



AMPLIFON S.P.A.

**REGULATION ON RELATED PARTY
TRANSACTIONS**

April 29, 2021

INTRODUCTION

This regulation (the “**Amplifon Regulation**” or “**Regulation**”) approved by the Board of Directors of Amplifon S.p.A. (“**Amplifon**” or the “**Company**”) on April 29, 2021, effective as from July 1, 2021, supersedes the regulation concerning the Related Party Transactions the last version of which was adopted by the Board of Directors of the Company on July 26, 2018.

The Amplifon Regulation was prepared and approved in accordance with Article 4 of the regulation adopted by Consob with resolution no. 17221 dated March 12, 2010, as subsequently amended and integrated, after having obtained the favorable opinion of the Committee (as defined below).

The purpose of the Amplifon Regulation is to define the rules governing the identification, review, approval and execution of the Related Party Transactions entered into by the Company, either directly or through its direct or indirect, Italian or foreign, Subsidiaries (as defined below).

Without prejudice to the provisions of Articles 2343-*bis*, 2358, 2373, 2391 and the provisions of Articles 2497, 2497-*septies* of the Italian Civil Code, as well as to the accounting and financial disclosure requirements and the administrative and accounting procedures set forth by the Italian Civil Code and the Legislative Decree no. 58, dated February 24, 1998, the provisions of the Amplifon Regulation are designed to ensure the transparency, as well as the substantial and procedural fairness of the Related Party Transactions, in compliance with the OPC Regulation.

DEFINITIONS

For the purposes of this Regulation, the following terms shall have the meanings set out below:

Affiliate Company (<i>società collegata</i>)	a company defined as such by the applicable <i>pro tempore</i> international accounting standards.
Amplifon or the Company	Amplifon S.p.A.
Amplifon Regulation or Regulation	this regulation setting forth the rules governing the identification, review, approval and execution of the Related Party Transactions entered into by the Company, either directly or through its Subsidiaries.
Close Family Member	a family member of a Natural Person who may influence, or be influenced by, such Natural Person in their relations with the Company, including: (a) the children and spouse or domestic partner of that Natural Person; (b) the children of that Natural Person's spouse or domestic partner; (c) the dependents of that Natural Person or spouse or domestic partner.
Committee	the Committee, made up exclusively of Unrelated Directors with respect to the specific Transaction, non-executive, (i) a majority of independent Directors, in the case of transactions of Minor Importance, or (ii) only independent Directors in the case of transactions of greater importance, appointed within the Board of Directors of the Company.
Executives with Strategic Responsibilities	the members of the Board of Directors/managing body of the Company or the Parent Company, the standing members of the Board of Statutory Auditors/control body of the Company or the Parent Company and the executives with strategic responsibilities of the Company or the Parent Company having, either directly or indirectly, strategic responsibilities as to the planning, managing and controlling of the activities of the Company ¹ .
Independent Director	a member of the Board of Directors of the Company meeting the independence requirements set forth by the TUF and by the Corporate Governance Code approved by <i>Borsa Italiana</i> and effective as from January 1, 2021.
Independent Expert	an individual or a corporate entity holding the requirements of professional skills, integrity and independence requested by the nature of the office conferred. The existence of the independence requisite is assessed by the corporate body or by the Natural Person conferring the mandate, in particular taking into account any possible relations indicated in Paragraph 2.4. of Annex 4 of the OPC Regulation (<i>i.e.</i> , the economic, equity and financial relations between the Independent Expert and (i) the Related Party, its controlled entities, its controlling entities, companies subject to common control and the directors of the aforesaid companies; and (ii) Amplifon, its controlled entities, its controlling entities, companies subject to common control and

¹ As of the date of the Amplifon Regulation, the Company's executive with strategic responsibilities for the planning, direction and control of the Company's activities are also the executives appointed as members of the so-called Leadership Team, as identified by the Company's Board of Directors.

