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GROUP REGULATION

Group Regulation 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

RELEVANT COMPANIES	RECIPIENTS	
UBI Banca S.p.A. and the other UBI Group companies	UBI Banca S.p.A. and the other UBI Group companies	
OWNER	AUTHOR	
UBI Corporate Affairs and Relationships with the Authorities	UBI Corporate Affairs and Relationships with the Authorities	
DECIDING BODY	APPROVAL DATE	
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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 Article 1.2 (*Scope of application and corporate perimeter of Regulation*) and more specifically identifies the “Other Relevant Entities” indicated in Annex A (*Group Global Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Regulation.

Independent Director means the supervisory director of UBI Banca, the management director of UBI Banca or the director of a company of the UBI Group who is not executive and is in possession (i) as regards UBI Banca, of the requirements of independence applicable in accordance with Art. 148 of the Italian Consolidated Finance Law and those provided by the Corporate Governance Code, and (ii) as regards the other companies of the UBI Group, the requirements of independence applicable in accordance with the law and the articles of association. In the absence of a specific provision of the articles of association which identifies specific requirements of independence, reference must be made to those laid down by Article 2399, letters b) and c) of the Italian Civil Code

Unrelated Director means the Independent Director who is not a counterparty in a certain Transaction or a Relevant Entity in accordance with the Global Perimeter or does not have interests, in accordance with Article 2391 of the Italian Civil Code, in a Transaction with Relevant Entities in accordance with the Global Perimeter.

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

Operating Activity means the set of main activities generating revenues for the company that completes the Transaction and all other management activities that cannot be classified as “investment” or “financial”. That definition thus includes both Transactions that fall within the activities of the company that completes the transaction and those that contribute to generating the main components of the current operations, also taking account of the Application Communication.

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

Corporate Governance Code means the corporate governance code of listed companies, promoted by the Corporate Governance Committee.

Committee has the meaning indicated in Article 2.5 (*The Related Parties and Connected Entities Committee of UBI Banca and the Committee of the other UBI Group companies*). With reference to UBI Banca, that Committee is also indicated as **Related Parties and Connected Entities Committee**.

Internal Control Committee means the internal control committee of UBI Banca.

Price Sensitive Communications has the meaning indicated in Article 2.10.2 (*Price Sensitive Communications on Transactions with Related Parties 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 amended*”.

Conditions Equivalent to those of the Market or Standard means conditions analogous to those usually applied to unrelated parties for 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 is obliged by law to contract at a certain fee, as specified in more detail in Annex D (*Conditions Equivalent to those of the Market or Standard*)A al Regolamento OPC.

Management Board means the Management Board of UBI Banca.

Supervisory Board means the Supervisory Board of UBI Banca.

Framework Resolution has the meaning indicated in Article 2.8.4 (*Framework Resolutions*).

Managers with Strategic Responsibilities means those persons who have the power and responsibility, directly or indirectly, for the planning, management and control of the Bank's activities. In particular, it means: the members of the Management Board and Supervisory Board, the members of General Management, the Manager in charge of preparing corporate accounting documents, 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, Head of UBI – Compliance, Heads of the Territorial Macro Areas, Top Private Banking Manager and Corporate & Investment Banking Manager, as well as the Manager of UBI – Support to the Supervisory Board.

285 Supervisory Provisions means the “*Supervisory provisions for banks*” indicated in Circular no. 285 dated 17 December 2013 of the Bank of Italy, as amended.

263 Supervisory Provisions means 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, containing provisions on the profiles relating to risk activities and conflicts of interest in relation to connected entities.

Representatives means the entities that perform functions of administration, management and control in UBI Banca, UBISS, the other banks or Supervised Intermediaries of the UBI Group. The definition includes, in particular, in the traditional management and control system, the directors and auditors; in the dualistic system, the members of the Supervisory Board and the Management Board. The definition also includes the general manager and those who perform assignments involving the exercise of functions equivalent to that of general manager.

Bank Representatives has the meaning indicated in Article 3.1 (*Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law*).

Relatives Subject to Limits means:

- (i) the not legally separated spouse or *more uxorio* cohabiting partner;
- (ii) the children and dependants of the person, the not legally separated spouse or *more uxorio* cohabiting partner.

Family and/or Business Foundations means foundations of family and/or business nature in which a Representative 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 the members of general management – where present – of UBISS, the other banks and Supervised Intermediaries of the UBI Group, a Relative Subject to Limits of the aforementioned persons or a Subsidiary Company controlled by the aforementioned persons has the right to appoint the members of the respective management and/or control bodies.

UBI Group means the group formed by the Group Head UBI Banca and by the Subsidiary Companies.

Indicator of Group Dependence has the meaning indicated in Article 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*).

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

Significant Interests has the meaning indicated in Article 2.4F (*Cases of exclusion*).

Supervised Intermediary means investment companies, asset management companies, Italian and foreign, e-money institutions (IMEL), financial intermediaries listed in the register provided by Article 106 of the Italian Consolidated Banking Law, payment institutions that form part of the UBI Group and have individual regulatory capital exceeding 2% of the consolidated regulatory capital of the UBI Group.

IW Bank means IW Bank S.p.A.

MAR means (EU) Regulation no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (*Market Abuse Regulation*).

Transaction means any transaction concluded 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 which 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, donations, purchase and supply of goods and services, including advisory activities and sponsoring. It also includes transactions of merger and demerger, as well as capital increases with exclusion of the right of option in favour of a Relevant Entity in accordance with the Global Perimeter.

Transactions of Negligible Amount has the meaning indicated in Article 2.4a)B (*Cases of exemption*).

Transactions of Greater Significance has the meaning indicated in Article 2.2a) (*Types of Transactions with Relevant Entities in accordance with the Group Global Perimeter*).

Transactions of Lesser Significance has the meaning indicated in Article 2.2b) (*Types of Transactions with Relevant Entities in accordance with the Group Global Perimeter*).

Exempt Transactions has the meaning indicated in Article 2.4 (*Cases of Exemption*).

Intergroup Transactions has the meaning indicated in Article 2.4a)F (*Cases of Exemption*).

Strategic Transactions has the meaning indicated in Article 2.2c) (*Types of Transactions with Relevant Entities in accordance with the Group Global Perimeter*).

Body with Control Function means, depending on the management and control model adopted, the Supervisory Board or the Board of Statutory Auditors.

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. With reference to UBI Banca it means the Management Board.

Body with Strategic Supervision Function means the body which holds the functions of guidance and/or supervision of corporate management. With reference to UBI Banca it means the Supervisory Board while, with reference to the other companies of the UBI Group, the Board of Directors.

Minimum Decision-Making Body or **Decision-Making Body** or **Competent Decision-Making Body** means the body with responsibility for resolving on each individual Transaction, depending on the respective type, as indicated each time in accordance with the detailed implementing rules.

Investor means 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 banking member of the UBI Group. With reference to the Supervised Intermediaries, Investor means the entity that holds, in any guise, a share of investment at least of 10% of the share capital with voting right in those companies.

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

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 Supervisory Provisions, in relation to risk concentration.

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

Group Key Personnel means the Key Personnel as defined in Annex A (*Group Global Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Regulation. 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 ESMA on 26 September 2017.

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

Regulation or **Global Regulation** has the meaning indicated in Article 1.1 (*Purpose of Regulation*).

Consob Regulation means 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, also considering the Application Communication.

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

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

Appointed Entities means the delegated bodies and/or entities, as appropriate, appointed by the competent decision-making or administrative body to conduct the negotiations or the preliminary investigation.

Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law means the Bank Representatives along with any other entity indicated in Article 3.1 (*Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law*) which in accordance with that Article fall within the definition of “Relevant Entities in accordance with the Article 136 of the Italian Consolidated Banking Law”.

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

Articles of Association means the 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 **Group Head** has the meaning indicated in Article 1.1 (*Purpose of Regulation*).

