion. Within the

same term, the opinion is made available to the public as an attachment to the information document or on the Company's website. If the opinion of the Committee is conditional on the acceptance of certain, specific findings,

- 14.4. The interim management report and the annual management report, drawn up pursuant to art. 154-ter of the TUF must contain the information referred to in article 5, paragraph 8, letters from a) to c) of the CONSOB Regulation. Information on individual Transactions of Greater Importance can be provided by referring to the information documents published, reporting any significant updates.

## **15. Register of Transactions with Related Parties.**

- 15.1 For the purposes of fulfilling the disclosure obligations envisaged by this Procedure, the Area Managers involved in the relevant Transactions must inform the Manager without delay about the Related Party Transactions that have been implemented.
- 15.1. The Manager manages a special register, kept on electronic support, in which all Related Party Transactions carried out by the Company are noted, detailed by amount, type, parts, date of any opinions given by the Committee and date of approval by the board of directors.
- 15.2. Access to the register of Related Party Transactions referred to in art. 15 is allowed to the chairman, the chief executive officer, the board of statutory auditors, the Committee, the internal audit manager, the Legal area and the supervisory body.

## **16. Final provisions.**

- 16.1 This Procedure, together with the related Attachments which form an integral and essential part thereof, repeals and replaces the previous version approved by the Company's Board of Directors on 20 July 2017.

## **17. Attachments.**

ANNEX A: Correlation statement

**Attachment A**

**Correlation Statement**

The undersigned [•], born in [•] on [•], resident [•], as [for example, executive with strategic responsibilities] of TAS SpA (the "Company"), as defined by the regulation on transactions with related parties adopted by CONSOB with resolution no. 17221 of March 12, 2010, as subsequently amended (the "Regulations"),

- A. given that, pursuant to the Regulation, [the managers with strategic responsibilities] of the Company are considered related parties of the Company, the close relatives of these [managers], as well as the entities in which both the aforementioned [managers] and their close relatives exercise control, joint control or significant influence or hold, directly or indirectly, a significant share, in any case not less than 20%, of the voting rights;
- B. having acknowledged the definitions of "close family members", "control", "joint control" and "significant influence" relevant for the purposes of the Regulation and reproduced in full in the appendix to this declaration;

**declares:**

- not to exercise control, joint control or significant influence over any company or entity, nor to hold significant shares in companies or entities, in any case not less than 20% of the share capital with voting rights.

*or*

- to control, jointly control, exercise significant influence, or hold significant shares, in any case not less than 20%, of the capital with voting rights of the following companies / entities:



Procedure for Transactions with Related Parties

COMPANY / INSTITUTION	CF / VAT NUMBER	HEADQUAR TERS	NATURE OF THE RELATIONSHIP(*)			
			A) CONTROL OR JOINT CONTROL	B) SIGNIFICA NT INFLUENC E - EQUITY INVESTME NT EQUAL TO OR GREATER THAN 20%	C) SIGNIFICANT INFLUENCE - REPRESENTATION IN THE BoD, OR EQUIVALENT BODY, OF THE INVESTEE OR PARTICIPATION IN THE DECISION- MAKING PROCESS	D) OTHER

(\*) Select the applicable hypothesis from among those relating to the nature of the control, indicating the relative details in the box also with reference to the definitions attached.

Furthermore,

**declares:**

not to have any close relatives relevant to the terms of the Regulations.

*or*

who, for the purposes of the Regulations, must be considered close family members:

NAME AND SURNAME	PERSONAL DATA	CFAND VAT NUMBER	DEGREE OF KINSHIP



Procedure for Transactions with Related Parties

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- that these close family members control, jointly control, exercise significant influence, or in any case hold a significant share, in any case not less than 20%, of the voting rights of the following companies / entities:

COMPANY / INSTITUTION	CF / VAT NUMBER	HEADQUARTERS	NATURE OF THE RELATIONSHIP(*)			
			A) CONTROL OR JOINT CONTROL	B) SIGNIFICANT INFLUENCE - EQUITY INVESTMENT EQUAL TO OR GREATER THAN 20%	C) SIGNIFICANT INFLUENCE - REPRESENTATION IN THE BOD, OR EQUIVALENT BODY, OF THE INVESTEE OR PARTICIPATION IN THE DECISION-MAKING PROCESS	D) OTHER

(\*) Select the applicable hypothesis from among those relating to the nature of the control, indicating the relative details in the box, also with reference to the definitions attached.

