

# PROCEDURE GOVERNING RELATED- PARTY TRANSACTIONS

(pursuant to Article 2391-*bis* of the Italian Civil Code, Article 4 of Consob Regulation no. 17221 of March 12, 2010, as amended and supplemented, and the Corporate Governance Code approved by the Corporate Governance Committee)

General Regulation No. 79 / 2010

July 2025

**Table of revisions**

<b>REV. No.</b>	<b>DATE</b>	<b>DESCRIPTION OF THE GENERAL REGULATION</b>
1	06-07/2012	Elimination attached 1.bis
2	03/2013	Addition of new exemptions to Section 16.3.
3	11/2014	Procedure revision/update
4	07/2021	Procedure revision/update
5	07/2025	Procedure revision/update

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## 1. INTRODUCTION

- 1.1 This "Procedure Governing Related-party Transactions" was approved by the Board of Directors of Edison S.p.A. at the meeting held on December 3, 2010, and lastly amended at the meeting held on July 23, 2025.
- 1.2 The procedure is adopted pursuant to the Regulation "Related Parties Transactions", issued by Consob with resolution no. 17221 of 12 March 2010 (as subsequently amended and supplemented), in implementation of Article 2391-*bis* of the Italian Civil Code and Articles 113-*ter*, 114, 115 and 154-*ter* of the TUF.
- 1.3 This Procedure, drafted pursuant to Article 4 of the same regulation, contains measures implementing the aforementioned laws and regulations in order to define the rules, methods and principles aimed at ensuring the transparency and substantive and procedural correctness of Related-party Transactions (as defined below) entered into by Edison, directly or through Subsidiaries (as defined below).
- 1.4 The Company applies the Procedure also taking into account the Consob Communication (as defined below) or any further interpretative communications that may be published by Consob.
- 1.5 This procedure was published on the Company website [www.edison.it](http://www.edison.it) in the "Investors-Governance" section.

## 2. DEFINITIONS

<b>DIRECTORS INVOLVED IN THE TRANSACTION</b>	Directors who have an interest in the <b>TRANSACTION</b> , on their own behalf or on behalf of third parties, that conflicts with that of the Company;
<b>INDEPENDENT DIRECTORS</b>	Directors who meet the independence requirements set forth in Article 148, paragraph 3, of the <b>TUF</b> as well as the additional requirements set forth in the <b>CORPORATE GOVERNANCE CODE</b> ;
<b>DIRECTORS WHO ARE NOT RELATED PARTIES</b>	Directors other than the counterparty of a given <b>TRANSACTION</b> and its <b>RELATED PARTIES</b> ;

<b>NON-EXECUTIVE DIRECTORS</b>	Directors who are not members of the Executive Committee, if any, are not delegated powers and do not perform, even de facto, functions relating to the management of the <b>COMPANY</b> ;
<b>THE CORPORATE GOVERNANCE CODE;</b>	the Corporate Governance Code adopted by the Corporate Governance Committee, to which the <b>COMPANY</b> adheres;
<b>RELATED PARTY TRANSACTIONS COMMITTEE</b>	the Committee, specifically set up on a permanent basis by the Board of Directors, consisting exclusively of <b>NON-EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS</b> , in a number of not less than three;
<b>CONSOB COMMUNICATION</b>	Consob Communication no. DEM/10078683 of September 24, 2010;
<b>MARKET EQUIVALENT OR STANDARD CONDITIONS</b>	the same terms as those applied to non-related parties for transactions of a corresponding nature, size and risk, or based on regulated rates or mandatory prices, or those applied to parties with whom the <b>COMPANY</b> is required to do business for a predetermined consideration pursuant to law;
<b>DIVISION/DEPARTMENT/BUSINESS UNIT</b>	the Organisational Unit of the <b>COMPANY</b> , as identified in the Group Organisational Chart, in the organisational provisions, and more generally in the internal provisions of the <b>COMPANY</b> ;
<b>INDEPENDENT EXPERTS OR EXPERTS</b>	experts external to the <b>COMPANY</b> , who qualify as independent, in accordance with Annex 4 of the <b>REGULATION</b> , as well as having recognised professionalism and competence in the field, and whose absence of conflict of interest has been carefully assessed, with any tasks assigned under the <b>PROCEDURE</b> ;
<b>MATERIAL INTERESTS</b>	any interest of a financial nature, as assessed by the <b>QUALIFIED CORPORATE GOVERNANCE BODY</b> or <b>PARTY</b> to approve the <b>TRANSACTION</b> , taking into account what is indicated in the <b>CONSOB COMMUNICATION</b> or in further interpretative communications that may be issued by Consob;
<b>ACCOUNTING CONTROL MODEL 262</b>	The Company's Model adopted pursuant to Law no. 262 of December 28, 2005.
<b>RELATED PARTY TRANSACTIONS or TRANSACTIONS</b>	transactions defined as such by the international accounting standards adopted in accordance with the procedure set out in Article 6 of EC Regulation 1606/2002 (IAS 24). In any case, this concept shall include the following: (i) merger, demerger by absorption or simple non-proportional demerger <b>TRANSACTIONS</b> , when executed with a <b>RELATED PARTY</b> ;

