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GROUP POLICY

Global Policy on Transactions with Related Parties in accordance with Consob Regulation no. 17221/2010, Connected Entities in accordance with the 263 Bank Supervisory Provisions of the Bank of Italy, Key Personnel of the UBI Group, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and Other Relevant Entities

<i>ID</i>	<i>RELEVANT COMPANIES</i>	<i>RECIPIENTS</i>
868	All the companies of the UBI Group	All
<i>OWNER</i>		<i>AUTHOR</i>
UBI – Chief General Counsel		UBI Corporate Affairs and Relationships with Authorities
<i>REVIEWER</i>		
UBI – Chief Compliance Officer		
<i>RESOLVING BODY</i>		<i>APPROVAL DATE</i>
Management Board		29 March 2019
Supervisory Board		09 April 2019
<i>PUBLICATION DATE</i>	<i>EFFECTIVE DATE</i>	<i>EDITION</i>
12 April 2019	12 April 2019	Second edition

AMENDMENTS INTRODUCED

Amendments following the adoption of the one-tier governance system by UBI Banca S.p.A. and in order to align the new version of such policy with the provisions set forth in the document “*Policy and Regulations on suitability requirements and criteria for carrying out the duties of Director and on co-ordination measures for the directors of other companies in the UBI Group*”.

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GLOSSARY

The terms listed below have the meaning respectively indicated for each of them:

Other Relevant Entities has the meaning indicated in paragraph 1.2 (*Scope of application and corporate perimeter of Global Policy*) and specifically identifies the Other Relevant Entities indicated in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Risk Activities means the net exposures as defined for the purposes of the risk concentration rules indicated in (i) Title V, Chapter 1, Section I, Paragraph 3 of the 263 Bank Supervisory Provisions, as well as (ii) the “*Instructions for completing prudential reports for supervised entities*” (Bank of Italy Circular no. 286, dated 17 December 2013, as subsequently amended).

Supervisory Authority means, as appropriate, the Bank of Italy and/or the European Central Bank and/or Consob.

ECB means the European Central Bank.

Parent Company means UBI Banca, Parent Company of the UBI Group.

Committee has the meaning indicated in paragraph 3.2 (*Profiles of liability and process control structure at Group level*). In particular, that term indicates the committee in charge of conducting the functions assigned to the same by the Global Regulation, in compliance with the provisions of the Consob Regulation. With reference to UBI Banca, that Committee is also known as **Related Parties and Connected Entities Committee**.

Management Control Committee means the Management Control Committee of UBI Banca.

Application Communication means Consob Communication no. DEM/10078683, dated 24 September 2010, containing “*Indications and guidelines for applying the Regulation on Transactions with Related Parties adopted with resolution no. 17221 dated 12 March 2010 as subsequently amended*”.

Market Equivalent or Standard Conditions means the conditions analogous to those usually applied to unrelated parties in transactions of corresponding nature, amount and risk, or based upon regulated tariffs or on imposed prices or those applied to entities with which the Bank or the other companies of the UBI Group are obliged by law to contract at a certain fee, as specified in more detail in Annex E (*Market Equivalent or Standard Conditions*).

Board of Directors means the Board of Directors of UBI Banca.

Management Board means the UBI Banca Management Board.

Supervisory Board means the UBI Banca Supervisory Board.

Managers with Strategic Responsibility means those persons who have the power and responsibility, directly or indirectly, for planning, managing and controlling the Bank's activities. In particular, it means: the members of the Board of Directors, the members of General Management, the Manager in charge of preparing the corporate accounting documents, the Chief Audit Executive, Chief Risk Officer, Chief General Counsel, Chief Financial Officer, Chief Lending Officer, Chief Commercial Officer, Chief Operating Officer, Chief Wealth and Welfare Officer, Chief Compliance Officer, Heads of the Territorial Macro Area, Top Private Banking Manager and Corporate & Investment Banking Manager.

285 Bank Supervisory Provisions means the “*Supervisory Provisions for Banks*” set out in Circular no. 285 dated 17 December 2013 of the Bank of Italy, as subsequently amended.

263 Bank Supervisory Provisions has the meaning indicated in paragraph 2.2 (*Connected Entities Regulation*).

EBA means the European Banking Authority.

ESMA means the European Securities and Markets Authority.

Members means persons who perform administration, management and control roles at UBI Banca, UBISS, other banks or the Supervised Intermediaries of the UBI Group. The definition includes, in particular, in the traditional management and control system, the directors and auditors; in the one-tier system, the members of the Board of Directors, including therefore also the members of the Management Control Committee. The definition also includes the general manager and those having roles involving the exercise of functions equivalent to those of general manager.

Relatives Subject to Limits means:

- (i) the parents;
- (ii) the not legally separated spouse or *more uxorio* cohabiting partner;
- (iii) the children and dependants of (a) the individual, (b) the not legally separated spouse or (c) the *more uxorio* cohabiting partner.

Family and/or Corporate Foundations means the foundations of family and/or corporate nature in which a Member of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibility of UBI Banca, the general manager or members of general management - where present - of UBISS, of the other banks and Supervised Intermediaries of the UBI Group, a Close Relative of the aforementioned persons or a Subsidiary Company of the aforementioned entities has the right to appoint members of the respective management and/or control bodies.

UBI Group means the group formed by UBI Banca and by the companies controlled by the latter.

Indicator of Group Dependence has the meaning indicated in paragraph 2.7.3.3 (*Special rules with reference to Transactions of supply or purchase of goods or services (therein including advisory services) with Relevant Entities in accordance with the Global Perimeter*) of the Global Regulation. In particular, it means the ratio between the counterparty's turnover in the UBI Group in the financial year in which the expenditure is incurred and its individual turnover achieved in Italy and/or abroad as recorded by the latest approved financial statements or by the latest income return.

Significant Influence has the meaning indicated in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Supervised Intermediary means Italian and foreign investment companies, asset management companies, electronic money institutions (IMEL), financial intermediaries listed on the register provided by Article 106 of the Italian Consolidated Banking Law, payment institutions forming part of UBI Group and having individual regulatory capital exceeding 2% of the UBI Group's consolidated regulatory capital.

IW Bank means IW Bank S.p.A..

Transaction has the meaning indicated in paragraph 3.4 (*Transaction Definition*).

Exempt Transactions has the meaning indicated in paragraph 3.6 (*Exempt Transactions*).

Body with Management Function means the company body or the members of it who have or are delegated management duties, that is, the implementation of the guidelines resolved in the exercise of the

strategic supervision function. To the purposes of this Policy, with reference to UBI Banca and the other companies of UBI Group, it means the Board of Directors.

Related Parties means the Related Parties of UBI Banca in accordance with the Consob Regulation as defined in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Regulatory Capital means the aggregate defined for the purposes of the rules indicated in Title V, Chapter 1, Section I, par. 3 of the 263 Bank Supervisory Provisions, on risk concentration.

Global Perimeter means the set of the Group's Related Parties, Connected Entities, Key Personnel and Other Relevant Entities as indicated in more detail in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Group Key Personnel or Key Personnel means the Group Key Personnel as defined in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*). In particular, the definition of “Key Personnel” reflects the definition of “Key Function Holders” indicated in the European regulation, also in view of the guidelines “Assessment of the suitability of the members of management body and key function holders” published jointly by the EBA and by ESMA on 26 September 2017, and subsequent amendments.

Global Policy has the meaning indicated in paragraph 1.1 (*Purpose of Global Policy*).

Consob Regulation has the meaning indicated in paragraph 2.1 (*Related Parties Regulation*). In particular, it means the regulation issued by Consob containing provisions on transactions with Related Parties, approved on 12 March 2010 by resolution no. 17221, as updated and amended from time to time, also taking account of the Application Communication.

Global Regulation has the meaning indicated in paragraph 1.1 (*Purpose of Global Policy*).

Subsidiary Companies means the Italian and foreign companies belonging to the UBI Group.

Connected Entities means in accordance with the 263 Bank Supervisory Provisions the Connected Entities of UBI Banca, the other banks and the Supervised Intermediaries of the UBI Group and UBISS, as defined in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Relevant Entities in accordance with the Global Perimeter means the persons indicated in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Policy.

Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law means (i) the bank Members indicated in Article 136 of the Italian Consolidated Banking Law, namely the Members of UBI Banca and other banks of the UBI Group (including the alternate auditors for the banks which adopt the traditional governance system) as well as (ii) the additional entities who are connected with and/or attributable to the bank Members indicated in Article 136 of the Italian Consolidated Banking Law, whose obligations may be considered to be indirectly contracted by those bank Members, as better specified in the Global Regulation.

Articles of Association means the company articles of association of UBI Banca in force each time.

Italian Consolidated Banking Law means Italian Legislative Decree 1 September 1993, no. 385.

Italian Consolidated Finance Law means Italian Legislative Decree 24 February 1998, no. 58.

UBI Banca or the **Bank** or the **Parent Company** has the meaning indicated in paragraph 1.1 (*Purpose of this Global Policy*).

UBISS means UBI Sistemi and Servizi S.c.p.A..

SECTION I – INTRODUCTION: PURPOSE, SCOPE OF APPLICATION AND STRUCTURE OF CONTROL OF GLOBAL POLICY

1.1 Purpose of Global Policy

This policy (the **Global Policy**) aims to define the principles and guidelines that UBI Banca S.p.A., in the capacity of “Parent Company” of the UBI Group (**UBI Banca** or the **Bank** or even the **Parent Company**), intends to implement in order to govern and mitigate risks, even of reputational nature, arising from potential conflict of interest situations, connected to the position of particular proximity of certain entities to the decision-making centres of the Bank, UBISS, other banks and the Supervised Intermediaries of the UBI Group.