The undersigned undertakes to promptly notify the Company of any future changes or additions to the information provided here.

The undersigned declares to have been informed that the personal data collected with this declaration and the related attachments will be processed by the Company exclusively for the purposes relating to the provisions of the Regulation, in compliance with the provisions relating





## Procedure for Transactions with Related Parties

to the processing of such data contained in the (EU) Regulation 2016/679 and other applicable legal provisions, including national ones, as well as the privacy policy attached hereto

Place and date \_\_\_\_\_

Signature \_\_\_\_\_

\* \* \* \* \*

### **Appendix**

#### **Definitions relevant to this statement**

##### Control and joint control

Control is the power to determine the financial and management policies of an entity in order to obtain benefits from its activities.

Control is presumed to exist when a person owns, directly or indirectly through its subsidiaries, more than half of the voting rights of an entity 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 a smaller share, of the voting rights that can be exercised at the shareholders' meeting if he has:

- (a) control of more than half of the voting rights by virtue of an agreement with other investors;
- (b) the power to govern the financial and operating policies of the entity under a statute or an agreement;
- (c) the power to appoint or remove the majority of the members of the board of directors or of the equivalent corporate governance body, and control of the entity is held by that board or body;
- (d) the power to exercise the majority of voting rights in meetings of the board of directors or the equivalent corporate governance body, and control of the entity is held by that board or body.

Joint control is the contractually agreed sharing of control over an economic activity.

### Significant influence

Significant influence is the power to participate in the determination of the financial and management policies of an entity without having control over it. Significant influence can be obtained through the ownership of shares, through statutory clauses or agreements.

If a person owns, directly or indirectly (for example through subsidiaries), 20% or a greater share of the votes that can be exercised in the shareholders' meeting of the investee, it is presumed that he has significant influence, unless it can be clearly demonstrated that the contrary. Conversely, if the person owns, directly or indirectly (for example through subsidiaries), a share of less than 20% of the votes that can be exercised in the shareholders' meeting of the investee, it is assumed that the investor does not have a significant influence, unless such influence cannot be clearly demonstrated. The presence of a person in possession of the absolute or relative majority of the voting rights does not necessarily preclude another person from having significant influence.

The existence of significant influence is usually indicated by the occurrence of one or more of the following circumstances:

- (a) representation on the board of directors, or equivalent body, of the investee;
- (b) participation in the decision-making process, including participation in decisions regarding dividends or other distribution of profits;
- (c) the presence of significant transactions between the investor and the investee;
- (d) the exchange of managerial personnel;
- (e) the provision of essential technical information.

### Executives with strategic responsibilities

Executives with strategic responsibilities are those individuals who have the power and responsibility, directly or indirectly, for the planning, management and control of the company's activities, including the directors (executive or otherwise) of the company itself.

The effective members of the supervisory bodies (board of statutory auditors and supervisory board) are also considered to be included in the category of “managers with strategic responsibilities”.

Close family members

Close relatives of a person are considered to be those family members who are expected to influence, or be influenced by, the person concerned in their relations with the company.

They may include:

- (a) the spouse who is not legally separated and the cohabitant;
- (b) the children and dependents of the subject, of the spouse not legally separated or of the cohabitant.

Subsidiary company

A subsidiary is an entity, even without legal personality, as in the case of a partnership, controlled by another entity.

Associated company

An associated company is an entity, even without legal personality, as in the case of a partnership, in which a shareholder exercises significant influence but not control or joint control.

Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity subject to joint control.

**Interpretative principles of definitions**

In examining each relationship with related parties, attention must be paid to the substance of the relationship and not simply to its legal form.

The interpretation of the above definitions is made by referring to the set of international accounting standards adopted according to the procedure referred to in Article 6 of Regulation (EC) no. 1606/2002.

## **Information to the interested party pursuant to Regulation (EU) 2016/679 regarding the protection of personal data**

In compliance with the provisions of EU Regulation no. 2016/679 (hereinafter "GDPR"), TAS Tecnologia Advanced dei Sistemi SpA, informs you that the personal data you provide (hereinafter the "Interested") and the personal data relating to other natural persons provided by you, collected with the declaration of anti-extended correlation (the "Declaration"), will be processed in the manner and for the following purposes.

### **1 - Data Controller**

The data controller is TAS Tecnologia Advanced dei Sistemi SpA (hereinafter "TAS" or also the "Controller"), with registered office in Via Cristoforo Colombo 149, 00147 Rome - Tel: +39 067297141 - e-mail: [privacy@tasgroup.eu](mailto:privacy@tasgroup.eu).

### **2 - Object of the treatment**

The treatment will have as its object single operations, or a complex of operations, of treatment (such as by way of example: collection, registration, organization, storage, processing, communication, modification, selection, use), the data provided by the interested party and the data personal data relating to their close relatives, of the following personal data provided as part of the Declaration (the "Personal Data" or also the "Data"):

- **identification data** of the interested party and / or close family members, including, inter alia, name, surname and tax code;
- **data relating to equity investments** held by the interested party and / or close family members.

### **3 - Purpose of the treatment**

Personal data are processed for the following purposes:

- a) for and within the scope of the purposes for which the Declaration is made and, in particular, those provided for in the Procedure for Transactions with Related Parties of the Owner (including, for example, the insertion and updating of the List of Related Parties and the keeping of the Related Party Transactions Register);

- b) fulfill the obligations established by law, by a regulation, by community legislation or by an order of the Authority, and in particular the CONSOB regulation containing provisions on transactions with related parties adopted with resolution no. 17221 of March 12, 2010 and subsequent amendments;
- c) exercise the rights of the owner, for example the right to exercise a right in court.

The processing of data for the purposes under a) and b) does not require the consent of the interested party as it is necessary to fulfill legal obligations or for the execution of a relationship of which the interested party is a party, pursuant to art. 6, paragraph 1, lett. b) and c) of the GDPR.

The processing of data for the purpose under c) does not require the consent of the interested party as it is necessary for the pursuit of the legitimate interest of the Data Controller, pursuant to art. 6, paragraph 1, lett. f) of the GDPR.

#### **4 - Methods and duration of processing**

The processing of personal data is carried out by means of the operations indicated in art. 4 n. 2) of the GDPR and more precisely: collection, registration, organization, storage, consultation, processing, modification, selection, extraction, comparison, use, interconnection, blocking, communication, cancellation and destruction of Data.

Personal data are subjected to both paper and electronic and / or automated processing.

The Data Controller will process the Personal Data for the time necessary to fulfill the aforementioned purposes, and - for all the purposes indicated in the previous art. 3 - guarantees that the Data, after the use of the service for which they are collected, may be stored and kept for a maximum period of 10 years.

#### **5 - Security**

The Data Controller has adopted a variety of security measures to protect the Data against the risk of loss, abuse or alteration, consistently with the measures expressed in art. 32 of the GDPR.

#### **6 - Access and Communication**

The Data may be made accessible for the purposes referred to in the previous art. 3:

- to employees, collaborators, associates and shareholders of the Data Controller, in their capacity as persons in charge and / or internal managers of the processing and / or system administrators, in any country (pursuant to the provisions of the following art.7);
- to third-party companies or other subjects (by way of example, site provider, cloud provider, hardware and software assistance technicians, etc.) who carry out outsourced activities on behalf of the Data Controller, in their capacity as data processors.