	the directors of the aforesaid companies).
Involved Director	a director who has an interest in the Transaction, for itself or for a third party, in conflict with the Company's interest.
Issuers Regulation	the regulations adopted by Consob with resolution no. 11971 dated May 14, 1999, as subsequently amended and integrated.
Legal Entity	any foundation, trust, company, corporation, partnership, firm, association or any other entity, with or without legal personality.
MAR Regulation	the Regulation (EU) no 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, including its implementing and delegated regulations, all as subsequently amended and integrated.
Natural Person	any individual or natural person.
OPC Regulation	the regulation adopted by Consob with resolution no. 17221 dated March 12, 2010, as subsequently integrated with the amendments made by resolution no. 21624 dated December 10, 2020.
Ordinary Transaction	Transaction that is part of the ordinary activities of the Company or of its Subsidiaries or of the financial activities connected to it, provided it has been carried out at conditions that are equivalent to the market or standard ones, meaning by this statement: contracts for the provision of services (including contracts for the supply of IT services), contracts for the provision of hearing aids, financial contracts connected to the ordinary course of business and any further Transaction being part of the ordinary operational activities of the Company or its Subsidiaries and/or being part of the related financial activities (including cash pooling transactions).
Parent Company	an entity defined as such by the applicable <i>pro tempore</i> international accounting standards.
Privacy Code	Legislative Decree no. 196 June 30, 2003, as subsequently amended or integrated.
Related Parties Database	has the meaning set out in Article 2 below.
Related Party Transaction	a Transaction entered into by Amplifon, either directly or through its Subsidiaries, with a Related Party.
Subsidiary	an entity defined as such by the applicable <i>pro tempore</i> international accounting standards.
Transaction and Related Party	any transaction and a party defined as such by the international accounting standards <i>pro tempore</i> applicable. Annex B to the Regulation contains an extract from the definitions of "related parties" and "transactions with related parties" pursuant to IAS 24, a reference to the additional definitions provided for by the international accounting standards, as well as some additions and specifications to the definitions identified by the Company.
Transaction of Minor Importance	a Related Party Transaction other than a Transaction of Small Amount and a Transaction of Significant Importance.

Transaction of Significant Importance

a Related Party Transaction that is so identified pursuant to Annex 3 of the OPC Regulation, as attached as Annex A to the Amplifon Regulation.

Transaction of Small Amount

a Related Party Transaction (i) with legal entities and having an overall value not exceeding € 500,000, which, in the light of the Company's size, does not involve any appreciable risk for the protection of investors and for the Company; and (ii) with natural persons (even indirectly) and having an overall value not exceeding € 100,000. Should an agreement be executed with a duration longer than one year or providing for the payment of different instalments, the possible overrun of the threshold of € 500,000 will have to be assessed by reference to the price to be paid during the overall effective term of the agreement (in any case, without taking into account any possible renewal or extension of the term of duration) or the price as resulting from the sum of all the different instalments shall be considered.

TUF

the legislative decree no. 58 dated February 24, 1998, as subsequently amended or integrated.

Unrelated Director

a director of Amplifon other than the counterparty of a specific Transaction and of the related parties of the counterparty

1. SCOPE OF APPLICATION

The Amplifon Regulation shall apply to the Related Party Transactions entered into by Amplifon, either directly or through its direct or indirect, Italian or foreign, Subsidiaries, unless one of the exclusion cases under Article 4 below shall apply.

As far as the Company's Subsidiaries are concerned, a suitable and timely flow of information is ensured between the top management of any Subsidiary and Amplifon; in particular, the top management of any Subsidiary is required to timely notify the Legal and Corporate Affairs Office of Amplifon, which in turn shall report to the CEO, of the approval or execution of any Related Party Transaction to be entered into by the relevant Subsidiary.

2. IDENTIFICATION OF THE RELATED PARTIES OF THE COMPANY

The Related Parties of the Company are recorded in a specific database created, managed and updated, in compliance with the Privacy Code and the laws applicable in each instance, by the Legal and Corporate Affairs Office of the Company, with the cooperation of the Group Accounting Office and the Group Risk and Compliance Office (the "**Related Parties Database**"). The Related Parties Database is created on the basis of the declarations issued periodically by the Related Parties, as well as on the basis of the public information and the documentation available to the Legal and Corporate Affairs Office².

The Related Parties Database is updated once a year by the Legal and Corporate Affairs Office of the Company, as well as at any time upon the initiative by any of the Related Parties in the event of a change in the information lastly provided by the relevant Related Party, which shall promptly communicate such version.

3. PROCEDURAL REQUIREMENTS AND DISCLOSURE OBLIGATIONS

3.1. Transaction of Minor Importance

As far as a Related Party Transaction other than a Transaction of Minor Importance:

- (1) before the approval of a Transaction of Minor Importance, for the purpose of the issue of the opinion contemplated under point (2) below, the Legal and Corporate Affairs Office of the Company shall transmit to the Committee, well in advance, a full report describing the Transaction.
- (2) save for Ordinary Transactions not requiring the issue of an opinion by the Committee, as soon as possible before the approval of the Transaction, the Committee shall express a non-binding motivated opinion on the Company's interest in the execution of the Transaction of Minor Importance and on the appropriateness and fairness of the Transaction of Minor Importance's main terms and conditions. Such opinion is attached to the minutes of the Board of Directors;
- (3) the Committee may require to be assisted, at the Company's expense, by one or more Independent Experts of its own choice with proven professionalism and expertise in the areas of interest. The expenditure ceiling that the Company will pay in relation to the use of Independent Experts shall be benchmarked to the value of the Transaction (within the maximum expenditure amount of 10% of the value of the same) and in any case should never be more than € 250,000 (two hundred fifty thousand euros) for each individual Transaction. The Committee verifies in advance the independence of the Independent Experts taking into account the guidelines indicated in Paragraph 2.4 of Annex 4 of the OPC Regulation;
- (4) the opinion of the Committee shall be communicated to the Legal and Corporate Affairs Office and the latter shall then notify such opinion to the corporate body or officer (as the case may be) having the responsibility to resolve upon the relevant Transaction of Minor Importance, together with the information listed under point (1) above;
- (5) the minutes of the meeting whereby the execution of the Transaction of Minor Importance is approved

² The public information and documentation available to the Legal and Corporate Affairs Department consists of: (i) the so-called "Acquisition File" prepared in accordance with the so-called Reporting Code adopted by the Company, (ii) the information published pursuant to Articles 120 and 122 of the TUF, and (iii) the minutes of the Company's Shareholders' Meetings and Board of Directors' Meetings.

(if any) shall indicate adequate motivation regarding the Company's interests in the execution of the Related Party Transaction and on the appropriateness and fairness of the Transaction of Minor Importance's main terms and conditions;

- (6) without prejudice to the disclosure obligations set forth by Article 17 of the MAR Regulation and Article 5 of the OPC Regulation, if a Transaction of Minor Importance is carried out in spite of the Committee's negative opinion, a document shall be published in compliance with the applicable laws and regulations within 15 calendar days of the end of each quarter indicating: (i) the counter-party, (ii) the subject matter, (iii) the price (if any) of such Transaction of Minor Importance, as well as (iv) the reasons on the basis of which the unfavorable opinion issued by the Committee was disregarded. Within the same term, the opinion is made available to the public as an annex to the above document or on the Company's web site.

If the opinion expressed by the Committee (or by the Unrelated Independent Director or by the Board of Statutory Auditors of the Company, as the case may be) upon the Transaction of Minor Importance's completion is unfavorable:

- (i) a decision may be made not to continue with the relevant Transaction of Minor Importance, or
- (ii) in any case, the relevant Transaction of Minor Importance may still be authorized. In this case:
- (a) if the relevant Related Party Transaction has to be approved by the shareholders' meeting, the procedural rules outlined above shall apply; in particular, the minutes of the shareholders' meeting shall refer to the Company's interest in the execution of the Related Party Transaction and on the appropriateness and fairness of the Transaction of Minor Importance's main terms and conditions;
- (b) if the relevant Related Party Transaction has to be approved by the board of directors of the Company, the latter shall explain in detail - in the resolution approving the Transaction – the reasons underlying the decision, having taken into account the Company's interest in the execution of the Transaction of Minor Importance and on the appropriateness and fairness of the Transaction of Minor Importance's main terms and conditions, also attaching to the meeting's minutes the Committee's (or the other responsible body's) opinion. The Involved Directors shall abstain from voting upon the relevant Transaction of Minor Importance³;
- (c) if the Transaction of Minor Importance has not to be approved by the Company's Shareholders' Meeting or by the Board of Directors, the Legal and Corporate Affairs Office of Amplifon shall inform the CEO of the Company, who in turn shall provide the Board of Directors and the Board of Statutory Auditors of the Company with the information listed under Article 8, paragraph (1) of this Regulation.

In any event, the disclosure obligations described under Article 9 of this Regulation shall apply.

3.2. Transactions of Significant Importance

As far as Transactions of Significant Importance are concerned, in addition to what is already provided for in Article 3.1, paragraphs 1, 3, 4, 5, Article 7 and Article 9 of the Regulation, the following procedure shall be carried out:

- (1) the decision on the execution of the Transaction of Significant Importance shall be adopted through a resolution taken by the Board of Directors of Amplifon, it being understood that such power may not be delegated to one or more Directors or to an internal committee. The Involved Directors shall abstain from voting upon the relevant Transaction of Significant Importance⁴;
- (2) the Committee or one or more of its members, delegated by the Committee, shall be promptly involved in the negotiation phase and in the examination phase by receiving a complete and updated information

³ The Involved Directors will contribute to the constitutive *quorum* (*quorum costitutivo*) but not to the deliberative one (*quorum deliberativo*).