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

SECTION I – INTRODUCTION: PURPOSE, SCOPE OF APPLICATION, RESPONSIBILITY FOR APPROVAL AND UPDATE OF REGULATION

1.1 Purpose of Regulation

This regulation (the **Global Regulation** or the **Regulation**), adopted in implementation of the provisions of the applicable regulations in force on related parties, connected entities and any other relevant entities for the purposes of regulating conflicts of interest, governs the rules with which UBI Banca S.p.A. (**UBI Banca** or the **Bank** or even the **Group Head**) and the other companies of the UBI Group must comply in order to guarantee the transparency and substantial and procedural correctness of transactions with the Relevant Entities in accordance with the Global Perimeter and in accordance with Art. 136 of the Italian Consolidated Banking Law.

The regulatory and legislative framework of reference, the principles at the basis of this regulation and the provisions of general nature on managing conflicts of interest of the UBI Group are laid down in the “*Global Policy on transactions with Related Parties in accordance with Consob Regulation no. 17221/2010, Connected Entities in accordance with the 263 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*” approved by the Management Board and by the Supervisory Board, respectively, on 17 April 2018 and 19 April 2018 (the **Global Policy**). The Global Policy is available for consultation on the Bank's internet website (www.ubibanca.it).

As specified in more detail in the Global Policy, the Global Regulation is aimed at the implementation by UBI Banca and the other companies of the UBI Group, insofar as they are responsible, of Consob Regulation, the 263 Supervisory Provisions, Art. 136 of the Italian Consolidated Banking Law and Art. 2391 of the Italian Civil Code, which form an integral part of this Regulation.

In line with that objective, the Regulation is split into the following sections:

- Section I – Introduction: purpose, scope of application, responsibility for approval and update of Regulation: it outlines the purposes of the Regulation and the respective scope of application as well as the companies of the UBI Group which are the recipients of the same. It also identifies the Bank structure responsible for preparing that document as well as the respective approval and revision procedure to be adopted;
- Section II – Transactions with Relevant Entities in accordance with the Global Perimeter and the respective procedural provisions applicable: this defines the transactions with Relevant Entities in accordance with the Global Perimeter of the UBI Group and dictates the procedural rules applicable as part of the respective decision-making processes. In particular, it identifies:
 - (i) the decision-making rules that UBI Banca and the other UBI Group companies are required to adopt for the purpose of approving transactions with Relevant Entities in accordance with the Global Perimeter, with particular reference to Transactions of Lesser Significance, Transactions of Greater Significance, Strategic Transactions and Transactions under the shareholders' meeting remit;
 - (ii) the provisions applicable to reporting, financial and to the market, on transactions with Related Parties;
 - (iii) the rules relating to the Risk Activities concerning Connected Entities and Group Key Personnel.

It also identifies the duties and functions as well as, in general, the provisions on the Related Parties and Connected Entities Committee of UBI Banca and the corresponding committees of the other UBI Group companies;

- Section III – Transactions with Relevant Entities in accordance with the Article 136 of the Italian Consolidated Banking Law: this defines the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and lays down details of the rules relating to the preliminary investigation and decision-making procedure of transactions with those entities;
- Section IV – Organisation Model and control safeguards, main roles and responsibilities and violations of Global Policy and Regulation: this defines the criteria for defining the organisational and control safeguards and the operating procedures, duties and responsibilities of the structures involved in the processes aimed at governing the risk deriving from potential conflict of interest situations, as well as the sanction regime for any violations of this Regulation and/or the Global Policy;
- Section V – General provisions: this dictates the provisions of general nature on the implementation, interpretation, publicity and entry into force of the Regulation as well as the applicable transitory rules.

1.2 Scope of application and corporate perimeter of Regulation

With this Regulation UBI Banca intends to define the procedural and decision-making rules in implementing the principles and guidelines indicated in the Global Policy applicable (a) to Transactions implemented with Related Parties of UBI Banca, Connected Entities of UBI Banca, UBISS, the other banks and 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 safeguards, as well as (b) to any other Transaction that, despite not directly involving the entities referred to above, is concluded with entities that may be considered connected, associated or in any case have links of any nature with the Representatives of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group which may compromise the impartiality and objectiveness of the decisions on Transactions implemented from time to time, to which UBI Banca sees fit to apply the same procedures of control and mitigation of potential conflicts of interest cited in point (a), also taking account of the rules indicated in Article 2391 of the Italian Civil Code (the **Other Relevant Entities**).

All companies of the UBI Group (including the non-banking members), in Italy or abroad, are required to incorporate the Global Policy as well as this Regulation, which is adopted by UBI Banca – in its capacity as “Group Head” company – as a unitary regulation for the entire UBI Group. In particular, the Subsidiary Companies are required to launch promptly and in conformity with the group regulation in force, after the approval of the Global Policy and the respective Regulation by the competent corporate bodies, every activity that becomes necessary for the purposes of applying this Regulation, including the appropriate interventions on the information systems in support, according to a principle of proportionality commensurate to the actual significance of the potential conflicts of interest.

As specified in more detail in the articles below, it is noted that:

- the provisions on managing transactions with Relevant Entities in accordance with the Global Perimeter apply to UBI Banca and to all UBI Group companies, notwithstanding that the provisions on managing transactions with Relevant Entities in accordance with the Global Perimeter which are also Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law only apply to the banking members of the UBI Group;
- the rules on the limits to Transactions indicated in Article 2.7.3 below (*Limits to transactions with some Relevant Entities in accordance with the Global Perimeter*) apply to all UBI Group companies with exclusive reference to Transactions implemented with the Representatives of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, Managers with Strategic Responsibility of UBI Banca, general manager and members of general management (where present) of UBISS, the other banks and Supervised Intermediaries of the UBI Group and with some entities attributable to them in

accordance with the Global Policy and this Regulation according to what is indicated in Annex C – Part I and Part II.

Every company of the UBI Group is also required at individual level to respect the rules laid down by the individual industry supervisory authorities (for example, insurance) and/or of the market on managing transactions with entities in conflict of interest, according to the provisions applicable each time.

1.3 Responsibility for approval and update of Regulation

The Regulation is drafted by UBI Corporate Affairs and Relationships with the Authorities, with the constant involvement of the Supervisory Board, and it is shared with all other competent structures of the Bank. UBI Corporate Affairs and Relationships with the Authorities – which does not have operating involvement in the decision-making phases - will ensure, through its specialist advisory activity and, possibly, where necessary, also by way of support from other structures and functions internal to the Bank, that this Regulation is applied correctly by all parties involved.

The Regulation is approved by resolution of the Supervisory Board and Management Board, subject to the favourable opinion of the Related Parties and Connected Entities Committee, and it may be modified exclusively by the same procedural process. In particular, without prejudice to the provisions of Article 5.4 below (*Enter into force of the Regulation and transitional rules*), this Regulation was approved in its current version by the Management Board and the Supervisory Board respectively on 13 and 14 June 2018, subject to the favourable opinion of the Related Parties and Connected Entities Committee, and it replaces the “*Regulation governing transactions with Related Parties of UBI Banca S.p.A.*” and the “*Regulation governing transactions with Connected Entities of the UBI Group*” both approved by the Management Board and Supervisory Board, respectively, most recently, on 17 January 2017 and 24 January 2017.