	<p>(ii) (except as otherwise provided by the Regulation and without prejudice to the exemptions set forth in Article 8 below) all decisions concerning the awarding of compensation and economic benefits, under any guise, to <b>COMPANY</b> Directors, Statutory Auditors and, when identified, other executives with strategic responsibilities, to whom the Related Parties Regulation applies. For the purposes of the <b>PROCEDURE</b>, transactions addressed indistinctly to all shareholders on equal terms, such as capital increases through rights offerings for shareholders, free capital increases pursuant to Article 2442 of the Italian Civil Code, reductions of capital through shareholder redemption pursuant to Article 2445 of the Italian Civil Code, purchases of treasury shares pursuant to Article 132 of the <b>TUF</b> and simple proportional demerger Transactions, shall not be treated as <b>RELATED-PARTY TRANSACTIONS</b>;</p>
<p><b>TRANSACTIONS OF INCONSEQUENTIAL AMOUNT</b></p>	<p><b>RELATED PARTY TRANSACTIONS</b> defined and identified on the basis of the criteria indicated in Annex 1 of the <b>PROCEDURE</b>;</p>
<p><b>HIGHLY MATERIAL TRANSACTIONS</b></p>	<p><b>RELATED-PARTY TRANSACTIONS</b> in which at least one of the materiality indices referred to in Annex 3 of the <b>REGULATIONS</b> is higher than the thresholds indicated in the same Annex 3. A separate communication shall set forth the reference amounts for the computation of materiality thresholds. This communication, shall be updated periodically by the Corporate Affairs &amp; Governance Department, with the support of the Accounting, Tax &amp; Finance Operations Department, subsequent to the publication of the periodic accounting documents and shall be posted on the Company's Intranet site.</p>
<p><b>LESS MATERIAL TRANSACTIONS</b></p>	<p><b>TRANSACTIONS</b> other than <b>HIGHLY MATERIAL TRANSACTIONS</b> and <b>TRANSACTIONS OF INCONSEQUENTIAL AMOUNT</b>;</p>
<p><b>INTERCOMPANY TRANSACTIONS</b></p>	<p><b>TRANSACTIONS</b> with or between companies controlled, even jointly, by the <b>COMPANY</b> as well as <b>TRANSACTIONS</b> with associates of <b>EDISON</b>, it being understood that, for the purposes of this definition, subsidiaries and associates are identified in accordance with the criteria established by international accounting standards;</p>
<p><b>REGULAR TRANSACTIONS</b></p>	<p><b>TRANSACTIONS</b> that are part of the <b>COMPANY's</b> regular exercise of operating activities or related financial activities. The identification of a <b>TRANSACTION</b> as an <b>ORDINARY TRANSACTION</b> is carried out taking into account the indications contained in the <b>CONSOB COMMUNICATION</b> OR in the interpretative</p>

	communications published or to be published by Consob;
<b>URGENT TRANSACTIONS</b>	<b>RELATED PARTY TRANSACTIONS</b> to be carried out in cases of urgency not related to a corporate crisis;
<b>QUALIFIED CORPORATE GOVERNANCE BODY OR PARTY</b>	The <b>COMPANY</b> 's governance body (Board of Directors or Shareholders' Meeting) or Party (Chief Executive Officer, Director or Agent) who, on each occasion, is qualified to review, discuss or decide <b>RELATED-PARTY TRANSACTIONS</b> or, more in general, perform the tasks required pursuant to the <b>REGULATIONS</b> .
<b>COMMITTEE</b>	parties defined as such from time to time by the international accounting standards adopted according to the procedure set out in Article 6 of EC Regulation 1606/2002;
<b>ALTERNATIVE OVERSIGHT ENTITIES EQUIVALENT</b>	the Supervisory Authorities activated by the <b>COMPANY</b> from time to time according to the order indicated in the <b>PROCEDURE</b> , in the event that the <b>RELATED PARTY TRANSACTIONS COMMITTEE</b> is not composed of at least three <b>NON-EXECUTIVE, INDEPENDENT DIRECTORS</b> and <b>DIRECTORS WHO ARE NOT RELATED PARTIES</b> ;
<b>PROCEDURE</b>	this Procedure as updated from time to time;
<b>PROCEDURE FOR MANAGING CORPORATE INFORMATION</b>	the procedure adopted by the <b>COMPANY</b> on "Internal handling and external communication of confidential and insider information concerning Edison and its financial instruments";
<b>OFFICER RESPONSIBLE FOR INFORMATION FLOWS AND THE REGISTER</b>	the person identified by each Division/Department/Business Unit and by each <b>SUBSIDIARY</b> who, to the extent of his/her competence, ensures the flow of information and keeps the <b>REGISTER OF RELATED PARTY TRANSACTIONS</b> ;
<b>REGISTER OF RELATED PARTY TRANSACTIONS or REGISTER</b>	the Register in which all <b>RELATED-PARTY TRANSACTIONS</b> entered into are recorded (with the exception of <b>TRANSACTIONS OF INCONSEQUENTIAL AMOUNT</b> and the Transactions referred to in paragraph 12.4) and which, for each Transaction, must indicate: counterparty, type of Transaction, relative amount (where determinable) and duration;
<b>REGULATION</b>	the Related-party Transactions Regulation adopted by Consob Resolution No. 17221 of March 12, 2010 as subsequently amended and supplemented;
<b>ISSUERS' REGULATION</b>	the Regulation implementing Legislative Decree no. 58 of February 24, 1998, adopted by the Consob with Resolution no. 11971 of May 14, 1999, as amended;