In line with such purpose, the Global Policy is split into the following sections:

- *Section I – Introduction: purpose, scope of application and structure of control of Global Policy:* outlines the aims of the Global Policy and the respective scope of application, as well as the companies of the UBI Group which are recipients of the Global Policy. It also identifies the structure of the Bank controlling this Global Policy and responsible for preparing the document, as well as the relevant approval and revision procedures to be applied;
- *Section II – Legislative and regulatory framework of reference:* identifies the set of regulations provided in relation to (i) Transactions with Related Parties in accordance with the Consob Regulation, (ii) Transactions with Connected Entities and members of the Key Personnel in accordance with the 263 Bank Supervisory Provisions, (iii) Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and (iv) potentially relevant situations also in accordance with Article 2391 of the Italian Civil Code;
- *Section III – Principles and Guidelines of the Policy:* represents UBI Banca's principles and guidelines for managing potential conflict of interest situations in order, therefore, to:
 - (i) preserve the integrity, transparency and correctness of the decision-making processes regarding the Transactions of the Bank and the other companies of the UBI Group with entities falling within the definitions of Related Parties, Connected Entities, Group Key Personnel, Relevant Entities in accordance with the Article 136 of the Italian Consolidated Banking Law and Other Relevant Entities;
 - (ii) control the risk of some entities being close to the decision-making centres of the Bank or the other companies of the UBI Group and compromising the objectiveness and impartiality of the decisions on credit facilities or the granting of loans as well as any other Transactions involving those entities;
- *Section IV – Organisational controls, implementation rule and entry into force.*

The procedural rules relating to the processes of preliminary activities, decision-making and reporting to the corporate bodies and to the market are regulated more precisely in the “*Group Regulation for managing Transactions with Related Parties in accordance with Consob Regulation no. 17221/2010, Connected Entities in accordance with the 263 Bank Supervisory Provisions of the Bank of Italy, Key Personnel of the UBI Group, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and*

Other Relevant Entities”, also subject to approval in its first version by the Supervisory Board and the Management Board (the **Global Regulation**)¹, as well as in the respective detailed internal application rules.

1.2 Scope of application and corporate perimeter of Global Policy

With this Global Policy, UBI Banca intends to define the principles and guidelines applicable (i) to Transactions implemented with Related Parties of UBI Banca, Connected Entities of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, Group Key Personnel as well as with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, for which the legislator expressly requires the adoption of enhanced decision-making processes and specific control measures, as well as (ii) any other Transaction that, despite not directly involving the entities indicated above, is implemented with parties that may be considered to be connected, related or in any case that present links of any nature with the Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group or in some circumstances with entities attributable to them or with other Relevant Entities pursuant to the Global Perimeter explicitly referred to in such regulations that may compromise the impartiality and objectiveness of the decisions on Transactions implemented from time to time, to which UBI Banca considers to apply those procedures of control and mitigation of potential conflicts of interests under point (i), also considering the rules indicated in Article 2391 of the Italian Civil Code (the **Other Relevant Entities** which, together with the Related Parties of UBI Banca, Connected Entities and Group Key Personnel, constitute the **Relevant Entities in accordance with Global Perimeter**).

Any company of the UBI Group (including the non-banking companies), in Italy and abroad, are required to incorporate the Global Policy as well as the respective Global Regulation, adopted by UBI Banca – in its capacity as “Parent Company” – as a regulation for the entire UBI Group. In particular, direct or indirect Subsidiary Companies of UBI Banca within the UBI Group are required to commence promptly and in conformity with the existing group regulation, after the approval of the Global Policy and the respective Global Regulation by the respective competent corporate bodies, any activity required in order to apply this Global Policy.

Without prejudice to the implementing rules set out in more detail in the respective Global Regulation, it is noted that:

- the provisions on managing Transactions with Relevant Entities in accordance with the Global Perimeter are applied to UBI Banca and to any other company of the UBI Group, notwithstanding that the provisions on managing Transactions with Relevant Entities in accordance with the Global Perimeter that are also Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law apply only to the bank components of the UBI Group;
- the rules on limits to the Transactions indicated in paragraph 3.8 below (*Limits to Transactions with some Relevant Entities in accordance with the Global Perimeter and some entities attributable to them*) are applied to any company of the UBI Group with exclusive reference to Transactions implemented

¹ The Global Regulation has been initially approved by the Management Board and the Supervisory Board, following the opinion of the Related Parties and Connected Entities Committee, respectively on 13 and 14 June 2018 and subsequently amended and approved by the same company bodies in March and April 2019 in order to align the document with the new one-tier governance system, also in such case after obtaining the opinion of the Related Parties and Connected Entities Committee.

with Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, the Managers with Strategic Responsibility of UBI Banca, the general manager and the members of general management – where present – of UBISS, the other banks and the Supervised Intermediaries of the UBI Group and with some entities attributable to them in accordance with this Global Policy and the Global Regulation in line with the contents of Annex B – Part I and Part II.

1.3 Control of Global Policy and approval procedure

This Global Policy is drafted by the Corporate Affairs and Relationships with the Authorities Area of UBI Banca, with the constant involvement of the Board of Directors, and it is shared with all other competent structures of the Bank. The Corporate Affairs and Relationships with the Authorities Area of UBI Banca – which is not involved operationally in the decision-making phases – will ensure, through its specialist advisory activity and possibly, where necessary, also using support from additional internal structures and functions of the Bank, that the Global Policy is applied correctly by all parties involved.

The Global Policy is approved by resolution of the Board of Directors, with the favourable opinion of the Management Control Committee and the Related Parties and Connected Entities Committee, and it may be amended exclusively via the same procedural process².

Subject to the foregoing, the Global Policy is subject to a periodic review - and in any case at least on an annual basis commencing from its entry into force - by the Board of Directors, with the favourable opinion of the Management Control Committee and the Related Parties and Connected Entities Committee, in order to verify if it is necessary and/or appropriate to review and/or update such Global Policy, as a result of: (i) any changes to the organisational and corporate structure of UBI Banca or the corporate group headed by it; (ii) findings of the Supervisory Authorities; (iii) outcomes of the supervisory activity performed by the Management Control Committee on compliance with the rules adopted; (iv) outcomes of the audit activity implemented by the company control functions; (v) any difficulty identified in the context of the application of the Global Policy; as well as (vi) changes of any nature to the relevant regulatory and legislative context. In that regard, the Related Parties and Connected Entities Committee may submit to the Board of Directors amendments and/or additions to the Global Policy. Any failure to incorporate those proposals must be adequately motivated by the aforementioned corporate bodies. Any amendment and/or addition to the Global Policy must be incorporated in the Global Regulation, if such amendment and/or addition affects the same and/or is significant for the purposes of the rules contained in that Global Regulation.

The Global Policy and the respective changes are published on the UBI Banca internet website www.ubibanca.it. The Global Regulation is also published by the same methods.

² The initial version of the Global Policy was approved by the Management Board and the Supervisory Board, after obtaining favorable opinion by the Related Parties and Connected Entities Committee, respectively on 17 and 19 April 2018 and subsequently amended and approved by the Management Board and the Supervisory Board, following the favourable opinion of the Related Parties and Connected Entities Committee, respectively on March and April 2019.

SECTION II – LEGISLATIVE AND REGULATORY FRAMEWORK OF REFERENCE

The Global Policy is functional to the implementation of the principles and controls laid down by the provisions on the regulation of Transactions with Related Parties, Connected Entities, Group Key Personnel and Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law as well as Articles 2391 and 2391-*bis* of the Italian Civil Code, whose provisions, also for the purposes of preparing and adopting the Global Regulation, shall form an integral part of this Global Policy.

2.1 Related parties regulation

With reference to Transactions with Related Parties, the Global Policy is adopted according to the provisions of:

- Art. 2391-*bis* of the Italian Civil Code, in accordance with which the management bodies of companies that make recourse to the risk capital market are required to adopt rules ensuring the transparency and substantial and procedural correctness of Transactions with Related Parties implemented by UBI Banca, directly or by way of its Subsidiary Companies; and
- the regulation issued by Consob containing provisions on Transactions with Related Parties, approved on 12 March 2010 with resolution no. 17221, as updated and amended from time to time (the **Consob Regulation**), also taking account of the Application Communication.

The established regulations pursue, *inter alia*, the aim of enhancing the protection of minority shareholders of companies with shares listed on the regulated markets and widely held by the public to a significant extent.

2.2 Connected entities and key personnel regulation

Title V, Chapter 5 of Circular no. 263 dated 27 December 2006 (*New supervisory provisions for banks*) issued by the Bank of Italy, as amended and supplemented from time to time, regulates profiles relating to Risk Activities and conflicts of interest in relation to Connected Entities (therein including Key Personnel members) (the **263 Bank Supervisory Provisions**).

According to the 263 Bank Supervisory Provisions, this Global Policy is aimed, *inter alia*, at defining the principles and guidelines that UBI Banca and the other companies of the UBI Group are required to respect in order to preserve the integrity of the decision-making processes regarding Transactions with the Relevant Entities in accordance with the Global Perimeter implemented by UBI Banca and/or by its Subsidiary Companies.

2.3 Relevant Entities regulation in accordance with Article 136 of the Italian Consolidated Banking Law

Article 136 of the Italian Consolidated Banking Law regulates the conditions that must be respected by banks authorised to operate in Italy contracting obligations of any nature with their Members (therein including alternate auditors) and with other Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law.