Notwithstanding the foregoing, the Regulation (like the Global Policy) is subject to periodic assessment - and in any case at least on an annual basis with effect from its entry into force - by the Supervisory Board and Management Board, subject to the favourable opinion of the Related Parties and Connected Entities Committee, in order to check if it is necessary and/or opportune to review and/or update it based upon: (a) any changes to the organisational and corporate structure of UBI Banca or the corporate group headed by it; (b) findings of the Supervisory Authority; (c) outcomes of the supervisory activity performed by the Supervisory Board on compliance with the rules adopted; (d) outcomes of the verification activity of the company control functions; (e) any application difficulties identified; as well as (f) changes of any nature to the relevant regulatory context. In that regard, the Related Parties and Connected Entities Committee may make to the Management Board and/or Supervisory Board proposals of amendment and/or supplementation of the Regulation. Any failure to incorporate those proposals must be adequately motivated by the aforementioned corporate bodies. Any amendment and/or addition made to the Global Policy must be incorporated in this Regulation, where incident to and/or relevant for the purposes of the rules contained in the Regulation itself.

The Regulation and the respective changes, together with the Global Policy, are published on the UBI Banca internet website (www.ubibanca.it).

SECTION II – TRANSACTIONS WITH RELATED PARTIES, CONNECTED ENTITIES AND OTHER RELEVANT ENTITIES AND RESPECTIVE PROCEDURAL RULES

2

2.1 Definition of Transactions with Relevant Entities in accordance with the Global Perimeter

Transactions with Relevant Entities in accordance with the Global Perimeter are considered to be transactions with:

- Related Parties of UBI Banca in accordance with the Consob Regulation;
- Connected Entities of UBI Banca, the other banks, UBISS and Supervised Intermediaries of the UBI Group in accordance with the 263 Supervisory Provisions;
- Group Key Personnel;
- Other Relevant Entities as identified by way of self-regulation by UBI Banca,

which involve the transfer of resources, services or obligations, irrespective of the provision of a fee, therein including merger and demerger operations, capital increases excluding the right of option in favour of the Relevant Entity in accordance with the Global Perimeter as well as, with particular reference to the Connected Entities and Key Personnel, any transaction that involves the assumption of Risk Activities.

For a precise identification of each category of Relevant Entities in accordance with the Global Perimeter see Annex A (*Group Global Perimeter and definitions functional to the notions of Related Parties, Connected Entities, Key Personnel and Other Relevant Entities*) of this Global Regulation.

2.2 Types of Transactions with Relevant Entities in accordance with the Group Global Perimeter

For the purposes of applying this Regulation, it is necessary to distinguish the following types of Transactions with Relevant Entities in accordance with the Global Perimeter:

a) Transactions of Greater Significance

Transactions of Greater Significance are those transactions with Relevant Entities in accordance with the Global Perimeter in which at least one of the following significance indicators, applicable according to the characteristics of each individual Transaction, is higher than the threshold of 5%:

- (i) *Significance indicator of equivalent value*: this is the ratio between the equivalent value of the Transaction and the own funds taken from the most recently published consolidated balance sheet.
 - If the economic terms of the Transaction are defined, the equivalent value is:
 - A. for cash components, the amount paid to/by the contractual counterparty;
 - B. for components constituted by financial instruments, the *fair value* determined, at the date of the Transaction, in conformity with international accounting standards adopted with (EC) Regulation no. 1606/2002, as amended;
 - C. for transactions of financing or granting of guarantees, the maximum amount.
 - If the economic conditions of the Transaction depend, in whole or in part, on unknown elements, the equivalent value of the Transaction corresponds to the maximum value receivable or payable in accordance with the agreement¹.

¹ In the case of multiyear services remunerated with commissions/fees, the equivalent value is represented by their current value.

- (ii) Significance indicator of assets: this is the ratio between the total assets of the entity subject to the Transaction and the total assets (therein including off-balance sheet posts) resulting from the most recently published consolidated balance sheet; where possible, analogous data must be used to determine the total assets of the entity subject to the Transaction.
- For transactions of acquisition and sale of investments in companies that have effects on the consolidation area, the value of the numerator is the total assets of the invested company irrespective of the percentage of capital subject to disposal.
 - For transactions of acquisition and sale of investments in companies that do not have effects on the consolidation area, the value of the numerator is:
 - A. in the case of acquisitions, the equivalent value of the transaction increased by any liabilities of the acquired company assumed by the purchaser;
 - B. in the case of sales, the fee for the transferred asset.
 - For transactions of acquisition and sale of other assets (other than the acquisition of an investment), the value of the numerator is:
 - A. in the case of acquisitions, the higher between the fee and the book value that will be attributed to the asset following the acquisition;
 - B. in the case of sales, the book value of the asset.
- (iii) Significance indicator of liabilities: this is the ratio between the total liabilities of the acquired entity and the total assets of UBI Banca. The data to be used must be taken from the consolidated balance sheet most recently published by the Bank; where possible, analogous data must be used to determine the total of the liabilities of the company or business branch acquired.

b) Transaction of Lesser Significance

Transactions of Lesser Significance are those transactions with Relevant Entities in accordance with the Global Perimeter other than Transactions of Greater Significance, Strategic Transactions and Transactions of Negligible Amount (as defined herein).

c) Strategic Transactions

Strategic Transactions are considered to be transactions with Related Parties on which the Supervisory Board is asked to resolve in accordance with Art. 38, letters d), m) and u) of the articles of association of UBI Banca.

d) Transactions with Relevant Entities in accordance with the Global Perimeter completed by Subsidiary Companies of UBI Banca

If, by virtue of provisions of the Articles of Association or internal procedures adopted by UBI Banca, the Management Board, Supervisory Board at the proposal of the Management Board or even a Representative of the Group Head by virtue of the delegations granted to the same must, preventively, examine or approve Transactions that are to be implemented by Subsidiary Companies of UBI Banca, the structures of the Bank, involved each time in investigating that Transaction, check in advance if the Transaction counterparty is included among the Relevant Entities in accordance with the Global Perimeter. If the counterparty is found to be a Relevant Entity in accordance with the Global Perimeter, the aforementioned structures send as soon as possible comprehensive information on the characteristics of the Transaction to the competent body of UBI Banca to examine or approve them preventively. The Bank's competent body, having ascertained that the Transaction in question does not fall within any of the exemptions provided by Article 2.4 (*Cases of Exemption*) of this Regulation, informs the Chairman of the Committee [of UBI Banca] and, in this case, the provisions of the Global Regulation will apply, with particular reference to the provisions of procedural nature dictated for each type of Transaction with Relevant Entities in accordance with the Global Perimeter.

2.3 Determination of the significance of Transactions with Relevant Entities in accordance with the Global Perimeter

For the purposes of determining the significance of transactions with Relevant Entities in accordance with the Global Perimeter (*i.e.* Transactions of Greater Significance, Transactions of Lesser Significance or Transactions of Negligible Amount), those Transactions are valued on an individual basis, except for Transactions that are homogeneous between them or implemented in execution of a unitary plan, completed, during the financial year, with the same Relevant Entity in accordance with the Global Perimeter, whose value must be accumulated for the purposes of calculating the threshold of significance.

With reference to the criteria for determining the significance of each type of Transaction with Relevant Entities in accordance with the Global Perimeter see what is specified in more detail in the implementing regulations prepared by the Bank.

2.4 Cases of Exemption

Subject to the provisions of Art. 2.7.3 (*Limits to transactions with some Relevant Entities in accordance with the Global Perimeter*), the Transactions listed below completed with Relevant Entities in accordance with the Global Perimeter, which are not also Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, are generally excluded from the scope of application of the decision-making procedures of the Group Head and, where applicable, the Subsidiary Companies, indicated in Article 2.8 below (*Decision-making process*), subject to some accounts reporting obligations, to Consob and to the market provided by the regulations with reference to some types of Transactions, as specified in more detail below. In particular:

- A. shareholders' meeting resolutions on fees due to members of the Supervisory Board** assumed in accordance with Art. 2364-*bis* of the Italian Civil Code, including those concerning the determination of a total amount for the remuneration of the supervisory directors and those invested with particular roles, powers and functions.