<b>SHAREHOLDERS WHO ARE NOT RELATED PARTIES</b>	parties, who have the right to vote, other than the counterparty to a given <b>TRANSACTION</b> and parties related both to the counterparty to a given transaction and to the <b>COMPANY</b> ;
<b>COMPANY</b>	Edison S.p.A.;
<b>SUBSIDIARIES or SUBSIDIARY COMPANIES</b>	the <b>COMPANY</b> 's Italian or foreign Subsidiaries, pursuant to Article 2359 of the Italian Civil Code, except as provided for in the definition of <b>INTERCOMPANY TRANSACTIONS</b> ;
<b>UNIFORM FINANCIAL CODE ("TUF" IN ITALIAN)</b>	Leg. Dec. no. 58 of February 24, 1998, as amended and supplemented.

### **3. ESTABLISHMENT OF THE RELATED PARTY TRANSACTIONS COMMITTEE AND EQUIVALENT ALTERNATIVE OVERSIGHT ENTITIES**

3.1 The Board of Directors establishes the Related Party Transactions Committee and identifies its members for the entire term of office of the director. If, with reference to a specific Transaction, the Related Party Transactions Committee is not entirely composed of Directors Who Are Not Related Parties, the Alternative Equivalent Oversight Entities shall be automatically activated according to the order set forth in Section 3.2 below. It is understood that for the purposes of the activation of the Alternative Equivalent Oversight Entities, the independent director who qualifies as a Director Involved in the Transaction is equated with a Related Director.

3.2 In the cases referred to in Section 3.1. above, the composition of the Related Party Transactions Committee will be supplemented

- (i) by any Independent Directors who are neither Related Parties, taken from a list drawn up based on the Directors' seniority of service as a Company

Independent Director and, with equal seniority, on their age seniority;

- (ii) in the event that there are not at least two Independent Directors who are neither Related Parties are present to express their opinion on the Transaction, an Independent Expert shall be appointed by mutual agreement between the Chairman of the Board of Directors and the Chief Executive Officer. If the abovementioned parties cannot reach an agreement, the Independent Expert shall be appointed by the Board of Statutory Auditors with a resolution adopted with the favourable vote of at least two Statutory Auditors.

- 3.3 Once a transaction is classified as a Related Party Transaction to be submitted to the Related Party Transactions Committee for examination, pursuant to this Procedure, the Division/Department/Business Unit involved, acting through the Corporate Affairs & Governance Department, shall promptly provide the Independent Directors of the Related Party Transactions Committee with the necessary information, enabling them to determine whether there are any personal related-party relationships with regard to a specific Related-party Transaction. If there is a related-party relationship, the Director concerned, acting through the Corporate Affairs & Governance Department, shall promptly inform the other Independent Directors of the Related Party Transactions Committee, who, when the existence of the above-mentioned related-party relationship is unclear, shall have jurisdiction over deciding this issue. In order to exclude the relationship, the resolution of the Related Party Transactions Committee must be adopted unanimously, excluding from the vote each time the individual Independent Director whose relationship is the subject of the decision. In the absence of at least two Independent Directors Who Are not a Related Party, the Chairman of the Related Party Transactions Committee shall communicate this information to the Chief Executive Officer, who activates the Alternative Equivalent Oversight Entities, referred to in points (ii) and (iii) of Section 3.2. If there is uncertainty about the existence of a related-party relationship affecting one of the members of the Alternative, Equivalent Oversight Entity, as activate on each occasion, the Chief Executive Officer, acting in concert with the Chairman of the Board of Directors, shall resolve this issue.
- 3.4 The functions attributed to the Related Party Transactions Committee by this Procedure, in the case of transactions regarding the compensation of directors, statutory auditors and other executives with strategic responsibilities of the Company,

are carried out by the Compensation Committee constituted by the Board of Directors of the Company pursuant to the Corporate Governance Code, provided that this Committee presents the composition requirements provided for by the Regulations and unless the Compensation Committee or the Board of Directors requests the Related Party Transactions Committee to speak on its behalf.

#### **4. IDENTIFICATION OF RELATED-PARTY TRANSACTIONS**

4.1 The Division/Department/Business Unit concerned from time to time, with the support of the Corporate Affairs & Governance Department and possibly other Functions identified within the *Legal & Corporate Affairs Division*, before starting negotiations on a transaction, and as soon as possible due to the concrete characteristics of the same transaction and the necessary minimum information available, verifies whether the counterparty (or potential counterparties) is a Related Party, assessing whether it falls (or fall) within the scope of the relative definition of Related Parties. In the event of a positive outcome, it also verifies:

- (i) whether the Transaction qualifies for exclusion, total or partial, pursuant to this Regulation and/or Procedure;
- (ii) whether the Transaction qualifies as a Highly Material Transaction or a Less Material Transaction;
- (iii) which provisions of the Regulations and of this Procedure are applicable to the Transaction;
- (iv) the deliberative or decision-making jurisdiction determined based on the applicable provisions of laws, regulations and Bylaws, instances of exclusive jurisdiction by the Board of Directors set forth in this Procedure notwithstanding;
- (v) whether a Transaction is “price sensitive” and, therefore, whether the Procedure for the Management of Corporate Information should be applied to the Transaction.