In particular, the law prescribes the necessary fulfilments in order to overcome the prohibition imposed in general terms for Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law

of contracting obligations of any nature or implementing acts of sale and purchase, directly or indirectly, with the bank in which those entities exercise their role of Member (therein including alternate auditors). That prohibition can only be overcome subject to the implementation of a special decision-making procedure, as described in more detail in paragraph 3.7 (*Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law*) below.

Any violation of the above-mentioned law is also criminally sanctioned.

2.4 Additional conflict of interests regulations

2.4.1 ECB Guidelines - EBA and ESMA Orientations

The Global Policy also takes account of the principles expressed at European level on conflicts of interest of bank Members in the ECB guidelines and in the EBA and ESMA orientations, also in view of the provisions on assessing the fitness of those Members.

In particular, in accordance with the “*Guide to Fit and Proper Assessments*” published by the ECB in May 2017 and subsequently amended in May 2018, the ECB specified that “*There is a conflict of interest if the attainment of the interests of a member may adversely affect the interests of the supervised entity*”. In that regard, the assessment of the requirements of independence of judgment of the Member, namely his capacity to take well-founded, objective and independent decisions, fulfils a fundamental role in identifying potential conflicts of interest.

Those principles inspired the definition of the perimeter of Other Relevant Entities.

2.4.2 Rules of Articles 2391 and 2497 et seq of the Italian Civil Code

The rules indicated in the above paragraphs must be coordinated with additional provisions established with reference to similar matters which inevitably reflect on the principles and guidelines of the Global Policy.

This is without prejudice, insofar as they are applicable, to the provisions of corporate law aimed at controlling the risk of conflicts of interest relating to the Bank's relationships with specific Related Parties and Connected Entities (*i.e.* shareholders, members of the management bodies and companies that exercise management and coordination activity) indicated in Articles 2391 (as cited by Art. 2409-*undecies*, paragraph 2 of the Italian Civil Code) and 2497 of the Italian Civil Code and respective provisions on criminal matters, insofar as they are applicable.

2.5 Periodic financial information and international accounting standards

Consideration must also be given to the rules laid down on preparing financial statements and consolidated financial statements and, notably, to the Italian Legislative Decree 136/2015, the Circular of the Bank of Italy no. 262/2005, as well as to the international accounting standards, with particular reference to international accounting standard IAS 24.

In that regard, international accounting standard IAS 24 and the provisions of the Circular of the Bank of Italy 262/2005 expressly require transactions with related parties to be subject to specific reporting within the financial statements and consolidated financial statements. In particular, the financial statements' information on transactions with related parties indicated in the Explanatory Notes - Part H must contain information on (i) the remuneration of managers with strategic responsibilities in accordance with the IAS and (ii) transactions with related parties in accordance with the IAS.

SECTION III – GLOBAL POLICY PRINCIPLES AND GUIDELINES

The Global Policy is based upon the principles described in this Section with which UBI Banca and the other companies of the UBI Group are required to comply in relation to the Transactions with Relevant Entities in accordance with the Global Perimeter and with Relevant Entities pursuant to Article 136 of the Italian Consolidated Banking Law.

3.1 Comprehensive nature of Global Policy principles

The Global Policy is the document prepared by UBI Banca – in the capacity of Parent Company of the UBI Group – containing the regulations, in terms of principles and guidelines, to be adopted by the UBI Group with reference to any actual or potential conflict of interest situations subject to the procedural and decision-making rules of the Global Regulation.

3.2 Profiles of liability and process control structure at Group level

It is the burden and responsibility of all company structures of the Bank and the UBI Group, each under its own remit, to contribute proactively to implementing an effective enhanced decision-making process to control the Transactions subject to this Global Policy.

That process must involve the maximum commitment of all company structures of the Bank and the UBI Group to communicate promptly to the Corporate Affairs and Relationships with the Authorities Area of the Parent Company any relevant information of which they are aware with respect to any possible significant situation under the Global Policy, also for the purpose of any prompt updating of the Group's IT records of significant situations.

The Corporate Affairs and Relationships with the Authorities Area of UBI Banca – which is not involved operationally in the decision-making phases - will ensure, through its specialist and operational advisory and control activity possibly, where necessary, also using support from other internal structures and functions of the Bank, that the Global Policy is applied correctly by all parties involved.

This is without prejudice to the second and third level control activities attributed to the Compliance and Audit structures.

The Bank and each company of the UBI Group establish a specific committee asked to perform specific duties in relation to certain Transactions (except for the Exempt Transactions (as better defined below)) both in the pre-decision making phase of the Transaction and in the decision-making phase, as specified in more detail in paragraph 3.14 below (*Committee's Involvement in Transactions*) (for each company of the UBI Group, the “**Committee**” and, in the case of UBI Banca, also the “**Related Parties and Connected Entities Committee**”). This is subject to the possible adoption by the other companies of the UBI Group of different alternative controls in accordance with existing regulations.

It is also the responsibility of the Members, Managers with Strategic Responsibility, members of general management and Key Personnel to give constant, prompt and complete disclosure of every conflict of interest for themselves or on behalf of third parties (in the broad meaning indicated in paragraph 1.2, first section above) of which they are aware and to promptly update the information provided to the Bank in accordance with the Global Policy in the event of changes to what was previously declared.

3.3 Global Policy subjective perimeter

Without prejudice to the provisions of paragraph 1.2 above (*Scope of application and corporate perimeter of Global Policy*), it is specified that the provisions contained in the Global Policy shall be applied particularly to Transactions with the following entities, as identified in more detail in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*), notwithstanding what is stated in relation to the limits to Transactions in paragraph 3.8 below (*Limits to Transactions with some Relevant Entities in accordance with the Global Perimeter and some entities attributable to them*):

- Members of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group and entities attributable to them in accordance with this Global Policy;
- Managers with Strategic Responsibility of UBI Banca and entities attributable to them in accordance with this Global Policy;
- Members of general management – where present – of UBISS, other bank components and the Supervised Intermediaries of the UBI Group and entities attributable to them in accordance with this Global Policy;
- Key Personnel of the UBI Group and entities attributable to them in accordance with this Global Policy;
- Subsidiary Companies of UBI Banca or those subject to its Significant Influence;
- entities that, directly or indirectly, even through Subsidiary Companies, fiduciaries or third persons, hold an investment higher than 3% of the share capital in UBI Banca represented by shares having voting right according to the contents of the communications due pursuant to Art. 120 of the Italian Consolidated Finance Law;
- entities attending to a shareholder agreement participation that aggregates more than 10% of the share capital in UBI Banca and that hold an investment higher than 1% of the share capital in UBI Banca;

3.4 Transaction Definition

“Transaction” means any transaction implemented by the companies of the UBI Group with the Relevant Entities in accordance with the Global Perimeter as well as with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law that involves the assumption of a Risk Activity, the transfer of resources, services or obligations, irrespective of the provision of a fee and therefore, merely by way of example and without limitation, loans, charitable donations, purchase and supply of goods and services, including advisory activities and sponsoring.

3.5 Transaction Assessment

For each Transaction, UBI Banca and the other companies of the UBI Group assess - on an objective and readily comparable and verifiable basis, with the support of appropriate IT tools - the respective terms and conditions, verifying their non-preferential nature and, in particular, if the same are concluded at Market and Equivalent or Standards Conditions.

3.6 Exempt Transactions

Without prejudice to the more detailed provisions of the Global Regulation and the respective detailed implementing rules, the following Transactions are subject to the exemptions provide for by the legislative and regulation rules in force:

- Transactions of negligible amount, namely Transactions with Relevant Entities in accordance with the Global Perimeter whose equivalent value – even accumulated - is no higher than Euro 100,000.00 (one hundred thousand);
- Transactions – other than those indicated in the point above and Transactions of greater significance (as identified in more detail in the Global Regulation) – falling within the scope of ordinary operations of UBI Banca or the other companies of the UBI Group that have been concluded at Market Equivalent or Standards Conditions, in respect of the principle indicated in paragraph 3.5 above (*Transaction Assessment*);
- Intergroup Transactions, as defined in the Global Regulation, if there are no significant interests of other Relevant Entities in accordance with the Global Perimeter, therein including: (i) Transactions made with or between companies belonging to the UBI Group when there is a relationship of totalitarian Control, even Joint, between the Transaction parties; (ii) Transactions of intergroup transfer of funds or collateral implemented as part of the consolidated management system of the liquidity risk; Transactions connected to *covered bonds*, securitisations and similar are to be considered included in intergroup transfer transactions implemented as part of the consolidated management system of the liquidity risk, as well as
- shareholders' meeting resolutions on fees due to members of the Board of Directors and Management Control Committee;
- resolutions, other than those indicated in the above point, on the remuneration of management directors (therein including members of the Management Control Committee) invested with particular roles and of the other Managers with Strategic Responsibility and Key Personnel, where certain conditions are in place according to what is provided in the Global Regulation;
- remuneration plans based upon financial instruments approved by the Shareholders' Meeting in accordance with Art. 11, paragraph 2, letter c) of the Articles of Association and in conformity with Art. 114-*bis* of the Italian Consolidated Finance Law and the respective implementing transactions;
- Transactions to be implemented based upon instructions for the purpose of stability imparted by the Supervisory Authority, or based upon provisions issued by the Parent Company for the implementation of instructions imparted by the Supervisory Authority in the interest of the UBI Group's stability,

jointly, the **Exempt Transactions**.