⁴ See note 3 above.

flow, with the power to request information from and to address observations to the delegated bodies and the subjects in charge of the negotiations or the enquiries;

- (3) the Board of Directors of Amplifon shall approve the Transaction of Significant Importance only after receiving the Committee's motivated favorable opinion on the Company's interest in the execution of the Transaction of Significant Importance and on the appropriateness and fairness of the Transaction of Significant Importance's main conditions. Such opinion is attached to the minutes of the Board of Directors.

3.3 Framework resolutions

The Board of Directors may approve framework resolutions for series of homogeneous Transactions to be carried out with specific categories of Related Parties.

In this case, framework resolutions shall:

- (i) not be effective for more than one year;
- (ii) refer to sufficiently determined Transactions;
- (iii) report the expected maximum amount of the Related Party Transactions to be completed during the reference period and the reasons for the expected conditions.

Full disclosure, at least on a quarterly basis, shall be made to the Board of Directors on the implementation of the framework resolutions.

In case of individual transactions concluded in execution of a framework resolution, the provisions set forth under Article 3 of this Regulation shall not apply, as such provisions will be applied with reference to the applicable framework resolution.

Should an information document be published in connection with a framework resolution (on the basis of the foreseen maximum amount of the Transactions contemplated in the relevant framework resolution), the Related Party Transactions completed in the implementation of such a framework resolution shall not be counted for the purpose of the accumulation principle set forth in the OPC Regulation.

4. EXCLUDED RELATED PARTY TRANSACTIONS

- (1) The procedures and the disclosure obligations indicated in Articles 3 and 8 of this Regulation, in accordance with Article 13 of the OPC Regulation, shall not apply to:
 - (a) Shareholders' Meeting resolutions referred to in Article 2389, paragraph 1, of the Italian Civil Code relating to the compensation of the members of the Company's Board of Directors or the Executive Committee (if any);
 - (b) resolutions resolved by the Company and addressed to all shareholders on the same terms and conditions, including:
 - (i) corporate capital increase offered in option for subscription (*aumenti di capitali offerti in opzione*), including to serve convertible bonds, and corporate capital increase on a gratuitous basis pursuant to Article 2442 of the Italian Civil Code;
 - (ii) spin-off transactions, full or partial, with an allocation of the shares on a *pro-quota* basis;
 - (iii) share capital reductions by means of reimbursement to the shareholders pursuant to art. 2445 of the Italian Civil Code and the purchase of own shares (*azioni proprie*) pursuant to art. 132 of the TUF;
 - (c) for the allocation of emoluments as well as the resolutions regarding the compensation for Directors holding special offices included within the total amount already allocated by Shareholders' Meeting resolution pursuant to Article 2389, paragraph 3, of the Italian Civil Code;

- (d) Shareholders' Meeting resolutions referred to in Article 2402 of the Italian Civil Code relating to the compensation of the members of the Board of Statutory Auditors.
- (2) Without prejudice to the financial and accounting disclosure obligations set forth by the applicable laws and regulations, the procedures and the disclosure obligations referred to in this Regulation shall not apply in the following cases:
- (a) compensation plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the TUF and related transaction;
 - (b) any resolutions, other than those indicated in the preceding paragraph (1), regarding the remuneration of the members of the Board of Directors, the Directors holding special offices and the Executives with Strategic Responsibilities, provided that: (i) the Company has adopted a remuneration policy approved by the Shareholders' Meeting; (ii) the compensation committee has been involved in the definition of the remuneration policy; and (iii) the remuneration granted is determined in accordance with the said policy and on the basis of criteria not entailing discretionary evaluations;
 - (c) Ordinary Transactions carried out "at equivalent to the market" or standard conditions. In such a case, without prejudice to the provisions set forth by Article 17 of the MAR Regulation, should a transaction under this letter (c) be qualified as a Transaction of Significant Importance, the Company shall: (i) notify Consob and the Independent Directors – within 7 days of the date of approval of the Transaction by the competent body or, if the competent body resolves to submit a contractual proposal, from the time when the contract, even preliminary, is entered into on the basis of the applicable regulations – about the counter party, the subject and the consideration of the transaction that benefited from the exclusion; as well as the reasons why it is believed that the Related Party Transaction can be qualified as an Ordinary Transaction and performed at conditions equivalent to those of the market or standard, providing objective elements for purposes of verification; and (ii) indicate in the interim and annual management reports, as part of the information requested for periodic transparency purposes, which – among the transactions subject to informative obligations included therein – were carried out with the exclusion clause established under this letter (c);
 - (d) the transactions between the Company and its Subsidiaries or among Subsidiaries, even jointly owned by the Company, as well as transactions with Affiliate Companies, provided that no other Related Parties of the Company has significant interests in the involved Subsidiary/Subsidiaries or Affiliate Company(ies). For the purposes of the Amplifon Regulation, a significant interest exists in all those cases where there is a situation capable of conditioning the transparency and essential correctness of the decision-making process. Interests deriving from the mere sharing of one or more Executives with Strategic Responsibilities between the Company and its Subsidiaries or Affiliate Companies are not considered to be significant interests;
 - (e) Transactions to be carried out on the basis of instructions having objectives of stability issued by supervisory authorities, or on the basis of instructions issued by the parent company for the execution of instructions given by any supervisory authorities in the interest of the group's stability;
 - (f) Transactions of Small Amount.
- (3) In cases where the Transaction is not within the competence of the Shareholders' Meeting and do not need to be authorized, where expressly permitted by the By-Laws, in urgent cases, without prejudice to Article 5 of the OPC Regulation, where applicable, and the reserve of competence to approve the resolutions within the Board of Directors pursuant to article 8 of the OPC Regulation is applicable to Transactions of Significant Importance, then the Related Parties Transactions may be concluded in derogation of Article 3 of this Regulation, as well as Annex 2 to the OPC Regulation, provided that:

- (a) if the Transaction to be made falls within the responsibility of an executive director or member of the Executive Committee, the Chairman of the Board of Directors is to be promptly informed of the reasons for the urgency and in any case before the completion of the Transaction;
- (b) these transactions are subsequently subject, without prejudice to their effectiveness, to a non-binding resolution by the first ordinary Shareholders' Meeting;
- (c) the body that convenes the Shareholders' Meeting prepares a report containing adequate justification of the reasons for the urgency. The control body reports to the Shareholders' Meeting its assessment on the existence of the reasons for urgency;
- (d) The report and the assessments referred to in letter c) are made available to the public at least twenty-one days before the date set for the Shareholders' Meeting at the registered office and in the manner specified in Part III, Title II, Chapter I, of the Issuers' Regulation. These documents may be contained in the information document referred to in Article 5, paragraph 1, of the OPC Regulation;
- (e) within the day following the day of the meeting, the Company makes available the information on voting results to the public in the manner specified in Part III, Title II, Chapter I, of the Issuers' Regulation, particularly with regard to the number of votes cast by unrelated shareholders.

5. TRANSACTIONS WITHIN THE REMIT OF THE SHAREHOLDERS' MEETING

5.1. Transactions of Minor Importance

When a Transaction of Minor Importance is within the competence of the Shareholders' Meeting or must be authorized by it, the provisions set forth in Article 3 of this Regulation are applied during the preparatory stage and the stage of approval of the proposed resolution to be submitted to the Shareholders' Meeting.

5.2. Transactions of Significant Importance

- (1) When a Transaction of Significant Importance has to be approved by the Shareholders' Meeting as set forth by the applicable law provisions or the By-Laws, (i) the minutes of the Shareholders' Meeting shall refer to the Company's interest in the execution of the Related Party Transaction and on the appropriateness and fairness of the Related Party Transaction's main terms and conditions;
 - (ii) the proposal to be submitted to the Shareholders' Meeting shall be adopted through a resolution taken by the Board of Directors, it being understood that such power may not be delegated to one or more Directors or to an internal Board committee; (iii) the Committee or one or more of its members, delegated by the Committee, shall be involved in the negotiation phase and in the examination phase by receiving a complete and updated information flow, with the power to request information from and to address observations to the delegated bodies and the subjects in charge of the negotiations or the enquiries; and
 - (iv) should the Committee issue a non-favorable opinion on the Transaction, the resolution of the shareholders' meeting shall be approved in accordance with Article 11, paragraph 3, of the OPC Regulation.

In particular, in the event of a Transaction of Significant Importance being under the responsibility of the Company's shareholders' meeting and the Committee delivers an unfavorable opinion to the completion of the Related Party Transaction, such a Related Party Transaction may not be approved if the majority of the Unrelated Shareholders votes against the Related Party Transaction, provided that the Unrelated Shareholders attending the relevant shareholders' meeting represent at least 10% of the share capital.