*It is specified that those resolutions **are not subject to any provision of this Global Regulation.***

- B. Transactions of Negligible Amount**, thereby meaning transactions with Relevant Entities in accordance with the Global Perimeter whose equivalent value is no higher than Euro 100,000.00 (one hundred thousand), calculated according to the provisions of Art. 2.3 (*Determination of the significance of Transactions with Relevant Entities in accordance with the Global Perimeter*) above.

*The provisions on subsequent reporting to the competent bodies indicated in Article 2.9 (Subsequent reporting following the implementation of Transactions to the competent bodies) **exclusively apply.***

- C. Remuneration plans based upon financial instruments** approved by the Shareholders' Meeting in accordance with Art. 13 paragraph 2, lett. b) of the Articles of Association and in conformity with Art. 114-*bis* of the Italian Consolidated Finance Law and the respective executive operations.

*The provisions on periodic financial reporting indicated in Article 2.10.1 (Periodic financial reporting on transactions with Related Parties) **apply.***

- D. Resolutions**, other than those indicated in lett. A above of this Article, **on remuneration of board directors**, even invested with particular roles, and the other Managers with Strategic Responsibilities and Group Key Personnel as well as resolutions with which the Supervisory Board determines the fee of the board directors, provided that:

- (i) UBI Banca has adopted a remuneration policy;

- (ii) the Remuneration Committee, made up exclusively of non-executive directors, by majority independent, established by the Supervisory Board in accordance with Art. 41 paragraph 5 of the Articles of Association was involved in defining the remuneration policy;
- (iii) a report illustrating the remuneration policy has been subject to the approval or advisory vote of the Shareholders' Meeting;
- (iv) the remuneration assigned is coherent with the supervisory provisions of the Bank of Italy on incentive and remuneration systems of banks and with the policy indicated in above point (iii).

*It is noted that **the following apply**: the provisions on periodic financial reporting indicated in Article 2.10.1 (Periodic financial reporting on transactions with Related Parties).*

E. Ordinary Transactions, thereby meaning those Transactions of Lesser Significance, falling within the ordinary operations of UBI Banca or of the other UBI Group companies and concluded at Conditions Equivalent to those of the Market or Standard indicated in Annex D (*Conditions Equivalent to those of the Market or Standard*) of this Global Regulation. To identify those Transactions, appropriate organisational controls, adequate operating procedures - also of IT nature - functional to the approval resolution of the Transaction, as well as to support the respective controls, will be defined in the implementing rules of this Regulation. It is noted that the organisational controls, operating procedures and controls will be defined according to the criteria indicated in Art. 4.1 (*Organisational and control safeguards*) of Section IV of this Regulation. In assessing a Transaction of Lesser Significance as an Ordinary Transaction, UBI Banca and the other UBI Group companies consider at least the following elements: (a) its attribution to ordinary activity, (b) the objectiveness of the terms, (c) the simplicity of the economic-contractual outline, (d) the quantitative significance and (e) the type of counterparty.

If UBI Banca or another company of the UBI Group approves an Ordinary Transaction:

- the respective resolution² and/or supporting documentation, appropriately archived and traceable, must contain elements proving its “ordinary” nature;
- comprehensive information on the Ordinary Transactions concluded during the relevant period must be provided: (a) to the respective Bodies with Strategic Supervision function as well as (b) to the respective Committees, on a quarterly basis.

*It is specified that the following **apply to** Ordinary Transactions: (a) the provisions on subsequent reporting to the competent bodies indicated in Article 2.9 (Subsequent reporting following the implementation of Transactions to the competent bodies); (b) the rules on periodic financial reporting indicated in Article 2.10.1 (Periodic financial reporting on transactions with Related Parties) and (c) the rules on Price Sensitive Communications indicated in Article 2.10.2 (Price Sensitive Communications on Transactions with Related Parties of UBI Banca).*

F. Intergroup Transactions, thereby meaning those Transactions:

- (i) with or between Subsidiary Companies, even jointly;
- (ii) with or between companies belonging to the UBI Group when there is a relationship of totalitarian control (even joint) between the parties of the Transaction³;
- (iii) with companies subject to Significant Influence,

² The term “resolution”, where used in this Single Regulation, refers, indistinctly and as appropriate, to decisions assumed by the collegial bodies and by the single-person bodies.

³ In accordance with the 263 Supervisory Provisions, “Transactions with Associated Entities” are not considered to include Transactions performed between members of the UBI Group if there is a relationship of totalitarian control, even joint, between those members.

if in the Subsidiary Companies or those subject to Significant Influence that are counterparties of the Transaction there are no Significant Interests of Other Relevant Entities in accordance with the Global Perimeter (the **Significant Interests**).

Intergroup Transactions are understood to include **transactions of intergroup transfer of funds or of “collateral”** implemented as part of the liquidity risk management system at consolidated level; transactions **connected to covered bonds, securitisations and similar** are considered to be included in the intergroup transfer transactions implemented as part of the liquidity risk management system at consolidated level.

Subject to the assessment of significance to be made case by case, in general, Significant Interests are considered to exist (and therefore the respective Transactions may not be considered as Exempt Transactions), in light of the financial benefits that the Other Relevant Entities in accordance with the Global Perimeter could achieve from implementing the Transaction, where:

- the parties of the Transaction share one or more Representatives, when those entities benefit from incentive plans based upon financial instruments (or in any case variable remuneration) depending on the results achieved by the Subsidiary Companies or those subject to Significant Influence with which the Transaction is implemented and the weight of that component exceeds 25% of the overall remuneration of the individual relevant Representative;
- the counterparty company of the Transaction that is controlled by or subject to Significant Influence of a company of the UBI Group other than the Group Head is invested (even indirectly) by the Group Head and the actual weight of that investment exceeds the actual weight of the investment held by the same in the UBI Group company that intends to implement the Transaction. For the purposes of assessing that actual weight, the direct investments are weighted by totality, while indirect ones are weighted according to the percentage of capital held in the UBI Group company through which the Group Head holds the investment in the counterparty company of the Transaction that is controlled by, or subject to a Significant Influence of, another company of the UBI Group⁴. If, in addition to the aforementioned investment (even indirect), UBI Banca holds other economic interests in the Transaction, those interests are considered together with those deriving from the investment calculated according to its actual weight;
- the Subsidiary Company or company subject to Significant Influence counterparty in the Transaction is invested, in an amount at least equal to 20% of the capital, by one or more Investors other than the Group Head⁵.

⁴ Below are some examples:

(i) **Significant Interest of UBI Banca:** company A (UBI Banca) controls with 50% of the capital represented by shares with voting right company B which, in turn, controls with the same percentage company C. In addition, A (UBI Banca) holds directly the remaining 50% of C. In the transaction between company B and company C, company A (UBI Banca) holds a significant interest in C since the effective weight of the investment in the latter company amounts to $50\% + (50\% \times 50\%) = 75\%$, while the weight of the investment in B amounts to 50%: there is therefore an incentive to the net transfer of resources from B to C;

(ii) **Non-Significant Interest:** company A (UBI Banca) controls with 30% of the capital represented by shares with voting right company B (listed), which, in turn, controls with 50% of the capital represented by shares with voting right company C, not listed. In addition, A holds directly 10% of C. In the transaction between company B and company C, company A (UBI Banca) does not hold a significant interest in C since the actual weight of the investment in the latter company amounts to $10\% + (30\% \times 50\%) = 25\%$, while the weight of the investment in B amounts to 30%: there is, therefore, in the absence of other Significant Interests, no incentive to the net transfer of resources from B to C.”

⁵ For example, that circumstance of Significant Interest does not exist where the counterparty company of the Transaction is a non-banking Subsidiary Company controlled in totalitarian form by UBI Banca. In that case, the exemption, where there are no additional Significant Interests, will apply both for the Group Head and for the non-banking Subsidiary Company controlled in totalitarian form.