- 4.2 In the event that the verification referred to in the previous Section 4.1 is successful, the contract entered into by the Company (or by a Subsidiary) with the Related Party must contain a declaration by which the parties acknowledge that they are Related Parties and is kept by the competent Division/Department/Business Unit.

## **5. HIGHLY MATERIAL OR LESS MATERIAL TRANSACTIONS**

### **5.1 Gathering information about Highly Material Transactions**

- 5.1.1 Only in connection with Highly Material Transactions, the Related Party Transactions Committee (or one or more of its members specifically delegated by the same Committee), acting through the Corporate Affairs & Governance Department or another relevant Function of the Legal & Corporate Affairs Division, shall become promptly involved in the Transaction's negotiation phase and information gathering phase, receiving on each occasion a complete and updated flow of information delivered without delay by the Division/Department/Business Unit involved through the Corporate Affairs & Governance Department or another relevant Function of the Legal & Corporate Affairs Division, which shall preserve on file documentary evidence of its actions. The Related Party Transactions Committee has the right to make recommendations to the delegated bodies and/or to the parties in charge of the negotiations and the information gathering process.
- 5.1.2 The Related Party Transactions Committee must be provided with complete and adequate information in advance and, more specifically, information must be provided regarding the nature of the related-party relationship, the implementation methods of the Transaction, the schedule and financial terms for the Transaction's implementation, the valuation process applied, the underlying interests and motivations and any risks for the Company and/or its Subsidiaries. The Related Party Transactions Committee, through the Corporate Affairs & Governance Department, receives timely information on any examination of the Transaction carried out by internal committees of the Board of Directors, from the respective secretaries of these committees. The Related Party Transactions Committee through the Corporate Affairs & Governance Department, may request from the Division/Department/Business Unit involved on each occasion additional information to supplement those it already received.

- 5.1.3 The Related Party Transactions Committee may request the support of independent consultants of its choosing, retained at the Company's expense. The Related Parties Transactions Committee verifies in advance the independence of the experts taking into account the reports indicated in section 2.4 of Annex 4 of the Regulation. Experts must declare their independence at the time of their appointment, giving reasons why any relationships indicated in the aforementioned section 2.4 of Annex 4 of the Regulation are not relevant for the purposes of judging independence. It is understood that the costs of the independent consultants identified by the Related Party Transactions Committee shall not be manifestly unreasonable.
- 5.1.4 The Related Party Transactions Committee shall issue its opinion on the Transaction in sufficient time to allow the Board of Directors to decide on the Transaction, without prejudice to the provisions of the following Section 5.2.3. The Related Party Transactions Committee's opinion concerns the Company's interest in the completion of the Transaction, as well as the appropriateness and substantial correctness of the relevant conditions and is attached to the minutes of the Related Party Transactions Committee meeting in which it was approved.

## **5.2 Approval of Highly Material Transactions**

- 5.2.1 Except as provided for in the following Section 5.5, and without prejudice to the cases of exclusion set forth in the following Articles 7 and 8, the Board of Directors is exclusively competent to decide on Highly Material Transactions, subject to the binding reasoned opinion of the Related Party Transactions Committee. In the event that there are Directors Involved in the Transaction, without prejudice to the application of Article 2391 of the Civil Code, the latter are required to abstain from voting on the relevant resolutions by the Board of Directors, it being understood that the director required to abstain contributes to reaching the *quorum* required to constitute the administrative body, but is excluded from the quorum required for the adoption of the resolution.
- 5.2.2 The Board of Directors receives complete and adequate information regarding the Transaction from the relevant Division/Department/Business Unit, through the Corporate Affairs & Governance Department, in due time. More specifically, the Board of Directors is provided with a written report, with the corresponding supporting documents, concerning the Transaction, with specific information about the nature of the related-party relationship, the implementation methods of the Transaction, the

schedule and financial terms for the Transaction's implementation, the valuation process applied, the underlying interests and motivations and any risks for the Company and/or its Subsidiaries.

- 5.2.3 The Board of Directors at least 4 (four) days before the meeting in which it is to resolve on the Transaction (except for reasons of specific and justified urgency) receives, again through the Corporate Affairs & Governance Department, the opinion on the Transaction issued by the Related Party Transactions Committee accompanied by any reports prepared by independent consultants.
- 5.2.4 If the Related Party Transactions Committee renders a negative opinion, the Board of Directors may not approve the Transaction. If the Related Party Transactions Committee renders an opinion conditional on the resolution of specific issues raised in the opinion, the Board of Director may approve the Transaction provided that the above-mentioned issues, as raised, are effectively addressed in the Transaction and that clear evidence thereof is provided to the Related Party Transactions Committee or the Alternative, Equivalent Oversight Entity, it being understood that, in such cases, this Procedure does not require the issuance of a new opinion. In any case, the report on the implementation of the Transaction that must be submitted to the Board of Directors and the Board of Statutory Auditors, as referred to in Article 10 below, shall provide evidence that any conditions placed on the issuance of the opinion in question were effectively satisfied.
- 5.2.5 The minutes of the deliberations approving a Highly Material Transaction must include an adequate explanation of the Company's interest in carrying out the transaction, as well as of the convenience and substantive fairness of its terms and conditions.
- 5.2.6 A copy of the Board of Directors' resolutions and supporting documents and opinions is kept by the Corporate Affairs & Governance Department. The Division/Department/Business Unit from time to time concerned shall give notice of the transaction to the Accounting Tax & Finance Operations Department within the 5<sup>th</sup> (fifth) day of the month following the month in which the relevant contract was signed or the transaction was completed.