3.7 Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law

Transactions implemented by bank components of the UBI Group with its Members (therein including the alternate auditors for the banks adopting the traditional governance system) and Other Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, irrespective of the Transaction value,

are subject to the decision-making process expressly required by that Article 136 of the Italian Consolidated Banking Law, namely: (i) approval by the management body made unanimously with the exclusion of the vote of the interested Member and (ii) favourable vote of all members of the bank's audit body (at the date of this Policy, this means, as appropriate, UBI Banca and IW Bank).

In addition, if the Transactions implemented by bank components of the UBI Group with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are relevant for the purposes of the Global Perimeter, the specific procedural rules laid down by the Global Regulation are also applied.

In the cases provided by paragraph 3.14 below (*Committee's Involvement in Transactions*), the Committee is involved during the investigation phase and it is guaranteed a prompt and complete information flow preliminarily to approval of the Transaction, according to the methods indicated in the Global Regulation and the respective implementing rules.

3.8 Limits to Transactions with some Relevant Entities in accordance with the Global Perimeter and some entities attributable to them

Transactions to be implemented with:

- (i) the Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group;
- (ii) the Managers with Strategic Responsibility of UBI Banca;
- (iii) the general manager or members of general management – where present – of UBISS, of the other banks and of the Supervised Intermediaries of the UBI Group; or
- (iv) certain entities attributable to the above-mentioned parties in accordance with this Global Policy and the Global Regulation,

are, in principle, limited, according to the more detailed provisions provided for in the Global Regulation.

In particular, Transactions affected by limits – calculated at consolidated level - are:

- loans;
- charitable donations;
- sponsoring activities;
- purchase or supply of goods or services (therein including advisory activities).

With reference to the aforementioned Transactions it must be ascertained - like every other Transaction in accordance with paragraph 3.5 (*Transaction Assessment*) above - that the same are concluded, usually, at Market Equivalent or Standards Conditions and in any case that they are non-preferential.

In that regard, UBI Banca has adopted a specific grid of limits contained in Annex B - Part I of this Policy which shows in detail the recipients of that regulation and the limits applicable to the same depending on the Transaction type.

Transactions implemented with any other entity other than those indicated in points (i), (ii), (iii) and (iv) above that are subject to the mapping procedure referred to in paragraph 3.13 (*Mapping Procedure of Related Parties, Connected Entities, Group Key Personnel and Other Relevant Entities*) of this Global Policy, as identified in more detail in Annex B - Part II of this Policy, are not subject to any limit, except as expressly provided below for Transactions concerning charitable donations and Transactions concerning the purchase or supply of goods or services as better provided for in the Global Regulation. Those transactions are in any case subject to all procedural and decision-making rules laid down by the Global Policy and the Global Regulation.

Transactions concerning charitable donations in favour of foundations, associations or entities of the third sector (even of local nature) - other than Family and/or Corporate Foundations– in which:

- (i) a Member of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group;
or
- (ii) a Manager with Strategic Responsibility of UBI Banca; or
- (iii) the general manager or member of general management – where present – of UBISS, of the other banks and of the Supervised Intermediaries of the UBI Group; or
- (iv) a Relative Subject to Limits of the aforementioned entities,

holds a role within the respective management or control bodies are subject to the limit of Euro 50,000.00 (fifty thousand) for each individual financial year. However, Transactions concerning charitable donations of amounts higher than the limit indicated in this paragraph may in any case be implemented provided that the derogation shall be adequately motivated.

The aforementioned Transactions concerning charitable donations are in any case subject to approval by the Board of Directors (or the respective management body of the other companies of the UBI Group), according to the decision-making process laid down in the detailed application regulation.

With reference to the Transactions concerning the purchase or supply of goods or services, reference can be made to the more detailed regulation referred to in paragraph 2.7.3.3 (*Special rules with reference to Transactions of supply or purchase of goods or services (therein including advisory services) with Relevant Entities in accordance with the Global Perimeter*) of the Global Regulation. In particular, please note that:

- (i) with reference to the Relevant Entities in accordance with the Global Perimeter attributable to Category C referred to in Annex B – Part II, Transactions of supply or purchase of goods or services (therein including advisory services) with Relevant Entities in accordance with the Global Perimeter (excluding intergroup transactions) are not permitted if the conclusion of the Transaction (accumulated with the other Transactions concluded in the financial year) involves exceeding the threshold of 25%, except with the approval of the Body with Management Function of the company that incurs the expenditure;
- (ii) with reference to the Relevant Entities in accordance with the Global Perimeter attributable to Category B referred to in Annex B – Part I, the Body with Management Function of UBI Banca, of UBISS, of the other banks and of the Supervised Intermediaries of UBI Group has the power to derogate to the relevant prohibition when the counterparty of the Transaction is a company for the supply of services in which the Member of UBI Banca, of UBISS, of the other banks and of the Supervised Intermediaries of UBI Group, a Manager with Strategic Responsibility of UBI Banca or the general manager or member

of general management – where present – of UBISS, of the other banks and of the Supervised Intermediaries of the UBI Group or a Relative Subject to Limits of the aforementioned entities holds the role of Chairman of the Body with Management Function and such role does not involve any executive power.

3.9 Prudential limits to Risk Activities

The assumption of Risk Activities in relation to Connected Entities and Group Key Personnel must be contained within specific prudential limits relating to the consolidated and individual regulatory capital indicated in accordance with the applicable regulations, subject to any more stringent limits that may be laid down by company regulations. In particular, the limits indicated in Annex C (*Prudential limits to Risk Activities*) are applied.

For a description of the monitoring activities performed with reference to the assumption of Risk Activities see the group policy “*Policy on internal controls of Risk Activities and conflicts of interest in relation to Connected Entities*” prepared by UBI Banca's Credit Risk Management.

3.10 Supervisory Reports to Bank of Italy

In accordance with the rules of the Bank of Italy on supervisory reports, the Risk Activities implemented with Connected Entities and the Transactions performed by them must be periodically reported to the Bank of Italy according to the frequency and conditions laid down by the respective prudential reporting rules. The reports are made at consolidated level by UBI Banca, in its capacity of Parent Company, and at individual level by other Italian banks belonging to the UBI Group.

UBI Banca may require the aforementioned reporting obligations to be extended to Transactions performed by, or implemented with, entities other than the Connected Entities.

3.11 Global Policy Violations

All recipients of the Global Policy are liable for any violations of the Global Policy committed by them, notwithstanding that formal and slight violations in accordance with what is specified in more detail in the Global Regulation and in the respective detailed implementing regulation, will not be identified.

Any material violation of the Global Policy shall involve a negative assessment by the relevant body with consequent recorded warning for the entity that committed the violation.

The competent structure of the Bank communicates any material violation of the Global Policy to the ECB.

3.12 Non-typified conflicts of interest and mapping procedure of entities other than Related Parties, Connected Entities and Other Relevant Entities

The existence of certain relationships with the Bank and/or its Members may lead to additional circumstances of conflicts of interest, other than those expressly provided in this Global Policy.

If any of the functions of UBI Banca and/or the UBI Group shall consider, using ordinary diligence, that any one of the Group companies is about to complete a Transaction with an entity that – despite not being included among the entities indicated in Annex A (*Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) – has a significant connection in accordance with the Global Policy with a Member, Manager with Strategic Responsibility or member of Group Key Personnel, it must immediately inform in writing the Corporate

Affairs and Relationships with the Authorities Area of UBI Banca in order to proceed, if not already included, with any recording and mapping of those entities in accordance with the provisions of paragraph 3.13 (*Mapping procedure of Related Parties, Connected Entities and Other Relevant Entities*) below, without prejudice to what is indicated in more detail in the respective implementing regulation.

3.13 Mapping procedure of Related Parties, Connected Entities, Group Key Personnel and Other Relevant Entities

The Related Parties, Connected Entities (therein including, therefore, the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law), the Group Key Personnel and Other Relevant Entities are subject to a specific mapping procedure described precisely in the respective detailed implementing regulation.

In line with the provisions of paragraph 3.12 (*Non-typified conflicts of interest and mapping procedure of entities other than Related Parties, Connected Entities and Other Relevant Entities*) above, that mapping procedure is applied to any entity that, despite not being included in the Global Perimeter, may in any case fall within it by virtue of the existence of significant connections in accordance with the Global Policy with a Member, a Manager with Strategic Responsibility and/or a member of Group Key Personnel.

3.14 Committee's Involvement in Transactions

For certain Transactions (excluding, however, the Exempt Transactions), in order to control the substantial and procedural correctness of the Transaction, the Committee shall receive any complete and prompt information on the different profiles of those Transactions even, depending on the type of Transaction, in the preliminary and negotiation phase; the information shall specify, with the support of objective elements, whether the conditions of the Transactions are Market Equivalent or Standards Conditions.

As specified in more detail in paragraph 3.15 (*Decision-making process of Transactions*) below, the Committee is responsible for issuing the necessary opinions on Transactions that may not benefit from exemptions. All opinions issued by the Committee must be objectively motivated, documented in writing and duly archived.

The same provisions shall be applied in the event that it is necessary to activate alternative controls systems.

3.15 Decision-making process of Transactions

For the purposes of resolving on Transactions (excluding the Exempt Transactions), UBI Banca and the other companies of the UBI Group are required to respect specific decision-making rules that differ depending on the significance of the Transaction and its characteristics (Transactions of greater significance or Transactions of lesser significance, as defined in the Global Regulation).