Significant Interests are not considered to be those deriving from the mere sharing between different companies or one or more Representatives or members of Group Key Personnel, in the absence of other significance indicators in accordance with this Regulation.

If UBI Banca or another UBI Group company approves the Transactions indicated in this letter F, the competent decision-making bodies of UBI Banca and of the other UBI Group companies provide, on a quarterly basis, to the respective Bodies with Strategic Supervision Function as well as to the respective Committees (or, in the UBI Group companies that have not established a Committee, to the Independent Directors), by way of UBI Corporate Affairs and Relationships with the Authorities or the corresponding function of the Subsidiary Company, complete reporting on transactions with Relevant Entities in accordance with the Global Perimeter subject to the rules indicated in this letter F concluded in the relevant period⁶.

*The following **do not apply** to Intergroup Transactions: (a) the provisions on the rules of reporting obligations to the public for Transactions of Greater Significance indicated in Article 2.10.3 (Reporting to the public for Transactions of Greater Significance); (b) the reporting obligations to Consob in accordance with the Article 2.10.4 below (Reporting to Consob).*

*On the other hand, **the following apply**: (a) the provisions on subsequent reporting to the competent bodies indicated in Article 2.9 (Subsequent reporting following the implementation of Transactions to the competent bodies); (b) the rules on periodic financial reporting indicated in Article 2.10.1 (Periodic financial reporting on Transactions with Related Parties) and (c) the provisions on Price Sensitive Communications indicated in Article 2.10.2 (Price Sensitive Communications on Transactions with Related Parties of UBI Banca).*

- G. Transactions to be implemented on the basis of instructions with the purpose of stability imparted by the Supervisory Authority**, or based upon provisions issued by the Group Head to execute instructions imparted by the Supervisory Authority in the interest of the stability of UBI Group.

*The following **apply** to those Transactions: (a) the provisions on subsequent reporting to the competent bodies indicated in Article 2.9 (Subsequent reporting following the implementation of Transactions to the competent bodies); (b) the rules on periodic financial reporting indicated in Article 2.10.1 (Periodic financial reporting in relation to transactions with Related Parties); (c) the provisions on Price Sensitive Communications indicated in Article 2.10.2 (Price Sensitive Communications on Transactions with Related Parties of UBI Banca); and, in the case of Transactions of Greater Significance (d) the provisions indicated in Article 2.10.3 (Public reporting for Transactions of Greater Significance) and 2.10.4 (Reporting to Consob),*

(the Transactions indicated in this Article from letter A. to letter G., the **Exempt Transactions**).

2.5 The Related Parties and Connected Entities Committee of UBI Banca and the Committee of the other UBI Group companies

2.5.1 Duties and functions of the Committee – Alternative controls – Non-binding favourable opinion

UBI Banca and each other UBI Group company establish a Committee, made up of Independent Directors, within the Body with Strategic Supervision Function, which, subject to the provisions of Article 2.3 (*Cases of Exemption*) above, receives, by way of the UBI Corporate Affairs and Relationships with the Authorities Area, complete and prompt reporting on the different profiles of the Transactions and, depending on the type of Transaction (Transactions of Greater Significance and Strategic Transactions) it is involved in the

⁶ Transactions performed between members of UBI Group where there is a relationship of totalitarian control, even joint, between the same are not subject to the aforementioned quarterly reporting.

preliminary investigation phase and the negotiations; the Committee is also asked to express a motivated opinion in support of the body responsible for resolving upon the Transaction (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 Regulation outlines in detail the responsibilities of the Committee based upon the Transaction type, in compliance with the provisions of the Consob Regulation and the 263 Supervisory Provisions.

Subject to respect of the criteria of composition indicated in Article 2.5.2 below (*Composition and duration of the Committee*), in the banking members of the UBI Group other than UBI Banca the Committee may coincide with the Risks Committee or with the Internal Control Committee, where existing.

In UBI Group companies in which there is not a sufficient number of Independent Directors, the functions of the Committee are performed individually by the only Independent Director or jointly if there are two of them.

In any case, the non-banking members of the UBI Group and the banking members of the UBI Group not required, in accordance with the 285 Supervisory Provisions, to establish committees internal to the Body with Strategic Supervision Function, may assign the functions attributed to the Committee to one or more Independent Directors.

With reference to the non-banking members of UBI Group, in the absence of Independent Directors, the functions of the Committee will be performed by the Body with Control Function.

For the purposes of this Regulation, the Committee's opinion is considered to be favourable if it has (a) manifested its agreement with the Transaction with the entities involved in the Global Perimeter subject to its prior examination, or (b) requested that the Transaction with the entities indicated in the Global Perimeter subject to its prior examination is subordinated to some conditions, subsequently approved by the body competent to resolve on that Transaction. Conversely, the opinion with which the Committee has expressed its disagreement even only on an individual aspect of the Transaction submitted for its prior examination cannot be considered to be favourable.

2.5.2 Composition and duration of the Committee

The Committee consists of 3 (three) permanent members, appointed by the Body with Strategic Supervision Function from its members in possession of the requirements of independence applicable for each UBI Group company in compliance with existing provisions of law and of the articles of association. In that regard, with particular reference to UBI Banca consideration must be given to the requirements of independence indicated in Art. 148, paragraph 3 of the Italian Consolidated Finance Law and Art. 3 of the Corporate Governance Code.

The Committee remains in office for the whole period in which the Body with Strategic Supervision Function that appointed it remains in office.

The Chairman of the Committee is appointed by the Body with Strategic Supervision Function from among the Committee members at the deed of appointment. In the case of temporary absence or impediment of the Chairman, his duties are assumed by the Committee member with the longest tenure in the Body with Strategic Supervision Function or, if the members have the same tenures, the eldest in age. In the case of renouncement, supervening incapacity, death, revocation or forfeiture of the Chairman, he is replaced by the Committee member with the longest tenure in the Body with Strategic Supervision Function or, if the members have the same tenures, the eldest in age, until the date on which the Body with Strategic Supervision Function appoints the new Chairman. The Chairman convenes and chairs the Committee meetings, prepares its works, manages, coordinates and moderates the discussion as well as sends to the competent bodies the opinions resolved by the Committee in compliance with this Regulation.

Each Committee member may be revoked by the Body with Strategic Supervision Function which proceeds at the same time with his replacement. The revocation of the Committee members must be duly motivated. In

the case of renouncement, death or supervening incapacity of a Committee member, the latter or the Chairman gives prompt communication thereof to the Body with Strategic Supervision Function which proceeds with the replacement.

The Body with Strategic Supervision Function of each company of the UBI Group has the right, where possible, to increase to 5 (five) the Committee members by appointing two non-permanent members, designated from its members in possession of the requirements of independence provided, for UBI Banca, by Art. 148, paragraph 3 of the Italian Consolidated Finance Law and by Art. 3 of the Corporate Governance Code and, for the other UBI Group companies, by the existing provisions of law and the articles of association, where this becomes necessary based upon the value, nature and specific characteristics and/or complexity of each individual Transaction in relation to which the Committee is asked to perform its functions. The non-permanent members remain in office until the completion of the activities requested from the Committee in relation to the individual Transaction for which they were appointed.

2.5.3 Requirements of professionalism and independence

All Committee members are in possession of skills and professionalisms linked to the activity performed by each UBI Group company and adequate to the autonomy of judgment that qualifies their role.

The non-permanent members must have a very high level of specific skills in relation to the nature and technical characteristics of the individual Transaction for which their participation in the activities of the Committee is requested.

All Committee members must be Independent Directors. In addition, as specified in more detail in Article 2.5.4 below (*Unrelated Directors*), with reference to each Transaction, directors who cannot be considered Unrelated Directors in relation to the individual Transaction may not be admitted to express the opinion under the remit of the Committee.