### **5.3 Gathering information about Less Material Transactions**

- 5.3.1 With reference to Less Material Transactions, the Related Party Transactions Committee expresses - in due time to allow the Qualified Corporate Governance Body or Party to resolve on the matter and without prejudice to the provisions of the following Section 5.4.3 - a reasoned non-binding opinion on the Company's interest in carrying out the Transaction as well as on the appropriateness and substantial correctness of the relevant conditions. The aforementioned opinion must be attached to the minutes of the Committee meeting.
- 5.3.2 Sections 5.1.2 and 5.1.3 apply *mutatis mutandis*, it being understood that, should the Related Party Transactions Committee be assisted by independent consultants of its own choice, the costs and expenses relating to the services rendered by the consultants, which will be borne by the Company, may not exceed Euro 350,000.00 (three hundred and fifty thousand/00) per individual Transaction.

### **5.4 Approval of Less Material Transactions**

- 5.4.1 In the event that a Less Material Transaction falls within the remit of the Board of Directors, and there are Directors Involved in the Transaction, without prejudice to the application of Article 2391 of the Italian Civil Code, such directors are required to abstain from voting on the relevant resolutions. It is understood that the director required to abstain shall be counted for the purposes of the *quorum* to constitute the administrative body, but shall be excluded from the quorum required for the adoption of the resolution.
- 5.4.2 The Qualified Corporate Governance Body or Party receives complete and adequate information regarding the Transaction from the relevant Division/Department/Business Unit, through the Corporate Affairs & Governance Department, in due time. More specifically, the Qualified Corporate Governance Body or Party is provided with a written report, with the corresponding supporting documents, concerning the Transaction, with specific information about the nature of the related-party relationship, the implementation methods of the Transaction, the schedule and financial terms for the Transaction's implementation, the valuation process applied, the underlying interests and motivations and any risks for the Company and/or its Subsidiaries.

5.4.3 The Qualified Corporate Governance Body or Party at least 4 (four) days before the meeting in which it is to resolve on the Transaction (except for reasons of specific and justified urgency) receives, again through the Corporate Affairs & Governance Department, the opinion on the Transaction issued by the Related Party Transactions Committee accompanied by any reports prepared by independent consultants.

5.4.4 In the event that the Related Party Transactions Committee issues a negative opinion or one that is in any case conditional on the acceptance of certain observations, the Transaction may be carried out as originally planned, without prejudice to compliance with the information obligations referred to in Section 11.3.

5.4.5 Sections 5.2.5 and 5.2.6 apply *mutatis mutandis*.

## **5.5 Transactions Within the Jurisdiction of the Shareholders' Meeting**

5.5.1 When a Transaction falls within the jurisdiction of the Shareholders' Meeting or must be authorised by it:

(i) if the Transaction is Highly Material Transactions, during the negotiation, the information gathering phase and the approval of the proposed resolution to be submitted to the Shareholders' Meeting, Sections 5.1 and 5.2 shall apply *mutatis mutandis*;

(ii) if the Transaction is Less Material Transactions, during the information gathering phase and the approval of the proposed resolution to be submitted to the Shareholders' Meeting, Sections 5.3 and 5.4 shall apply *mutatis mutandis*.

## **6. URGENT TRANSACTIONS**

6.1 Where permitted by the Bylaws, if a Highly Material or Less Material Transaction does not fall within the jurisdiction of the Shareholders' Meeting or does not require its approval, and qualifies as an Urgent Transaction, such Transaction may be executed by way of derogation from the provisions set forth in Sections 5.1, 5.2, 5.3 and 5.4 without prejudice in any case the provisions of Article 5 of the Regulation and, for Highly Material Transactions, to the exclusive decision-making jurisdiction by the Board of Directors, provided that:

- (i) in the case of a Less Material Transaction, when it is not subject to the prior approval of the Board of Directors, the Chairman of the Board of Directors shall be promptly provided in writing, prior to the execution of the Transaction, with information from the competent Division/Department/Business Unit, through the Corporate Affairs & Governance Department, setting out the reasons for the urgency and the additional elements referred to in Section 5.1.2. If the Chairman of the Board of Directors does not qualify as an Independent Director who is not a Related Party, the abovementioned information must be provided to: (a) the members of the Related Party Transactions Committee Who Are Not Related Parties; or (b) if none of the members of the Related Party Transactions Committee qualify as Directors Who Are Not Related Parties, to the other Independent Directors Who Are Not Related Parties, if available;
- (ii) the Transaction, its effectiveness not being affected, shall be subsequently the subject of a non-binding resolution by the first available Ordinary Shareholders' Meeting;
- (iii) the Corporate Body convening the Shareholders' Meeting prepares a report containing adequate reasons for the urgency. The Board of Statutory Auditors shall report to the Shareholders' Meeting on its assessment of the existence of the reasons for urgency;
- (iv) the report and assessment referred to in Item (iii) above shall be made available to the public at the Company's head office, at least 21 (twenty one) days before the date of the Shareholders' Meeting, in the manner set forth in Part III, Title II, Chapter I, of the Issuers' Regulations. These documents may be included in the Information Memorandum referred to in Section 11.1 below;
- (v) within the day following the date of the Shareholders' Meeting, the Company shall make available to the public, in the manner set forth in Part III, Title II, Chapter I, of the Issuers' Regulations, information about the outcome of the vote, specifically with regard to the total number of votes cast by Shareholders who are not Related Parties.