In particular, having ascertained that the Transaction does not fall within the Exempt Transactions indicated in paragraph 3.6 (*Exempt Transactions*) above and subject to what is provided with reference to the enhanced decision-making process in the case of Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, following the transmission of complete information to the Committee regarding the profiles of each Transaction by the competent decision-making body, the decision-making process of the Transactions is split into the following phases:

(i) Non-binding opinion of the Committee

- the Chairman of the Committee sends to the competent decision-making body in good time its non-binding opinion together with the informative elements and documentation used to prepare that opinion;

- for negative opinions or those conditional upon findings, the competent decision-making body, subject to the reporting obligations provided by the applicable regulations, may in any case approve the Transaction if certain conditions are in place, as indicated below.

(ii) Transaction Approval

- having received the Committee's opinion, the competent decision-making body approves the Transaction;
- the Member who is part of the competent decision-making body refrains from taking part in the resolution if he/she has a conflicting interest in that Transaction;
- resolutions by which the competent body of UBI Banca (or another company of the UBI Group) approves the Transaction shall provide adequate information on: (i) the company's interest in completing the Transaction as well as the convenience and substantial correctness of the respective conditions and (ii) the reasons for any deviations, in terms of economic-contractual terms and other characteristic profiles of the Transaction, with respect to the Market Equivalent or Standards Conditions, providing in that regard adequate supporting elements with the documentation accompanying the resolution;
- in the case of a negative opinion or an opinion with findings by the Committee, the resolution provides specific motivation of the reasons why the same is in any case adopted;
- in the case of Transactions of greater significance (as identified in the Global Regulation) the Transaction may in any case be approved despite the Committee's negative opinion provided that the procedural and decision-making rules of paragraph 2.8.1 b) of the Global Regulation are complied with. In particular: (i) in case of Transactions with Related Parties of UBI Banca, if a negative opinion is issued by the Committee, the resolution proposal is subject to the authorisation of the Shareholders' Meeting with the achievement of the special deliberative majority as set forth in the Consob Regulation; (ii) in case of Transactions with a Relevant Entity in accordance with the Global Perimeter – other than Related Parties of UBI Banca – if a negative opinion is issued by the Committee, the Transaction has to be submitted to the prior opinion of the Body with Control Function (therefore, with regard to UBI Banca, to the Management Control Committee).

(iii) Ex post information on Transactions

The Transactions are subject to ex post information of differing detail depending on the type of Transaction, as summarily described below:

- complete information, at least quarterly, on the implementation of Transactions with bodies with management, strategic supervision and/or – depending on the governance model adopted - control function;
- information in the interim management report and in the annual management report in accordance with the Consob Regulation;
- possible reporting to the market by way of a specific information document and to Consob in the cases provided by the Consob Regulation;
- information in accordance with Art. 17 of (EU) Regulation no. 596/2014 if the relevant conditions are in place.

The Global Regulation, in conformity with the Consob Regulation and the 263 Bank Supervisory Provisions, regulates in detail the aforementioned reporting obligations, also specifying the Transactions (therein including the Exempt Transactions) to which those obligations must apply.

The companies of the UBI Group, where possible, adopt systems that, by way of an IT process, allow insofar as possible for the automatic identification of Transactions subject to the procedural obligations indicated in this Policy and the Global Regulation. However, if it is not possible to manage certain Transactions using IT applications, the competent structures of UBI Banca and the other companies of the UBI Group must in any case retain evidence of them, during the relevant quarter, on a specific standardised trace prepared to gather all necessary data for subsequently registering the Transaction in the UBI Group repository.

For the purposes of a clearer and simpler understanding of the decision-making processes described in this Global Policy, see Annex D (*Decision-making process of Transactions*).

SECTION IV – ORGANISATIONAL CONTROLS, IMPLEMENTATION RULES AND ENTRY INTO FORCE

4.1 Organisational controls

UBI Group's organisational aspects and internal control system must ensure constant respect of the principles and guidelines indicated in this Global Policy. They must also pursue the aim, compliant with sound and prudent management, of correctly preventing and managing potential conflicts of interest relating to every relationship held with the Relevant Entities in accordance with the Global Perimeter and the Relevant Entities pursuant to Article 136 of the Italian Consolidated Banking Law.

4.2 Implementing regulation

UBI Banca and the other companies of the UBI Group shall adopt an implementing regulation of this Global Policy. In particular UBI Banca will adopt by the same date the Global Regulation in order to better define the process for managing Transactions. In particular, the Global Regulation and/or the respective detailed implementing regulation govern the following profiles, in coherence with what is laid down by the relevant regulatory and legislative framework:

- identification of the Committee's duties and functions;
- composition of the Committee, requirements of professionalism of the respective members;
- convocation and meetings of the Committee;
- assistance of independent experts;
- identification of duties and responsibilities of roles/structures involved in the management process of Transactions and mapping of Relevant Entities in accordance with the Global Perimeter and the Relevant Entities pursuant to Article 136 of the Italian Consolidated Banking Law;
- I, II and III level controls in the process for managing controls of Transactions;
- decision-making procedures of Transactions;
- periodic financial information to the market and price sensitive communications in accordance with Article 17 of (EU) Regulation no. 596/2014.

4.3 Entry into force and amendments to the Global Policy

The entry into force of this Global Policy is communicated by publishing the text of this Global Policy on the internet website of UBI Banca.

Any other further subsequent amendment to this Global Policy will enter into force following the publication of a new version of the Global Policy on the internet website of UBI Banca.

Annex A

Global Group Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities

A) Perimeter of UBI Banca (Parent Company), UBISS, the banks (other than UBI Banca) and the Supervised Intermediaries of the UBI Group

That perimeter is constituted by (i) the Related Parties and the Connected Entities of UBI Banca, as defined, respectively, in the Consob Regulation and in the 263 Bank Supervisory Provisions, (ii) by the set of Connected Entities indicated in the definition of the 263 Bank Supervisory Provisions of each bank (other than UBI Banca), of each Supervised Intermediary of the UBI Group and of UBISS, as well as (iii) additional Relevant Entities for the purposes of the Global Policy identified on the basis of autonomous assessments, also in accordance with Article 2391 of the Italian Civil Code.

Related Parties of UBI Banca (in accordance with the Consob Regulation)	
<ol style="list-style-type: none"> 1. Entities that, directly or indirectly, even through Subsidiary Companies, fiduciaries or third persons: <ol style="list-style-type: none"> a. control UBI Banca, are controlled by it or are subject to common control; b. hold an investment in UBI Banca such that they may exercise a Significant Influence over the latter; c. exercise control over UBI Banca jointly with other entities. 2. Associated Companies of UBI Banca. 3. Joint Ventures in which UBI Banca participates. 4. Managers with Strategic Responsibilities of UBI Banca or of its parent company (where present). That category also includes the Directors - executive or otherwise - and statutory auditors as well as persons who are members of the supervisory body, established pursuant to Legislative Decree 231/2001. 5. Close Relatives of one of the entities indicated in points 1 or 4 above. 6. Entities in which one of the entities indicated in points 4 or 5 above exercise Control, Joint Control or a Significant Influence or hold, directly or indirectly, a significant share, in any case no less than 20% of the voting rights. 7. Supplementary, collective or individual Pension Funds, Italian or foreign, established or promoted by UBI Banca, as well as funds over which it is able to exercise an influence. 	
Connected Entities of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group (in accordance with the 263 Bank Supervisory Provisions)	
Related Parties	Connected Entities
<ol style="list-style-type: none"> 1. The Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group as well as persons who are members of the supervisory body of the aforementioned companies, established pursuant to Legislative Decree 231/2001. 2. The participants (namely entities required to request authorisations from the Bank of Italy to participate in the bank's capital, indicated in Art. 19 et seq of Italian Legislative Decree no. 385/1993) of UBI Banca and/or any other banking company of the 	<ol style="list-style-type: none"> 1. Companies and enterprises even incorporated in non-corporate form controlled by a Related Party indicated in the previous column relating to the Connected Entities of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group. 2. Entities that control a Related Party among those indicated in numbers 2 and 3 of the previous column relating to the Connected Entities of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, or the entities

<p>UBI Group. With regard to the Supervised Intermediaries and UBISS, Participant means the entity that holds, in any guise, a share of investment at least equal to 10% of the share capital with voting right in those companies.</p> <p>3. Any entity, different from the participant indicated in point 2 above, able to appoint, alone, one or more members of the body with management function or the body with strategic supervision function of UBI Banca or UBISS or another bank component or a Supervised Intermediary of the UBI Group, even on the basis of agreements entered into in any form or statutory clauses concerning or having the effect of the exercise of those rights or powers.</p> <p>4. A company or enterprise, even incorporated in non-corporate form, over which UBI Banca, UBISS or another bank component or a Supervised Intermediary of the UBI Group is able to exercise control or a Significant Influence.</p> <p>It is specified that UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group also register relatives up to the second degree of the entities indicated in no. 1, 2 and 3 of this column, keeping that information available for any requests by the Bank of Italy.</p>	<p>subject, directly or indirectly, to common control with the Related Party itself.</p> <p>3. Close Relatives of a Related Party indicated in the previous column relating to the Connected Entities of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group and the companies or enterprises controlled by those Close Relatives.</p>
<p>Prudentially, the entities reported by the <u>Members of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group, by the Managers with Strategic Responsibilities of UBI Banca or by the general manager or by the members of general management - where present - of UBISS, the other banks and the Supervised Intermediaries of the Group,</u> in accordance with the provisions of international accounting standard IAS 24, must also be registered for the purposes of the Connected Entities rules indicated in the 263 Bank Supervisory Provisions.</p>	
<p>Other Relevant Entities</p>	
<p>1. <u>entities that directly or indirectly, even through Subsidiary Companies, fiduciaries or interposing persons, hold an investment higher than 3% of the share capital in UBI Banca</u> represented by shares having voting right and recorded by the communication pursuant to Art. 120 of the Italian Consolidated Finance Law.</p> <p>2. The <u>entity which is party to a shareholder agreement</u> that aggregates more than 10% of the share capital in UBI Banca and that holds an investment higher than 1% of the share capital in UBI Banca</p> <p>3. <u>Companies invested</u> by Members of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group or by their Close Relatives in an amount higher than 5% if listed or 10% if not listed.</p> <p>4. <u>Companies controlled</u> by companies associated with a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group or one of their Close Relatives.</p> <p>5. <u>Companies in which a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibility of UBI Banca, the general manager or the members of general management - where present - of UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Close Relative of the aforementioned entities holds executive roles or the role of chairman of the body with management function.</u></p> <p>6. <u>Group practices of professionals and consulting firms of which a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibility of UBI Banca, the general manager or the members of general management - where present - of UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Close Relative of the aforementioned</u></p>	