The possession of the requirements of independence by the Committee members is certified by the Body with Strategic Supervision Function at the time of appointment and is periodically verified every half-year.

2.5.4 Unrelated Directors

If one of the Committee members cannot be considered an Unrelated Director in relation to any individual Transaction for which the Committee is asked to express its preventive opinion, it is required to report promptly that situation to the Body with Strategic Supervision Function so that the same may proceed to declare that member related in relation to the individual Transaction and simultaneously replace the same with another Unrelated Director, limited to the individual Transaction for which the correlation occurred.

If there is not a sufficient number of Unrelated Directors, the Body with Strategic Supervision Function of each UBI Group company must activate the specific equivalent alternative controls to protect the substantial correctness of the Transaction indicated in Article 2.5.1 above (*Duties and functions of the Committee – Alternative controls – Non-binding favourable opinion*).

2.5.5 Convocation and meetings of the Committee

The Committee meets when convened by the Chairman or by those in his stead each time it is deemed opportune by the Chairman or by a Committee member with specific written request to the Chairman.

The Committee meeting is convened by notice to be sent by e-mail or any other electronic medium that guarantees proof of receipt, sent at least three full days prior to that fixed for the meeting and in any case in useful time to provide to the members sufficient information on the matters under discussion. The notice of convocation is followed by the transmission of the documentation necessary to best guarantee the completion of the duties assigned to the Committee members. In cases of particular urgency, the convocation may be made with prior notice of twenty-four hours, by any suitable medium. In that case, during the meeting, a

comprehensive discussion of every matter must in any case be guaranteed paying particular attention to the content of the documents which it was not possible to transmit ordinarily.

The Committee meeting is in any case understood to be validly constituted when, albeit in the absence of formal convocation in accordance with this Article, all Committee members are present or where those absent have expressed in writing their prior consent to its conduct.

To allow for the most correct and efficient functioning of the Committee, it is mandatory for the competent body to resolve in relation to a Transaction submitted for the prior opinion of the Committee to inform, by way of the UBI Corporate Affairs and Relationships with the Authorities Area, the Chairman of the Committee of the planned Transaction with the utmost promptness (also informing the Chairman of the Body with Strategic Supervision Function also for any determinations indicated in Article 2.5.2 above (*Composition and duration of the Committee*), sending, together with that communication, all useful information in that regard. After that communication, the Chairman of the body competent to resolve on the Transaction or the delegated body is required to communicate promptly any further information regarding the specific Transaction.

In order for the Committee meetings to be valid, the majority of members in office must be present (including non-permanent members, where appointed) and the respective decisions must obtain the majority of the votes of the attendees. The vote may not be given by representation. Each Committee member has the right to only one vote.

The Committee meetings are usually held at the office of the company in which it was established; the Committee may also meet in any other location in Italy. The Committee meetings may be validly held even by means of telecommunication, provided that each participant can be identified by each of the others and everyone is able to follow the discussion and to intervene in real time in the discussion of the matters in question; once those presuppositions are in place, the meeting is considered to be held in the location in which the Chairman and the Secretary are present.

For each Committee meeting specific minutes are drawn up by a secretary appointed by the Committee even from outside its members. The minutes are sent to the attendees and signed by the Chairman and by the secretary. A copy of the minutes is stored by the secretary of the Committee and kept available to the Committee itself and the Body with Strategic Supervision Function, to which the Chairman of the Committee gives information at the next meeting.

The Representatives and all other persons whose attendance is deemed to be useful by the Committee or, if appropriate, the Independent Directors for the development of their opinion, may be asked to attend at meetings of the Committee or the Independent Directors or, if appropriate, at meetings with the Independent Director, in relation to the matter discussed. With particular reference to transactions with Related Parties of UBI Banca, the Chairman of the Management Board, the Managing Director, the Chairman of the Supervisory Board, the managers of the company functions of the Bank and its Subsidiary Companies in relation to the subject of the Transaction, the heads of *Internal Auditing*, the external advisors appointed to assist the Bank or one of its Subsidiary Companies in the negotiation concerning a Transaction with Related Parties of UBI Banca may be asked to attend at meetings of the Related Parties and Connected Entities Committee.

2.5.6 Assistance of independent experts

Subject to the possibility, provided by Article 2.5.2 above (*Composition and duration of the Committee*), to increase the number of Committee members by appointing two non-permanent members, in relation to each individual Transaction for which it is asked to perform its functions the Committee is attributed the right to use, at the expense of the UBI Group company that established it, the assistance of one or more independent experts of its choice. Those in one or more of the following situations are not considered independent experts and therefore they may not assist the Committee:

- (i) the Representatives, relatives and in-laws up to the fourth degree of the Representatives, the directors and auditors of the Subsidiary Companies, the Parent Company/Companies or the companies subject to common control, the spouse, relatives and in-laws up to the fourth degree of those directors and auditors;
- (ii) those who are linked to the UBI Group company that established the Committee or the Parent Company/Companies, the Subsidiary Companies or to companies subject to common Control of the company of the UBI Group that established the Committee, as well as one of the entities indicated in point (i) above by an employment relationship or by a continuous advisory relationship or performance of remunerated work or by other relationships of financial nature that compromise their independence;
- (iii) those who have interests in implementing the Transaction such as to compromise their independence of judgments.

The existence of the requirement of independence will also be certified by the expert itself, when the assignment is granted.

In relation to each UBI Group company, where both the Committee and the body competent to resolve on a Transaction submitted for the prior opinion of the Committee intend to obtain assistance from independent experts, the Committee indicates in advance a list of entities suitable to perform that role from which the body competent to resolve on the Transaction may select the expert it intends to use. The assignment thus granted must expressly provide that the selected independent experts assist also and specifically the members of the Committee in conducting the duties assigned to them in accordance with this Regulation.

In relation to each Transaction for which the assistance of independent experts is requested, to incur the costs of the services rendered by the latter, the Committee may use different sums determined based upon the equivalent value of each Transaction, to be calculated as follows:

- for an equivalent value less than Euro 1,000,000, a sum equal to 2.5% of the equivalent value and in any case not exceeding Euro 20,000;
- for an equivalent value higher than Euro 1,000,000 up to Euro 10,000,000, a sum equal to 1.75% of the equivalent value and in any case not exceeding Euro 100,000;
- for an equivalent value higher than Euro 10,000,000 up to Euro 50,000,000, a sum equal to 1% of the equivalent value and in any case not exceeding Euro 350,000;
- for an equivalent value higher than Euro 50,000,000 up to Euro 100,000,000, a sum equal to 0.6% of the equivalent value and in any case not exceeding Euro 500,000;
- for an equivalent value higher than Euro 100,000,000 up to Euro 250,000,000, a sum equal to 0.4% of the equivalent value and in any case not exceeding Euro 750,000;
- for an equivalent value higher than Euro 250,000,000 up to Euro 500,000,000, a sum equal to 0.25% of the equivalent value and in any case not exceeding Euro 900,000;
- for an equivalent value higher than Euro 500,000,000, a sum equal to 0.2% of the equivalent value and in any case not exceeding Euro 2,500,000.

If, based upon the characteristics of the Transaction, the Committee believes that the fees to be determined based upon the aforementioned criterion are inadequate given the activity requested from the independent experts, the same may put this before the Body with Management Function which, having heard from the Body with Control Function, will assume the appropriate decisions in that regard.

The limit of expenditure thus determined for each Transaction does not operate where that Transaction is also classified as a Transaction of Greater Significance.

2.6 Mapping of Relevant Entities in accordance with the Global Perimeter, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and their respective registration

The members of the Relevant Entities in accordance with the Global Perimeter as well as the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are subject to a specific mapping procedure precisely described in the respective detailed implementing regulations. That mapping procedure applies to every entity that could in any case fall prudentially within the Global Perimeter by virtue of the existence of significant links with a Representative, a Manager with Strategic Responsibilities, a member of Key Personnel or with UBI Banca itself.