## **7. REGULAR TRANSACTIONS CONCLUDED ON MARKET OR STANDARD TERMS**

- 7.1 Notwithstanding the provisions of this Article 7, Regular Transactions concluded on Market or Standard Terms are excluded from the scope of this Procedure.
- 7.2 With regard to Regular Transactions concluded at conditions equivalent to market or standard conditions that qualify as Highly Material, the Related Party Transactions Committee, on the basis of information received from the relevant Division/Business Unit and/or the Finance Division, through the Corporate Affairs & Governance Department, shall verify the correct application of the exemption conditions. If a Regular Transaction concluded at conditions equivalent to market or standard conditions falls within the remit of the Board of Directors, the Related Party Transactions Committee shall receive the relevant information at least 10 days prior to the date set for the meeting of the Board of Directors called to approve the transaction and shall report on its assessments at that meeting. If, on the other hand, the transaction does not fall within the competence of the Board of Directors, the information to the Related Party Transactions Committee must be transmitted before the conclusion of the transaction by the Qualified Corporate Governance Body or Party for the relevant assessments. In such a case, the Related Party Transactions Committee examines the transaction, reporting to the Board of Directors and the Board of Statutory Auditors at the earliest opportunity.
- 7.3 The Qualified Corporate Governance Body or Party authorised to decide on the Regular Transaction concluded at Conditions Equivalent to Market or Standard Conditions shall in any case be provided, in advance, with complete and adequate information on the transaction, including documentation containing objective evidence of the Market or Standard Conditions.
- 7.4 In relation to Regular Transactions concluded at Market Equivalent or Standard Conditions that are Highly Material Transactions, without prejudice to the provisions of Article 17 of Regulation (EU) No. 596/2014, in the event of a derogation from the obligations provided for in Article 5, paragraphs 1 to 7 of the Regulation, the Company fulfils the following disclosure obligations:

- (i) communicates to Consob, through the Corporate Affairs & Governance Department], within the term provided for by the Regulation, the counterparty, the object and the consideration of the Transactions that have benefited from the exclusion as well as the reasons why the Transaction is to be considered Regular and concluded at Conditions Equivalent to Market or Standard Conditions, providing objective elements of evidence. The same communication is also sent to the Related Party Transactions Committee;
- (ii) indicates in the interim management report and in the annual management report, within the scope of the information provided for in Article 5, paragraph 8, of the Regulation, which of the Transactions subject to the disclosure requirements set forth in the latter provision have been concluded taking advantage of the exclusion provided for in this Article 7.

7.5 Documentation relating to the determinations of the Related Party Transactions Committee under this Article 7, as well as the relevant supporting documents and opinions, is kept by the Corporate Affairs & Governance Department. The Division/Department/Business Unit from time to time concerned shall give notice of the transaction to the Accounting Tax & Finance Operations Department within the 5<sup>th</sup> (fifth) day of the month following the month in which the relevant contract was signed or the transaction was completed.

## **8. FURTHER CASES OF EXCLUSION**

8.1 This Procedure shall not apply to the resolutions of the Shareholders' Meeting pursuant to Article 2389, first paragraph, of the Italian Civil Code, concerning the compensation of the members of the Board of Directors and the Executive Committee, nor to resolutions regarding the remuneration of Directors holding special offices, where such compensation falls within the total amount previously determined by the Shareholders' Meeting pursuant to Article 2389, third paragraph, of the Italian Civil Code, nor to the resolutions of the Shareholders' Meeting pursuant to Article 2402 of the Italian Civil Code, concerning the compensations of the members of the Board of Statutory Auditors.

8.2 Furthermore, the Procedure does not apply to:

- (i) compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the TUF and related implementative transactions;
- (ii) resolutions, different from those referred to in Article 13, paragraph 1, of the Regulation, concerning the compensation of Directors who perform special functions and Executives with strategic responsibilities, provided that:
  - (a) the Company has adopted a compensation policy approved by the Shareholders' Meeting;
  - (b) a committee consisting exclusively of Non-Executive Directors, the majority of whom are Independent Directors, was involved in the definition of the compensation policy;
  - (c) the compensation assigned is identified in accordance with such policy and quantified on the basis of criteria that do not involve discretionary assessments;

with the specification that where these conditions are not met, the Compensation Committee may act as the Related Party Transactions Committee if its composition complies with the Regulation, unless the Compensation Committee or the Board of Directors request the Related Party Transactions Committee to express its opinion on its behalf;

- (iii) Transactions of Inconsequential Amount;

- (iv) intercompany Transactions, if there are no Material Interests of other Related Parties of the Company in the subsidiaries or affiliated companies that are counterparties to the transaction and without prejudice to the application of Article 5, paragraph 8, of the Regulation.