	<u>entities is a partner.</u>
7.	<u>Foundations, associations or entities of the third sector (even of local nature) – other than Family and/or Corporate Foundations referred to in number 7 below – in which a Member of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibilities of UBI Banca, the general manager or the members of general management – where present – of UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Close Relative of the aforementioned entities holds roles of administration, management or control, with the exclusion of entities (such as, by way of example, the Italian Banking Authority, the Interbank Deposit Protection Fund, the Chambers of Commerce) in which the role was assumed upon the appointment of UBI Banca, UBISS, the other bank or the Supervised Intermediary of the UBI Group.</u>
8.	<u>Family and/or Corporate Foundations, that is the foundations of family and/or corporate nature in which a Member of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibilities of UBI Banca, the general manager or members of general management - where present - of UBISS, of the other banks and Supervised Intermediaries of the UBI Group, a Close Relative of the aforementioned persons or a Subsidiary Company of the aforementioned entities has the right to appoint members of the respective management and/or control bodies.</u>
9.	<u>Third party entities to which the Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group is bound by professional association relationships.</u>
10.	<u>Entities, other than banks or financial intermediaries, with respect to which the Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group or a company controlled by them is creditor at the date of the declaration, for an amount higher than 50% respectively of the annual income of the Member (if the credit is claimed by the latter) as recorded by the latest income declaration or the annual turnover of the subsidiary company (if the credit is claimed by the latter) as recorded by the latest approved financial statements.</u>
11.	<u>Economic Group of a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group or one of their Close Relatives. In particular, the Economic Group means the set of counterparties that represent a unitary economic entity for the purposes of assessing the credit risk in the presence of a legal or economic connection.</u>
12.	<u>Any legal or natural person or entity which a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibilities of UBI Banca or the general manager or a member of general management – where present – of UBISS, the other banks and the Supervised Intermediaries of the UBI Group believes it must report even only for prudential purposes in accordance with the Global Policy.</u>

It is specified that the Other Relevant Entities are subject to the definitions functional to the notion of Related Party, as indicated in number 1) (*Definitions functional to the notion of Related Party, in line with the Consob Regulation*) below.

B) Key Personnel of the UBI Group

That perimeter is constituted by the set of entities indicated in the definition of “key personnel” of the 263 Bank Supervisory Provisions and by the respective related entities. In particular, the following entities are included:

Group Key Personnel (in accordance with the 263 Bank Supervisory Provisions)	
Key Personnel	Entities Connected to Key Personnel
The employee or collaborator of the companies of the UBI Group who is not a Connected Entity and who is ascribable to the “key personnel” of the UBI Group in accordance with the provisions of the Bank of Italy on	Entities connected to Key Personnel are: 1. companies and entities incorporated even in non-corporate form controlled by a member of Key

<p>remuneration and incentive policies and practices provided for by the 285 Bank Supervisory Provisions.</p> <p>It is noted that Key Personnel does not include the auditors.</p>	<p>Personnel;</p> <p>2. Close Relatives of a member of Key Personnel and the companies or enterprises controlled by the latter.</p>
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1) Definitions functional to the notion of Related Party, in line with the Consob Regulation

Control means the power to determine the financial and management policies of an entity to obtain benefits from its activity. Control is presumed to be in place when an entity possesses, directly or indirectly through its subsidiaries, more than half of the voting rights unless, in exceptional cases, it can be clearly demonstrated that such possession does not constitute control. Control also exists when an entity possesses half, or a lesser share, of the voting rights exercisable in the shareholders' meeting to the extent to which it has:

- (i) control of more than half of the voting rights by virtue of an agreement with other investors;
- (ii) the power to determine the financial and management policies of the entity by virtue of the articles of association or an agreement;
- (iii) the power to appoint or remove the majority of members of the board of directors or equivalent corporate governance body, to the extent that the control of the entity is held by that board or body;
- (iv) the power to exercise the majority of voting rights in meetings of the board of directors or the equivalent corporate governance body, if the control of the entity is held by that board or body.

Joint Control means the sharing, established contractually, of Control over an economic activity.

Pension Funds means only pension funds established or promoted by companies or over which the latter are able to exercise an influence and not all pension funds from which all or some employees generically benefit.

Significant Influence means the power to participate in determining the financial and management policies of an entity without having Control of it. A Significant Influence can be obtained through the possession of shares, by way of statutory clauses or agreements. It is presumed that an entity exercises a Significant Influence over a company invested by the same if that entity possesses, directly or indirectly, 20% or a higher share of the votes exercisable in the shareholders' meeting of that invested company. Conversely, it is presumed that an entity does not exercise a Significant Influence over a company invested by the same, if it possesses, directly or indirectly, a share of less than 20% of the votes exercisable in the shareholders' meeting of that invested company, unless that influence can be clearly demonstrated. The presence in the share capital of an invested company of a shareholder holding the absolute or relative majority of the voting rights does not necessarily preclude another entity from the power to exercise a Significant Influence over the company invested by the same.

By way of example and without limitation, the Significant Influence is deemed to be in existence, even irrespective of any shareholding links, in the presence of one or more of the following circumstances:

- (i) representation in the board of directors, or in the equivalent body, of an invested company;
- (ii) participation in the decision-making process regarding the financial and management policies of a company, including participation in decisions on dividends or another type of distribution of profits;
- (iii) the presence of significant transactions between an entity and a company invested by the same;
- (iv) the exchange of managerial personnel;
- (v) the provision of essential technical information.

Joint Venture means a contractual agreement by which two or more parties undertake an economic activity subject to Joint Control.

Associated Company means an entity, even without recognised legal personality, as in the case of a partnership, in which a shareholder exercises a Significant Influence but not Control or Joint Control.

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

Close Relatives means those relatives that it is expected may influence, or be influenced by, the entity involved in their relationships with the company. They may include:

- (i) the not legally separated spouse or cohabiting partner;
- (ii) the children and dependants of (a) the entity, (b) the not legally separated spouse or (c) the cohabiting partner.

2) Definitions functional to the notion of Connected Entity and Key Personnel, in line with the 263 Bank Supervisory Provisions

Control means control as identified in accordance with Art. 23 of the Italian Consolidated Banking Law, also with reference to entities other than companies. In particular, control exists:

- (i) in the cases provided by Art. 2359, paragraphs 1 and 2 of the Italian Civil Code;
- (ii) in the presence of contracts or clauses of the articles of association concerning or having as their effect the power to exercise management and coordination activity over a company;
- (iii) in cases of dominant influence, which is deemed to exist, unless otherwise proven, when one of the following situations is in place: (x) existence of an entity that, based upon agreements, has the right to appoint or revoke the majority of the directors or the Supervisory Board or has, alone, the majority of the votes for the purposes of resolutions on the matters indicated in Articles 2364 and 2364-bis of the Italian Civil Code; (y) possession of investments suitable to allow for the appointment or revocation of the majority of members of the board of directors or the Supervisory Board; (z) existence of relationships, even between the shareholders, of financial or organisational nature, suitable to allow for one of the following effects: a) the transmission of profits or losses, b) the coordination of management of the enterprise with that of other enterprises for the purposes of pursuing a common goal, c) the attribution of greater powers with respect to those deriving from the investments owned, d) the attribution, to entities other than those legitimated based upon the ownership of investments, of powers to choose the directors or members of the Supervisory Board or managers of the enterprises; (w) subjection to common management, based upon the composition of the management bodies or due to other concordant elements.

Control is also in place when it is exercised indirectly by way of Subsidiary Companies, fiduciary companies, organisations or interposing persons.

Companies and enterprises controlled by entities in turn subject to Joint Control are not considered to be indirectly controlled.

Joint Control means the sharing, established contractually, or Control, over an economic activity. In that case, parent companies are considered to be:

- (i) entities that are able to exercise a crucial influence over the financial and operational decisions of strategic nature of the enterprise³;
- (ii) other entities able to affect the management of the enterprise based upon the investments held, agreements entered into in any form, articles of association clauses, concerning or having the effect of the possibility of exercising Control.

Significant Influence means the power to participate in determining the financial and management policies of an entity without having Control of it.

A Significant Influence is in place in the case of possession of an investment, direct or indirect, equal to or greater than (x) 20% of the share capital or the voting rights in the ordinary shareholders' meeting or in another equivalent body of the invested company, or (y) 10% in the case of companies with shares listed on regulated markets.