For the purpose of the above-mentioned mechanism ("*whitewash*"), the proposal to the Shareholders' Meeting shall expressly indicate that the resolution will be conditional upon the abovementioned

quorum having been met. Where expressly permitted by the By-Laws, in urgent cases related to corporate crises, without prejudice to the provisions in Article 8.2, where applicable, Related Party Transactions may be concluded in derogation of the provisions of the preceding paragraph, provided that at the Shareholders' Meeting the following provisions are applied:

- (a) the body that convenes the Meeting prepares a report containing adequate justification of the reasons for the urgency. The Committee reports to the Shareholders' Meeting its assessment on the existence of the reasons for urgency;
- (b) the report and the assessments referred to in point a) above are made available to the public at least twenty-one days before the date set for the Shareholders' Meeting at the registered office and in the manner specified in Part III, Title II, Chapter I, of the Issuers' Regulation. These documents may be contained in the information document referred to in Article 2, paragraph 1, of the OPC Regulation;
- (c) should there be any significant updates to be made to the information document published pursuant to article 8.2, Amplifon shall make available to the public a new version of the document at the company's registered office by the twenty-first day prior to the Shareholders' Meeting, in accordance with the procedures indicated in Part III, Title II, Chapter I, of the Issuers Regulations, without prejudice to the right to include by reference information already published.

6. EQUIVALENT PROTECTIONS

- (1) In the event that one or more members of the Committee prove to be Related Parties with respect to a Transaction on which the Committee is called upon to express an opinion, and in any case it is not possible to set up a Committee in accordance with the rules of composition under the Definitions in this Regulation, or if there is a deadlock in the vote, one of the following Equivalent Protections is to be adopted:
 - a) if one of the Committee members is a Related Party, the Committee's decision is to be adopted by the majority of the Unrelated Directors of the Committee who are unrelated parties, provided that the majority of them are Independent Directors; or,
 - b) the opinion referred to in Article 3 of this Regulation shall be issued by two Independent Directors or, as long as within the Board of Directors only one Director can be qualified as a Unrelated Independent Director, by the only Unrelated Independent Director, provided that a majority of Independent Directors, or the only Independent Director, is not a Related Party with respect to the specific Transaction; or,
 - c) the opinion referred to in Article 3 of this Regulation is issued by the Board of Statutory Auditors, provided that the majority of the members of the same are not Related Parties with respect to the specific Transaction; or,
 - d) the opinion referred to in Article 3 of this Regulation is issued by an independent expert selected from among persons of recognized standing and competence in the matters concerned, after having evaluated the independence and freedom from conflicts of interest.
- (2) In the event of an appeal to one of Equivalent Protections referred to in this Article 6, the provisions relating to the rules provided about the procedure which has to be followed by the Committee for Transactions with Related Parties shall apply, *mutatis mutandis*.

7. RELATED PARTY TRANSACTION THROUGH SUBSIDIARIES

- (1) This Regulation shall also apply, *mutatis mutandis*, to the Related Party Transactions carried out through Subsidiaries.
- (2) In this case, the power to approve the Transaction is reserved for the competent bodies of the Subsidiary.
- (3) In order to allow the involvement of the Committee, the Subsidiary must promptly send all the information

and documentation required to the Legal and Corporate Affairs Office of the Company.

- (4) If the Transaction is approved, the execution of the same must have full disclosure at least quarterly to the Board of Directors and the Board of Statutory Auditors.

8. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

8.1 Internal information on Transactions with Related Parties

In any case, the Board of Directors and the Board of Statutory Auditors of the Company shall at least quarterly receive from the CEO or other delegated body, full information on the execution of each Related Party Transaction completed or approved in the reference quarter (both those whose execution is approved by the Board of Directors of the Company or the Shareholders' Meeting and those whose execution is resolved upon by a corporate body or officer duly empowered to do so), with specific indication of the following: (i) the Transaction type (that is, whether it is (a) Transaction of Small Amount, (b) Transaction of Minor Importance, (c) Transaction of Significant Importance or (d) Transaction concluded in the implementation of framework resolutions under Article 3.3 of this Regulation), and (ii) each Related Party Transaction concluded in the presence of a negative opinion of the Committee and the reasons therefore. The Independent Directors receive annual information on the application of the cases of exemption identified pursuant to art. 4 of the Regulation, at least with reference to Transactions of Significant Importance. In addition, promptly following receipt of the notice referred to in art. 4.2, letter c), of the Regulation, the Independent Directors shall verify the correct application of the exemption conditions to Transactions of Significant Importance defined as ordinary and concluded at market or standard conditions.

8.2 Public Disclosure of Transactions of Significant Importance

Without prejudice to the disclosure obligations set forth by Article 17 of the MAR Regulation and by Article 5 of the OPC Regulation, in connection with each Transaction of Significant Importance the company shall publish an information document, which must contain at least the information indicated in Attachment 4 of the OPC Regulation and must include in an annex evidence of the opinions, if any, of the Committee in relation to the Transactions of Significant Importance, of the Independent Experts used by the Committee in such cases and the opinions issued by experts qualified as Independent Experts used by the Board of Directors, if any. The above opinions may be made public on the Company's website within the deadline set out in article 5 of the OPC Regulation. In relation to the aforementioned opinions of the Independent Experts, the Company may publish only the elements indicated in Annex 4 to the OPC Regulation, giving reasons for its choice. Article 5 of the OPC Regulation will apply accordingly.