## **9. TRANSACTIONS EXECUTED THROUGH SUBSIDIARIES**

- 9.1 In the event that the Company examines in advance or approves, by any means and independently of an express resolution, Related-party Transactions entered into by Edison's Italian or foreign Subsidiaries, the provisions of Articles 5 and 6 above shall apply, *mutatis mutandis*.
- 9.2 The cases of exclusion provided for by the Regulation and this Procedure apply to Transactions carried out through Subsidiaries.
- 9.3 It is understood that, in the event that a Transaction is carried out through a Subsidiary, the information referred to in Articles 5 and 6 above is provided to the Related Party Transactions Committee and the Qualified Corporate Governance Body or Party to deliberate on the Transaction, by the competent bodies of the Subsidiary, through the Corporate Affairs & Governance Department.

## **10. REPORTS TO CORPORATE BODIES**

- 10.1 The Accounting, Tax & Finance Operations Department, on the basis of the information received from the Divisions/Departments/Business Units from time to time concerned or from the Qualified Corporate Governance Bodies or Parties of subsidiaries, through the Corporate Affairs & Governance Department, transmits to the Board of Directors and the Board of Statutory Auditors, on a quarterly basis, a complete report on the execution of Highly and Less Material Transactions (also carried out through Subsidiaries) that have been previously approved by the Related Party Transactions Committee. This disclosure may be included among the communications made by the Chief Executive Officer pursuant to Article 150 TUF.

- 10.2 Without prejudice to the provisions of Section 7.2 concerning Regular Transactions concluded at conditions equivalent to market or standard conditions that qualify as Highly Material, the Related Party Transactions Committee and the Board of Statutory Auditors shall be informed by the relevant Division/Department/Business Unit and/or the Finance Division, through the Corporate Affairs & Governance Department, about the application of the exemption cases referred to in Sections 6, 7, and 8.2 to Transactions (also carried out through Subsidiaries) that have exceeded the size thresholds used to identify Highly Material Transactions, on an annual basis and in any case by the month of February of the year following the year in which the Transaction was carried out.
- 10.3 Without prejudice to the provisions of the preceding Sections 10.1 and 10.2, the Board of Directors and the Board of Statutory Auditors of Edison shall be informed about Related-party Transactions executed by the Company and its Subsidiaries, on an aggregate basis, through the Accounting, Tax & Finance Operations Department, in compliance with and consistent with the requirements set forth by the Accounting Control Model 262, on the occasion of the approval of the financial reports pursuant to Article 154-ter of the TUF.

## 11. PUBLIC DISCLOSURES

- 11.1 On the occasion of Highly Material Transactions (also carried out through Subsidiaries) and in the further hypotheses set forth in Article 5 of the Regulation, the Company prepares, pursuant to Article 114, paragraph 5, of TUF, an Information Memorandum, in accordance with the terms and methods indicated in said Article 5 and in compliance with the content illustrated in Annex 4 of the Regulation.
- 11.2 Pursuant to Article 154-ter of the TUF, the Company must provide in its semi-annual and annual financial report information about:
- (i) Individual Highly Material Transactions executed during the reporting period;
  - (ii) Any other individual Related-party Transaction, executed during the reporting period that had a material effect on the Company's balance sheet or income statement;

(iii) Any changes or developments affecting Transactions described in the latest annual report that had a material effect on the Company's balance sheet or income statement during the reporting period.

- 11.3 In cases when Less Material Transactions are approved or decided despite a negative opinion by the Related Party Transactions Committee, the Corporate Affairs & Governance Department, working, if necessary, with the support of other internal Functions of the Legal and Corporate Affairs Division specified on each occasion or the relevant Division/Department/Business Unit and the Finance Division, shall prepare and make available to the public a Memorandum in accordance with the terms, methods and in compliance with Article 7, paragraph 1, letter g) of the Regulation.
- 11.4 When a Transaction is also subject to the disclosure requirements of Article 17 of Regulation (EU) no. 596/2014, the press release issued to the public, which shall be prepared by the Media & External Relations Function in concert with the Corporate Affairs & Governance Department, based on the information provided by the Division/Department/Business Unit involved on each occasion and in accordance with the Procedure for the Management of Corporate Information, shall provide, in addition to the information disclosed pursuant to the above-mentioned provision, the information required by Article 6, Section 1, Letters a) to f), of the Regulations.

## **12. PRESERVING SUPPORTING DOCUMENTS**

- 12.1 Each relevant Division/Department/Business Unit shall preserve on file supporting documents concerning the activities and reviews performed pursuant to Article 4. The Corporate Affairs & Governance Department shall preserve on file the supporting documents concerning the communications provided to the Related Party Transactions Committee and the documents concerning the determinations adopted by the Related Party Transactions Committee and the Board of Directors pursuant to this Procedure.
- 12.2 The Accounting, Tax & Finance Operations Department, based on information received from each competent Division/Department/Business Unit, prepares the information to be submitted quarterly to the Company's Board of Directors and to the Board of Statutory Auditors, pursuant to Section 10.1, concerning the execution of Highly

Material and Less Material Related-party Transactions.