In order to guarantee the mapping and monitoring of Relevant Entities in accordance with the Global Perimeter and Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, the UBI Corporate Affairs and Relationships with the Authorities Area ask, at the time of assuming the role and then on an annual basis, the Representatives, the Managers with Strategic Responsibilities of UBI Banca, the general manager or the members of general management (where present) of UBISS, the other banks and Supervised Intermediaries of the UBI Group and Group Key Personnel to (i) communicate the list of their connections using specific forms, pre-completed by way of automated processes with the information in possession of the Bank or developed by consulting, via automated processes, external *info-providers* used by UBI Banca and (ii) update, if necessary, that information promptly, also during the year.

The entities referred to above provide the necessary information to allow for their precise identification and that of the entities connected to them and they report any subsequent change.

That information, acquired by UBI Corporate Affairs and Relationships with the Authorities, is registered in a specific application database which allows for significances to be managed in coherence with the provisions of this Regulation.

If any one of the functions of the Bank and/or the UBI Group believes, using ordinary diligence, that any one of the Group companies is about to complete a Transaction with an entity that – despite not being registered among the Relevant Entities in accordance with the Global Perimeter or among the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law – holds any significant link with a Representative, a Manager with Strategic Responsibilities of UBI Banca, the general manager or a member of general management (where present) of UBISS, of the other banks and Supervised Intermediaries of the UBI Group or with a member of Group Key Personnel, it gives immediate written communication thereof to the UBI Corporate Affairs and Relationships with the Authorities Area for the assessments under its remit and refrains from completing the Transaction.

The implementing rules of this Regulation identify appropriate organisational controls, adequate operating procedures - also of IT nature - aimed at supporting the respective controls that will be defined according to the criteria reported in Art. 4.1 (*Organisational and control safeguards*) of Section IV of this Regulation.

2.7 Identification of Transactions and preliminary investigation phase

2.7.1 Identification of transactions with Relevant Entities in accordance with the Global Perimeter

Following the request for completion of the Transaction and preliminarily to the implementation of the same, by way of automatic recovery performed by the relevant IT application of the Transaction or – where this is

not possible - by way of consultation of the registry of the UBI Group, the Appointed Entity checks if the counterparty can be classified as a Relevant Entity in accordance with the Global Perimeter and, depending on the outcome of that check, that Appointed Entity must activate the respective decision-making procedure, according to the details provisions of the implementing regulations. If the Transaction is completed in relation to a Relevant Entity in accordance with Art. 136 of the Italian Consolidated Banking Law the provisions indicated in Section III of this Regulation will apply.

2.7.2 Transactions preliminary investigation phase

During the preliminary investigation phase of transactions with Relevant Entities in accordance with the Global Perimeter, the Minimum Decision-Making Body or the Decision-Making Body must analyse each Transaction, also taking account of the activities already performed in that regard by the Appointed Entity, to check whether or not it is an Exempt Transaction, in respect of the principles expressed by the Global Policy.

In the presence of Transactions of Greater Significance and Strategic Transactions, the Appointed Entity must involve, by way of the UBI Corporate Affairs and Relationships with the Authorities Area, during the preliminary investigation phases and the negotiations - and in any case until their conclusion - the Related Parties and Connected Entities Committee of UBI Banca (or the Committees of the other companies of the UBI Group where a company other than UBI Banca is involved) providing to that Committee complete information on the various profiles of the Transaction of Greater Significance, or Strategic Transaction, specifying, supported by objective evidential elements, if the terms of the Transaction are at Conditions Equivalent to those of the Market or Standard.

2.7.3 Limits to transactions with some Relevant Entities in accordance with the Global Perimeter

As part of the preliminary investigation phase, the Appointed Entity must check, also by way of automatic recovery of the information performed by the relevant application, that the Transaction in question does not exceed some specific limits, as illustrated in more detail below.

2.7.3.1 Limits to transactions with the Representatives of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, Managers with Strategic Responsibilities of UBI Banca and the members of general management of UBISS, the other banks and Supervised Intermediaries of the UBI Group as well as with some entities attributable to them

The Transactions listed below to be concluded with:

- (i) the Representatives of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group;
- (ii) the Managers with Strategic Responsibilities of UBI Banca;
- (iii) the general manager or members of general management – where present – of UBISS, the other banks and Supervised Intermediaries of UBI Group; or
- (iv) some entities attributable to them in accordance with the provisions of this Global Regulation

are in principle subject to the quantitative limits established in this Regulation in Annex C - Part I, identified by type of Transaction and differentiated also in relation to the position of the interested party.

The Transactions affected by the aforementioned limits - calculated at consolidated level - are:

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

Transactions concluded with the recipients of the rules indicated in this paragraph must usually be classifiable as Ordinary Transactions concluded at Conditions Equivalent to those of the Market or Standard and, in any case, their non-preferential nature must be verified. Those Transactions, subject to the quantitative limits indicated in Annex C - Part I, are in any case subject to all procedural and decision-making rules provided by the Global Policy and by the Global Regulation, therein including the rules laid down by Section III of the Global Regulation, where applicable.

The limits indicated in Annex C - Part I and (where applicable) in Annex C – Part II on Transactions have no retroactive effect. In particular, with reference to Transactions concerning the granting of credit lines, the aforementioned limits do not apply to credit lines already issued at the date of entry into force of this Global Regulation and of the Global Policy, subject to the application of those limits if those credit lines are renewed.

2.7.3.2 Limits to transactions with entities other than the Representatives of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, by the Managers with Strategic Responsibilities of UBI Banca and by the members of general management of UBISS, the other banks and Supervised Intermediaries of the UBI Group as well as by some entities attributable to them: limits to donations

Transactions concluded with any entity, other than the Representatives of UBI Banca, UBISS, the other banks and Supervised Intermediaries of the UBI Group, by Managers with Strategic Responsibilities of UBI Banca and by the general manager and the members of general management – where present – of UBISS, the other banks and Supervised Intermediaries of the UBI Group as well as by some entities attributable to them as described in more detail in Category A and Category B of the table on limits contained in Annex C - Part I, which is subject to the mapping procedure indicated in Article 2.6 (*Mapping of Relevant Entities in accordance with the Global Perimeter*) of this Regulation – as identified in more detail, merely by way of example, in Annex C - Part II – are not subject to any limit, except as expressly provided below for Transactions concerning donations. Those Transactions are in any case subject to all procedural and decision-making rules indicated in the Global Policy and Global Regulation. Transactions concerning donations in favour of foundations, associations and entities of the third sector (even of local nature) - other than Family and/or Business Foundations – in which one of the entities indicated in Annex C - Part II, point (iii), covers a role within the respective management or control bodies are subject to the limit of Euro 50,000.00 (fifty thousand) per individual financial year. However, Transactions concerning donations of amount higher than the limits indicated in this Article may in any case be completed provided that the derogation is adequately motivated.

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

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

Subject to the rules provided by this Regulation, therein including the rules provided by Article 2.7.3.1 above, except with the approval of the Body with Management Function of the company that incurs the expenditure, 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% of the **Indicator of Group Dependence** thereby meaning 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.

2.8 Decision-making process

2.8.1 Decision-making rules for Transactions implemented by UBI Banca and by the other UBI Group companies

The decision-making process that the Bank and the other UBI Group companies must follow for the approval of Transactions with Relevant Entities in accordance with the Global Perimeter differs depending on whether it is (a) a Transaction of Lesser Significance, (b) a Transaction of Greater Significance or (c) a Strategic Transaction.

The Exempt Transactions identified in Article 2.4 (*Cases of Exemption*) of this Regulation are not subject to the decision-making process indicated in this 2.8 (*Decision-making process*).