8.3 Periodic disclosure

Pursuant to Article 154-ter of the TUF, the Board of Directors provides disclosure in the Interim Management Report and in the Annual Report:

- a) about individual Transactions of Significant Importance concluded during the reporting period;
- b) any other individual Related Party Transaction, as defined pursuant to Article 2427, concluded in the reporting period, that have significantly affected the financial position or results of the Company;
- c) any change or development of Transactions with Related Parties described in the last Annual Report that had a significant effect on the financial position or results of the Company during the reporting period.

9. OBLIGATIONS OF DISCLOSURE FOR INSIDE INFORMATION PURSUANT TO ARTICLE 17 OF THE MAR REGULATION, IN CONNECTION WITH RELATED PARTY TRANSACTIONS

If a Transaction with Related Parties is made public through a press release under Article 17 of the MAR Regulation, the statement to be disclosed to the public shall contain, in addition to other information to be published pursuant to the aforesaid article, at least the following information:

- a) description of the Transaction;

- b) an indication that the Transaction counterparty is a Related Party and a description of the nature of the relationship;
- c) the name or the company name of the counterparty in the Transaction;
- d) whether the Transaction exceeds or not the significance thresholds under Annex A to this Regulation and the indication of any subsequent publication of an information document in accordance with Article 5 of the OPC Regulation;
- e) the procedure which has been or will be followed for approving the Transaction and, in particular, whether the Company has made use of an exclusion under this Regulation in accordance with Articles 13 and 14 of the OPC Regulation;
- f) any Transaction which is approved against the advice of the Committee.

10. ENTRY INTO FORCE, MONITORING AND ADJUSTMENT OF THE AMPLIFON REGULATION

This Amplifon Regulation has entered into force on July 1, 2021, following the reasoned and favorable opinion of the Committee, and shall be published on the Company's website.

This Amplifon Regulation is published on the Company's website.

To guarantee coordination with the administrative and accounting procedures pursuant to Article 154-*bis* of the TUF, the information relating to Related Party Transactions shall also be provided to the officer responsible for drawing up the corporate accounting records on a regular basis.

The Board of Statutory Auditors shall monitor the compliance of the Amplifon Regulation with applicable law, as well as the compliance by the addressees with the Amplifon Regulation and shall report on these matters to the Shareholders' Meeting pursuant to Article 2429, paragraph 2, of the Italian Civil Code or Article 153 of the TUF. In particular, the Board of Statutory Auditors shall assess the compliance with the OPC Regulation and the Amplifon Regulation when examining or approving any Related Party Transaction.

The Amplifon Regulation shall be reviewed at least once every 3 years, also in consideration of the ownership and organizational structure of the Company.

The opinion of the Committee shall be required even when, after the review, it is decided not to amend the Amplifon Regulation in any way.

ANNEX A – CRITERIA FOR IDENTIFYING A TRANSACTION OF SIGNIFICANT IMPORTANCE

1. Transactions in which, at least one of the following relevance indexes, applicable depending on the specific transaction, is higher than the 5% threshold:
 - a) **Equivalent-value relevance ratio**: the ratio between the equivalent transaction and the net equity drawn from the latest published balance sheet (consolidated, if so prepared) by the company or, for listed companies, if greater, the capitalization of the acquired firm at the end of the last trading day included in the period covered by the latest accounting periodical published document (or semi- annual financial report or the interim financial report). For banks, is the ratio between the equivalent value of the transaction and the regulatory capital drawn from the latest published balance sheet (consolidated, if so prepared).

If the economic conditions of the transaction are determined, the value of the transaction shall be:

 - i) for the cash component, the amount paid to or by the contract counterparty;
 - ii) for the component in financial instruments, the fair value determined at the date of the transaction, in accordance with international accounting standards adopted by Regulation (EC) No. 1606/2002;
 - iii) for funding transactions or grant of guarantees, the maximum amount payable.

If the economic conditions of the operation depend, in whole or in part, of magnitudes as yet unknown, the value of the transaction is the maximum admissible or payable value under the Agreement.
 - b) **Asset relevance ratio**: the ratio between the total assets of the entity in the transaction and the total assets of the company. Data to be used shall be obtained from the most recently published balance sheet (consolidated, if so prepared) by the company; whenever possible, similar data should be used for determining the total assets of the entity involved in the transaction.

For transactions involving the acquisition and sale of shares in companies that have an impact on the area of consolidation, the value of the numerator is the total assets of the investee, regardless of the percentage of capital being available.