- 12.3 Without prejudice to the provisions of section 12.4 below, each relevant Division/Department/Business Unit, working, if needed, with the support of the Corporate Affairs & Governance Department and other Functions that are part of the Legal & Corporate Affairs Division, also for the purpose of identifying the cumulative thresholds set forth in Article 5 of the Regulation, shall provide input for the Register of Transactions, identifying in this regard an Officer Responsible for Information Flows and the Register. The Register of Related-Party Transactions must be updated within 3 (three) days from the date of conclusion of Highly Material and Less Material Transactions and Highly Material Regular Transactions concluded at Market or Standard Conditions, and on a monthly basis within 5<sup>th</sup> (fifth) day of the following months for all other Transactions and excluding Transactions of Inconsequential Amount.
- 12.4 The Provisions of Section 12.3 above do not apply to transactions involving the purchase and sale of commodities, foreign exchange, or hedging commodity price, foreign exchange and interest rate risks, provided that such transactions are recorded in company systems that are capable of ensuring the traceability of contractual terms and conditions and that make possible to detect the cumulative thresholds set forth in Article 5 of the Regulation.
- 12.5 In order to allow the preparation of the periodic disclosures that must be included in the semi-annual and annual financial reports, each relevant Division/Department/Business Unit shall provide the Accounting & Tax Department with any additional specific information that it may require with special instruction.
- 12.6 The compliance requirements set forth in the previous Sections shall also apply to Subsidiaries for the transactions that they execute.

### **13. CONFIDENTIALITY**

- 13.1 Insofar as the Transactions governed by this Procedure are concerned, all information received or otherwise obtained by Independent Directors, Independent Experts and

managers of the Company's Divisions/Departments/Business Units and of the companies of the Edison Group, who are involved for any reason in the above-mentioned Transactions, must be treated as strictly private and confidential and, when the information qualifies as insider information pursuant to the Procedure for the Management of Corporate Information, must be handled in accordance with the above-mentioned Procedure, unless it is communicated to the public as part of the disclosures required by Article 11 of this Procedure and/or its disclosure is otherwise indispensable for correct compliance with this Procedure or to comply with mandatory obligations pursuant to law, regulations or court orders.

## **14. FINAL PROVISIONS**

### **14.1 Approval, Amendments, Review and Dissemination of the Procedure**

14.1.1 This Procedure and any amendments thereto shall be approved by Edison's Board of Directors based on a binding favourable opinion provided by the Related Party Transactions Committee or, when less than three Independent Directors are in office, by the Independent Directors who are present or, if none is available, based on a non-binding opinion by an Independent Expert. The abovementioned opinion must be provided, and directly recorded in the minutes, even when a decision is made not to revise the existing Procedure. The Related Party Transactions Committee's opinion is not required where changes are made necessary by: (i) changes in the relevant regulatory provisions or in the applicable accounting standards and/or as a result of interpretative communications issued by Consob; (ii) changes in the Company's organisational structure.

14.1.2 The Board of Directors shall assess, at least every three years (or, in any case, at any different intervals that may be envisaged in the Communications or in the various interpretative communications that may be published by Consob) whether to proceed with a Review of the Procedure, taking into account, inter alia, any legislative and regulatory changes, any changes that may have occurred in the ownership structure as well as the effectiveness of the Procedure in practice.

14.1.3 This procedure shall be forwarded, also by posting it on the Company website, by the Company's Corporate Affairs & Governance Department to the Company's Directors, Statutory Auditors and Executives with strategic responsibilities.

14.1.4 The Procedure shall also be forwarded, also by posting it on the Company website, by the Company's Corporate Affairs & Governance Department to the relevant governance bodies of subsidiaries, so that they may become familiar with it, specifically with regard to the provisions of this Procedure concerning the identification of Related Parties, and comply with the requirements of this Procedure that apply to them and their governance bodies and functions. Any subsidiaries listed or whose securities are traded on Euronext Growth Milan shall adopt, if applicable with any adjustments required by and consistent with their organizational peculiarities, their own procedures concerning Related-party Transactions, taking into account the principles and Procedural rules of the Procedure.

## **14.2 Role of the Board of Statutory Auditors**

14.2.1 The Board of Statutory Auditors ensures that this Procedure is consistent with the principles of the Regulations, monitors the implementation of this Procedure and reports its findings to the Shareholders' Meeting. To that effect, one or more Board members shall attend the meetings of the Related Party Transactions Committee.

## **ANNEX 1: CRITERIA DEFINING TRANSACTIONS OF INCONSEQUENTIAL AMOUNT**

for the purposes of this Procedure, the expression Transactions of Inconsequential Amount shall be understood to mean the following:

- (i)** Transactions entailing the supply of facilities and services and collaborative agreements to operate and develop business activities for amounts of up to 500,000 (five hundred thousand) euros per Transaction or multiple Transactions executed in pursuit of a common purpose or Transactions in which the Related Party is a natural person, for amounts of up to **150,000 (one hundred and fifty thousand) euros**.
- (ii)** Mergers and demergers that meet all of the following parameters taken from the latest published or available financial statements:
  - (a)** total assets of the company or of the activities/business operations subject of the Transaction: up to **10,000,000 (ten million) euros**;
  - (b)** profit before taxes of the company or (when determinable) of the activities/business operations subject of the Transaction: up to **3,000,000 (three million) euros**;
  - (c)** total shareholders' equity of the company the activities/business operations subject of the Transaction: up to **1,000,000 (one million) euros**.
- (iii)** Other types of transactions, different from those listed in Items (i) and (ii) above (including acquisitions and divestments of companies, equity investments, businesses or business operations, issues of financial instruments, provisions of loans and guarantees) for amounts of up to **1,000,000 (one million) euros** or, if the Related Party is a natural person, up to **300,000 (three hundred thousand) euros** per Transaction or multiple Transactions executed in pursuit of a common purpose.