When the possession is less than the aforementioned thresholds, specific investigations must be conducted to ascertain the existence of a Significant Influence at least on the occurrence of the following indicators and taking account of any other relevant circumstance:

- (i) being represented in the Body with Management Function or in the Body with Strategic Supervision Function of the invested company; the sole fact of expressing the component in representation of the minority in accordance with the provisions of the regulations of share issuers listed on regulated markets does not constitute in itself an indicator of Significant Influence;
- (ii) participating in the decisions of strategic nature of an enterprise, particularly when crucial voting rights are held in the decisions of the shareholders' meeting on financial statements, allocation of profits, distribution of reserves, without this constituting a situation of Joint Control⁴;
- (iii) the existence of significant transactions - thereby meaning Transactions of Greater significance as defined in the Global Regulation – the exchange of management personnel, the supply of essential technical information.

A Significant Influence is also in place when it is exercised indirectly, by way of Subsidiary Companies, fiduciary companies, organisations or interposing persons. Companies invested by entities in turn subject to Joint control are not considered to be subject indirectly to Significant Influence.

Close Relatives means relatives up to the second degree and the spouse or cohabiting partner of a related party, as well as the children of the latter.

³ That situation occurs, for example, in the presence of two or more entities each having the possibility of preventing the adoption of financial and operational decisions of strategic nature in the subsidiary company, through the exercise of a right of veto or by virtue of the quorums for decisions of the corporate bodies.

⁴ That situation occurs, for example, when the shareholder structure of the company is split between multiple shareholders (not linked between them by joint control agreements) so that the vote of certain shareholders, who individually possess shares less than the presumption of significant influence, may be decisive in forming the shareholders' meeting majorities in the matters indicated above in point (ii).

Annex B – Part I

Limits to Transactions with Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, Managers with Strategic Responsibilities of UBI Banca and the general manager or members of general management of UBISS, the other banks and the Supervised Intermediaries of the UBI Group and with some entities attributable to them

Entities Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
Category A	1. Members of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group.	Performing loans	Unsecured loans ⁶	Euro 30,000.00
			Secured loans	Euro 500,000.00
	2. Persons who are members of the supervisory body, established pursuant to Legislative Decree 231/2001, of UBI Banca, of UBISS, of other banks and Supervised Intermediaries of UBI Group.	Services / goods (therein including advisory activities)		Prohibition

⁶ Please note that, in order to calculate the limit of Euro 30,000.00, the credit lines granted by the issue of payment instruments (i.e. credit cards) shall not be taken into consideration, according to the provisions laid down in the detailed implementing regulations.

Entities Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
	3. Managers with Strategic Responsibility of UBI Banca.	Sponsoring activities		Prohibition
	4. The general manager and members of general management – where present – of UBISS, the other banks and the Supervised Intermediaries of the UBI Group.	Charitable donations		Prohibition
	5. Relatives Subject to Limits ⁵ of the entities indicated in points 1, 2, 3 and 4 above.			
	1. Every company in which a Member of UBI Banca, UBISS,	Performing non-	Unsecured loans	Loans of amount higher than Euro

⁵ **Relatives Subject to Limits** means:

- (i) the parents;
- (ii) the not legally separated spouse or cohabiting partner;
- (iii) the children and dependants of (a) the entity, (b) the not legally separated spouse or (c) the cohabiting partner.

Entities Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
Category B	<p>the other banks and the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibility of UBI Banca, the general manager or the members of general management – where present – of UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Relative subject to Limits of the aforementioned entities performs a role of executive director or the role of chairman of the body with management function.</p> <p>2. Each Subsidiary Company (in accordance with Consob)</p>	preferential loans		<p>100,000.00 → it is prohibited for each of those entities to have, individually, at credit register level, a share of loans granted by UBI Banca and/or by companies belonging to the UBI Group higher than the threshold of 6% - a percentage drawn from the market share of UBI Banca - of the total of loans granted by the banking system as recorded by the credit register⁷.</p> <p>Note: it is specified that for the purposes of calculating the prohibition, reference is made to the sums granted and not to those used.</p>
			Secured loans	<p>Loans of amount higher than Euro 100,000.00 → it is prohibited for each of those entities to have, individually, at credit register level, a</p>

⁷ Please note that if, following verifications on the credit register, no loans granted by the Italian banking system are registered in favour of the counterpart, the relevant transaction may not be resolved for amounts exceeding Euro 100,000.00 (without prejudice to the verification of market or standard conditions), as any granted loans would imply that the 6% threshold will be exceeded.

Entities Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
	<p>controlled by the entities indicated in Category A <u>above or group practices of professionals or consulting firms of which the entities indicated in Category A above are partner.</u></p> <p>3. Each Associated Company (in accordance with Consob) with the entities indicated in Category A above.</p> <p>4. Foundations of family and/or corporate nature in which a Member of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, a Manager with Strategic</p>			<p>share of loans granted by UBI Banca and/or by companies belonging to the UBI Group higher than the threshold of 6% - a percentage drawn from the market share of UBI Banca - of the total of loans granted by the banking system as recorded by the credit register⁸.</p> <p>Note: it is specified that for the purposes of calculating the prohibition, reference is made to the sums granted and not to those used.</p>
		Services / goods (therein including advisory activity)		Prohibition, without prejudice to the provisions of paragraph 2.7.3.3. of the Global Regulation.
		Sponsoring activity		Prohibition
		Charitable donations		Prohibition

⁸ Please note that if, following verifications on the credit register, no loans granted by the Italian banking system are registered in favour of the counterpart, the relevant transaction may not be resolved for amounts exceeding Euro 100,000.00 (without prejudice to the verification of market or standard conditions), as any granted loans would imply that the 6% threshold will be exceeded

Entities Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type	Limits
	<p>Responsibilities of UBI Banca, the general manager or members of general management - where present - of UBISS, of the other banks and Supervised Intermediaries of the UBI Group, a Relative Subject to Limits of the aforementioned persons or a Subsidiary Company of the aforementioned entities has the right to appoint members of the respective management and/or control bodies.</p>		

Annex B – Part II

Limits to Transactions with some Relevant Entities in accordance with the Global Perimeter other than the entities indicated in Category A and Category B

Entity Categories	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
Category C (Entities subject to the mapping procedure indicated in the Global Policy and the Global Regulation other than the entities indicated in Category A and Category B of this table of limits)	1. Any legal or natural person or entity - other than those indicated in Categories A and B of the table of Part I of this Annex - subject to the mapping procedures referred to in the Global Policy and in the Global Regulation. Merely by way of example, the following entities are indicated: (i) shareholders exceeding 3% of the share capital of UBI Banca; (ii) members of shareholder participation agreements which aggregate more than 10% of the share capital of UBI Banca and which hold	Performing non-preferential loans	Unsecured loans	No set limit
			Secured loans	
		Services / goods (therein including advisory activities)	No set limit, without prejudice to the provisions of paragraph 2.7.3.3. of the Global Regulation.	
		Sponsoring activities	No set limit but approval from the Board of Directors is required subject to the opinion of the Committee.	

	<p>an investment greater than 1% in the share capital of UBI Banca;</p> <p>(iii) foundations, associations and entities of the third sector (even of local nature) - other than Family and/or Corporate Foundations – where a Member of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, a Manager with Strategic Responsibilities of UBI Banca, a member of general management (where present) of UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Relative subject to Limits of the aforementioned entities holds roles of administration, management or control, with the exclusion of entities (such as, by way of example, the Italian Banking Authority, the Interbank Deposit Protection Fund, the</p>	<p>Charitable donations</p>	<p>Euro 50,000.00 per individual financial year with reference to charitable donations in favour of the entities indicated in no. 1 (iii).</p> <p>Transactions relating to donations of sums higher than Euro 50,000.00 for each individual financial year in favour of the entities indicated in no. 1 (iii) may in any case be concluded provided that the derogation is adequately motivated.</p> <p>Each Transaction relating to charitable donations is in any case subject to approval by the Board of Directors.</p>

	<p>Chambers of Commerce) in which the role was assumed upon the appointment of UBISS, the bank and/or the Supervised Intermediary of the UBI Group.</p> <p>2. Any other legal or natural person or entity that a Member of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group or a Manager with Strategic Responsibilities of UBI Banca or a member of general management (where present) of UBISS, the other banks and the Supervised Intermediaries of the UBI Group believes it must report, even only for prudential purposes in accordance with the Global Policy and the Global Regulation.</p>		
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Annex C

Prudential Limits to Risk Activities

	MEMBERS	PARTICIPANTS OF CONTROL OR ABLE TO EXERCISE A SIGNIFICANT INFLUENCE	OTHER PARTICIPANTS AND ENTITIES OTHER THAN PARTICIPANTS*	ENTITIES SUBJECT TO CONTROL OR SIGNIFICANT INFLUENCE
CONSOLIDATED LIMITS	5%	NON-FINANCIAL RELATED PARTIES (and respective connected entities)		
		5%	7.50%	15%
		OTHER RELATED PARTIES (and respective connected entities)		
		7.50%	10%	20%
INDIVIDUAL LIMITS	20%			

* This means entities, other than Participants, able alone to appoint one or more members of the corporate bodies.

* * *

In particular, **Participant** and **Non-Financial Related Party** means:

Participant

The entity required to request the authorisations indicated in Articles 19 et seq of the Italian Consolidated Banking Law in relation to UBI Banca and/or to another bank component of UBI Group. With regard to the Supervised Intermediaries, Participant means the entity that holds, in any guise, a share of investment at least equal to 10% of the share capital with voting right in those companies.