Without the express consent of the interested party, the data cannot be transferred to third parties for its use for their own purposes, and therefore outside the access referred to in this art. 6.

The Data will not in any case be disseminated.

### **7 - Data transfer**

TAS is an internationally operating company.

The management and storage of the Data will take place primarily in Europe, on the Controller's servers located in France and / or by third-party companies appointed and duly appointed as Data Processors.

The Data Controller may also provide its services in other countries, in which case the transfer of data to such countries is strictly limited to the actual need to be aware of it. TAS will take the necessary measures to protect the Data, and prevent unauthorized access.

In the event that the Data is transferred to the systems used by TAS even outside the European Union, TAS guarantees the application of the standard contractual clauses of the European Commission to guarantee a secure international transfer of personal data, based on articles. 44, 45 and 46 of the GDPR.

### **8 - Nature of the provision of data and consequences of refusing to respond**

The provision of data for the purposes referred to in art. 2 is mandatory. In their absence, neither the establishment nor the continuation of relations with the Data Controller can be guaranteed to the interested party and his successors in title.

### **9 - Rights of the interested party**

Each interested party has the rights referred to in art. 15 of the GDPR and precisely the rights of:

- obtain confirmation of the existence or not of Personal Data concerning the interested party, even if not yet registered, and their communication in an intelligible form;
- obtain the indication: a) of the origin of the Personal Data; b) of the purposes and methods of the processing; c) of the logic applied in case of treatment carried out with the aid of electronic instruments; d) the identity of the owner, manager and the representative appointed pursuant to art. 5, paragraph 2 of the Privacy Code and art. 3, paragraph 1, of the GDPR; e) the subjects or categories of subjects to whom the Personal Data may be communicated or who can learn about them as appointed representative in the State, managers or agents;
- obtain: a) updating, rectification or, when the interested party has an interest, integration of the Data; b) the cancellation, transformation into anonymous form or blocking of data processed in violation of the law, including those that do not need to be kept for the purposes for which the data were collected or subsequently processed; c) the attestation that the operations referred to in letters a) and b) have been brought to the attention, also as regards their content, of those to whom the Data have been communicated or disseminated, except in the case in which this fulfillment is proves impossible or involves the use of means that are manifestly disproportionate to the protected right;
- object, in whole or in part: a) for legitimate reasons to the processing of Personal Data concerning the Data Subject, even if pertinent to the purpose of the collection; b) to the processing of Personal Data for the purpose of sending advertising or direct sales material or for carrying out market research or commercial communication, through the use of automated call systems without the intervention of an operator via e- mail and / or through traditional marketing methods by telephone and / or paper mail. It should be noted that the right of opposition of the interested party, set out in point b) above, for direct marketing purposes through automated methods extends to traditional ones and that in any case the possibility remains for the interested party to exercise the right of opposition also only partially. Therefore,

Where applicable, the rights referred to in Articles 16-21 of the GDPR (Right of rectification, right to be forgotten, right to limitation of treatment, right to data portability, right of opposition), as well as the right of complaint to the Guarantor Authority.



### **10 - Procedures for exercising rights**

The interested party may at any time exercise the rights by sending:

- an e-mail to [privacy@tasgroup.eu](mailto:privacy@tasgroup.eu);
- a registered letter to TAS SpA, Via Cristoforo Colombo 149, 00147 Rome (RM).

### **11 - DPO, manager and appointees**

Interested parties may contact the data protection officer ("DPO") for all matters relating to the processing of their personal data and the exercise of their rights deriving from the Regulation.

The DPO can be contacted at the following email address: [tas\\_dpo.it@tasgroup.eu](mailto:tas_dpo.it@tasgroup.eu).

The updated list of data processors and persons in charge of processing is kept at the headquarters of the Data Controller.

### **12 - Changes to this information**

This information may be subject to changes. It is therefore advisable to check this information regularly and refer to the most updated version.

Update date: 19 October 2018.

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