For transactions of acquisition and divestment of holdings in companies that have no effect on the consolidation perimeter, the value of the numerator is:

 - i) in the case of acquisitions, the counter operation plus the liabilities of the company acquired eventually assumed by the purchaser;
 - ii) in case of supplies, the consideration of the divested business.

For transactions of acquisition and disposal of other assets (other than the purchase of a stake), the value of the numerator is:

 - i) in case of acquisitions, the greater of the consideration and the carrying amount that will be attributed to the asset;
 - ii) in case of supplies, the book value of the assets.
 - c) **Liabilities relevance ratio**: Description of characteristics, rules, terms and conditions of the transaction. Data to be used must be derived from the most recently published balance sheet (consolidated, if so prepared) by the company; whenever possible, similar data should be used for determining the total liabilities of the company or company branch acquired.

2. Transactions with the parent company listed or subjects that are related to the latter in turn related to companies where at least one indicator of significance in subsection 1 higher than the threshold of 2.5%.
3. In the case of overlapping of multiple transactions pursuant to Article 5, subsection 2, of the OPC Regulation companies shall determine in the first place, the relevance of each individual transaction on the basis of the ratio or ratios, as prescribed in subsection 1, thereto applicable. To verify whether the thresholds specified in subsections 1 and 2 are exceeded, the results for each indicator are added together.
4. Where a transaction or several transactions that are accumulated under article 5, subsection 2, of the OPC Regulation are identified as “of Significant Importance” according to the indices established in paragraph 1 and this result is manifestly unreasonable in view of special circumstances, Consob may indicate, at the request of the company, alternative arrangements to be followed in determining these indices. To this end, the company announced to Consob the essential characteristics of the transaction and the special circumstances upon which the request prior to the conclusion of the negotiations was based.

APPENDIX B - DEFINITIONS OF RELATED PARTIES AND TRANSACTIONS WITH RELATED PARTIES AND OTHER DEFINITIONS ACCORDING TO THE INTERNATIONAL ACCOUNTING STANDARDS

1. Definitions of “related parties” and “transactions with related parties” according to international accounting standards

For the purposes of this Regulation, the definitions contained in the international accounting standards referred to below shall apply:

Related Parties

A related party is a person or entity that is related to the reporting entity.

- a) A person or a close family member of that person is related to a reporting entity, if that person:
 - i) has control or joint control over the reporting entity;
 - ii) has a significant influence over the reporting entity; or
 - iii) is one of the executives with strategic responsibilities of the reporting entity or of a parent company of the reporting entity.
- b) An entity is related to a reporting entity, if any of the following conditions apply:
 - i) the entity and the reporting entity are part of the same group (meaning that each parent, subsidiary, and group company is related to the others);
 - ii) one entity is an affiliate (*collegata*) or joint venture of the other entity (or an affiliate or joint venture that is part of a group of which the other entity is a member);
 - iii) both entities are joint ventures of the same third party;
 - iv) one entity is a joint venture of a third entity and the other entity is an affiliate of the third entity;
 - v) the entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an affiliate of such reporting entity;
 - vi) the entity is controlled or jointly controlled by a person identified in letter (a);
 - vii) a person identified in (a)(i) has significant influence over the entity or is one of the executives with strategic responsibilities of the entity (or of a parent company of the entity).

In the definition of related party, an “affiliate” includes the subsidiaries of the affiliate and a joint venture includes the subsidiaries of the joint venture. Therefore, for example, a subsidiary of an affiliate and the investor that has significant influence over the affiliate are related to each other⁵.

2. Definitions functional to those of “related parties” and “transactions with related parties” according to international accounting standards

The terms “control”, “joint control” and “significant influence” are defined in IFRS 10, IFRS 11 and IAS 28 and are used with the meanings specified in those IFRSs.

Executives with strategic responsibilities

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

Close family members

⁵ These transactions include:

- mergers, demergers by incorporation or demergers in the strict non-proportional sense, where carried out with related parties;
- decisions concerning the allocation of remuneration and economic benefits, in any form, to members of the management and control bodies and to managers with strategic responsibilities.

Close family members of a person are those family members who are expected to influence, or be influenced by, that person in their dealings with the company, including:

- (a) the children and spouse or domestic partner of that person;
- (b) the children of that person's spouse or domestic partner;
- (c) the dependents of that person or of the spouse or cohabitant.

3. Principles of interpretation of definitions

3.1 In examining each related party relationship, attention should be paid to the substance of the relationship and not simply its legal form.

3.2 The interpretation of the above definitions is made by reference to all the international accounting standards adopted in accordance with the procedure set out in Article 6 of Regulation (EC) No. 1606/2002.