Non-Financial Related Party

A Related Party that exercises mainly, directly or by way of Subsidiary Companies, non-financial business activity, as defined within the rules on investments that may be held by banks or by banking groups⁹. A Non-Financial Related Party is deemed to exist where the activities other than banking, financial and

⁹ See 285 Supervisory Provisions, Third Part, Chapter 1, Section I.

insurance activities exceed 50% of the total of the overall activities¹⁰. The notion also includes the Participant and the Related Parties indicated in points 3. and 4. of the first column of the table concerning the Connected Entities referred to in Annex A which is an investment company classifiable as a non-financial enterprise in accordance with the cited rules on investments that can be held¹¹.

¹⁰ Reference should be made:

- for banks and financial companies, to the sum of the total assets and guarantees issued and commitments; – for insurance enterprises, to the value of the premiums collected multiplied by a correction factor of 10;
- for industrial companies, to the total turnover, multiplied by a correction factor of 10.

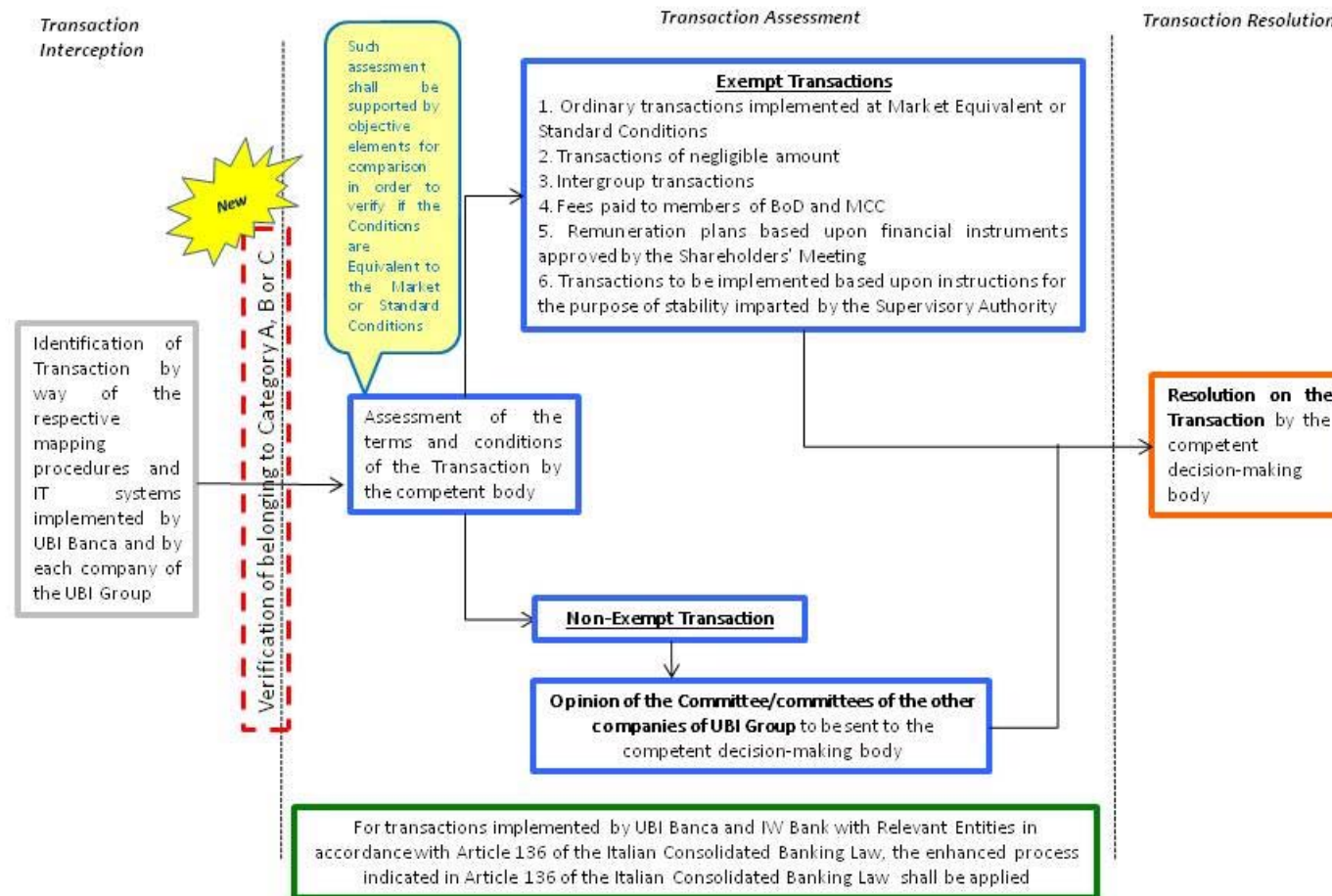
The data of the last financial year should be considered or, if more recent, that recorded by the half-yearly report, annualising those of the income statement.

¹¹ In accordance with the 285 Supervisory Provisions, “*a non-financial enterprise (is considered) an enterprise other than a bank, an IMEL, an insurance, financial or instrumental company. The definition of “non-financial enterprise” includes enterprises that, performing exclusively or mainly activity of assumption of investments, hold interests mainly in non-financial enterprises with the aim of managing and coordinating their activities. The management and coordination activity is presumed to be managed by the investment company required to consolidated in its financial statements the invested enterprises and in any case in the event of control. Non-financial enterprises are also companies having as their exclusive corporate purpose the possession of investments and that hold investments in a single non-financial enterprise.*”

Annex D

Transactions decision-making process

Transactions decision-making process: the main steps



Annex E

Market Equivalent or Standards Conditions

In assessing if the conditions applicable to a significant Transaction may be classified as “Market Equivalent or Standards Conditions” UBI Banca and the other companies of the UBI Group, in adopting the deeds and internal implementing regulations of this Global Policy, which also shall provide appropriate controls and adequate operating procedures, must apply, with reference to each of the types of transaction indicated below, at least the following guidelines:

A. Lending

With reference to lending, whatever the technical form used, it must be assessed if the proposed spreads (i) are equal or improved, for companies of the UBI Group, compared to the PRIF¹² in force each time, or, failing that, to another indicator identified for that purpose or (ii) have a maximum deviation of 20% compared to the PRIF or, failing that, to another indicator identified for that purpose.

The conditions provided in the information booklets available to the public and those applied on the basis of commercial agreements that involve the generalised application to a category of entities of which the Relevant Entity in accordance with the Global Perimeter or the Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law forms part (for example agreements applicable to employees of the UBI Group if the Relevant Entity in accordance with the Global Perimeter or the Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law is an employee, conventions applicable to special professional categories if the Relevant Entity in accordance with the Global Perimeter belongs to that professional category and similar cases) are in any case considered to be “Market Equivalent or Standards Conditions”.

B. Direct funding

With reference to direct funding, it must be assessed if the proposed spreads fall within the maximum percentage deviation of 20% compared to the average spread calculated for the same technical form/counterparty segment.

The conditions provided in the information booklets available to the public and those applied on the basis of commercial agreements that involve the generalised application to a category of entities of which the Relevant Entity in accordance with the Global Perimeter or the Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law forms part (for example agreements applicable to employees of the UBI Group if the Relevant Entity in accordance with the Global Perimeter or the Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law is an employee, conventions applicable to special professional categories if the Relevant Entity in accordance with the Global Perimeter belongs to that professional category and similar cases) are in any case considered to be “Market Equivalent or Standards Conditions”.

¹² PRIF = reference price that expresses the synthesis of the commercial positioning of the Group's offer with reference to specific customer segments, technical forms, *ratings*, durations of transactions. It is defined with reference to market conditions, the competitive context, the company performance objectives, taking account of the cost elements in a risk adjusted perspective. It represents an objective for the commercial negotiation to be used as a point of reference for defining the economic terms.

C. Asset under management

With reference to collective asset management, the “Market Equivalent or Standards Conditions” are considered to be conditions applied to customers that are (i) in line with what is provided by the fund regulation or (ii) at least equal to what is contained in specific lists containing the average prices applicable to customers that take account of the amount of assets under management or that have a maximum deviation of 20% with respect to those average prices, with the exception for any economic benefits usually applied to customers.

With reference to individual asset management, the “Market Equivalent or Standards Conditions” are considered to be conditions (i) at least equal to what is contained in specific lists containing the average prices applicable to customers that take account of the amount of assets under management (ii) that have a maximum deviation of 20% with respect to those average prices, with the exception for any economic benefits usually applied to customers.

D. Real Estate Properties

With reference to the sale and purchase of real estate properties, it must be assessed if the conditions for the transaction are in line (or improved for companies of the UBI Group that completes the transaction) compared to an appraisal report that must be prepared for that purpose by an independent expert equipped with suitable requirements of professionalism.

E. Supply of goods or services to companies of the UBI Group

With reference to the purchase of goods and/or services by a Relevant Entity in accordance with the Global Perimeter or by a Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law, the purchase must occur through a competitive negotiation at least between three suppliers and this is irrespective of the value of the supply.

Any derogations, opportunely motivated, must be submitted for acceptance to the head of the hierarchically superior structure reporting directly to senior management/general management or the Board of Directors. The declaration must contain the motivations for the bound decision and certify the objective congruity of the price applied with respect to the service rendered/good purchased.

Annex E

Annex on delegated powers – Global Policy

Approved by the Management Board on 29
March 2019

Approved by Supervisory Board on 09 April
2019

Owner: UBI Corporate Affairs and
Relationships with Authorities

No delegated powers are contained in this document.