In addition, in general, the Representative, the Manager with Strategic Responsibilities of UBI Banca, the general manager or a member of general management (where present) of UBISS, of the other banks and Supervised Intermediaries of the UBI Group or the Key Personnel forming part of the Competent Decision-Making Body refrain from the resolution where they have an interest in conflict in that Transaction.

a) Transactions of Lesser Significance

Without prejudice to the provisions for Exempt Transactions, resolutions relating to Transactions of Lesser Significance may be assumed by the competent body in accordance with the Articles of Association, or by virtue of the delegations granted to it, only subject to the **motivated non-binding opinion of the Committee** regarding the existence of the interest of the Bank or, if appropriate, of the other UBI Group companies, in completing that Transaction as well as on the convenience and substantial correctness of the respective conditions.

In addition, if the members of the Body with Management Function or Body with Control Function or the Body with Strategic Supervision Function have an interest, on their own behalf or that of third parties, in the Transaction, the same give information thereof to the directors, specifying the nature, terms, origin and scope of that interest. This is without prejudice to the obligations of abstention if those members have an interest in conflict in the Transaction.

Involvement of the Committee

Also for the purposes of drafting the motivated non-binding opinion, the Committee receives with the utmost promptness from the Competent Decision-Making Body comprehensive information on the Relevant Entities in accordance with the Global Perimeter, the characteristics and conditions of the Transaction of Lesser Significance from the entities competent to resolve on that Transaction or from the entities delegated for that purpose, with the specification, assisted by objective supporting elements, if the conditions of the Transaction of Lesser Significance are Conditions Equivalent to those of the Market or Standard.

In that context the UBI Corporate Affairs and Relationships with the Authorities Area (or the corporate affairs function or the same function of the other UBI Group companies) – which does not have an operational interest in the decision-making phases - receives from the Competent Decision-Making Body the documentation produced for the Transactions which must be submitted to the Committee and performs the checks of completeness of the documentation and the information contained therein. In the absence of documentary elements concerning the assessments made and the economic interest of the operation, it requests from the Competent Decision-Making Body the necessary supplementations for the purposes of issuing the Committee's opinion.

The Committee must provide its opinion in useful time for the purposes of approving the Transaction.

Transmission of opinion

For the purposes of assessing each Transaction of Lesser Significance in relation to which it is asked to resolve, the Competent Decision-Making Body receives from the Chairman of the Committee, by way of the UBI Corporate Affairs and Relationships with the Authorities Area, the Committee's opinion together with the informative elements and documentation used to prepare that opinion.

Similarly, the body competent to resolve on the Transaction of Lesser Significance must have complete and adequate information regarding the characteristics and methods of that Transaction in useful time before the date on which it is asked to rule on the same. In particular, if the conditions of the Transaction of Lesser Significance are defined as Conditions Equivalent to those of the Market or Standard (and provided that the Transaction in question does not fall within the ordinary exercise of the Operating Activity, in which case it would be an Exempt Transaction in accordance with Article 2.4E above), the documentation transmitted contains objective supporting elements.

Approval of Transactions of Lesser Significance in the case of a negative opinion of the Committee

In the case of a negative opinion or one conditional upon the findings made, the resolution provides analytical motivation of the reasons why it is in any case assumed and a precise response to the observations formulated by the Committee.

In particular, with reference to UBI Banca, in the case of approval of Transactions of Lesser Significance in the presence of a negative opinion of the Committee, within fifteen days from the closure of each quarter of the financial year, a document is made available to the public according to the methods indicated in Title II, Chapter I of the Issuers' Regulation containing an indication: (a) of the counterparty, of the subject and fee of the Transactions of Lesser Significance approved in the quarter of reference in the presence of that negative opinion, as well as (b) the reasons why that opinion is not agreed.

In addition, the Transactions of Lesser Significance on which a negative or a conditional opinion has been expressed are communicated individually to the Strategic Supervision, Management and Control Boards as soon as they are resolved.

Adequate motivation of decisions

The reports of resolutions of approval (or of authorisation/disposition by the body / entity competent to assume the decision) must contain adequate motivation in relation (i) to the interest of the Bank or, if appropriate, of the other UBI Group companies, in completing that 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 profiles characteristic of the transaction, with respect to the Conditions Equivalent to those of the Market or Standard.

Ex post information on the execution of Transactions of Lesser Significance

The Strategic Supervision, Management and Control Boards and the Committee are provided with complete information at least on a quarterly basis on the execution of Transactions of Lesser Significance. As part of that information, evidence is given of the occurrence of the conditions, if provided, to which the Committee subjected its favourable opinion on the implementation of a certain Transaction of Lesser Significance.

b) Transactions of Greater Significance

Resolutions on Transactions of Greater Significance are reserved to the remit of the Body with Management Function and may not be delegated, except in companies of the UBI Group which adopt the dual management and control system where the Body with Strategic Supervision Function is competent if the Transaction of Greater Significance is also classified as a Strategic Transaction.

To be able to resolve on a Transaction of Greater Significance, the Body with Management Function will be required to acquire in advance, and therefore it may not assume any binding resolution without it, a **motivated non-binding opinion of the Committee** on the existence of the interest of the Bank or, if appropriate, of the other UBI Group companies, in completing the Transaction of Greater Significance as well as on the convenience and substantial correctness of the respective conditions. In particular, that decision-making process is characterised by the following phases:

Involvement of the Committee

Also for the purposes of preparing the preventive motivated non-binding opinion, the Committee is involved in the negotiations and in the preliminary investigation phase relating to Transactions of Greater Significance, and this occurs through: (a) receipt of comprehensive information on the Relevant Entities in accordance with the Global Perimeter involved, the characteristics and conditions of the Transaction of Greater Significance which the Appointed Entities are obliged to send with the utmost promptness during the aforementioned preliminary investigation and negotiation phase and in any case until their completion; as well as (b) the right to formulate comments and request information from the Appointed Entities at any time prior to the approval of the Transaction of Greater Significance.

If the conditions of the Transaction of Greater Significance are defined as Conditions Equivalent to those of the Market or Standard (and provided that the transaction in question falls within the ordinary exercise of the Operating Activity), the documentation that the Appointed Entities must provide to the Committee as well as to the Body with Management Function must contain objective supporting elements.

In that context, the UBI Corporate Affairs and Relationships with the Authorities Area (or the corporate affairs function or the same function of the other UBI Group companies) – which does not have an operating interest in the decision-making phases - receives from the Competent Decision-Making Body the documentation produced for the Transactions which must be put before the Committee and performs the check of completeness of the documentation and information contained therein. In the absence of the documentary elements concerning the assessments made and the economic interest of the operation it requests from the Competent Decision-Making Body the necessary supplementations for the purposes of issuing the Committee's opinion.

Transmission of opinion

For the purposes of assessing each Transaction of Greater Significance, the Chairman of the Committee sends to the Body with Management Function, in useful time with respect to the date of the meeting in which the same is asked to resolve on that Transaction, the opinion of the Committee together with the informative elements and documentation used to prepare that opinion.

By the same term, the Appointed Entities send to the Management Body complete and adequate information regarding the characteristics and methods of the Transaction of Greater Significance.

The Body with Management Function, in the person of its Chairman, having received the opinion of the Committee and the aforementioned information, proceeds without delay to inform the Chairman of the Body with Strategic Supervision Function of the same.

Approval of Transactions of Greater Significance in the case of a negative opinion of the Committee

In the case of a negative opinion of the Committee, the Body with Management Function may in any case approve the Transaction of Greater Significance subject to the non-binding opinion of the Body with Control Function and provided that, subject to the effectiveness of that Transaction, it proceeds without delay to convene the Shareholders' Meeting so that the same may rule, with a non-binding resolution, on the completion of the Transaction of Greater Significance.

In addition, the Transactions of Greater Significance on which a negative or conditional opinion has been expressed by the Committee are communicated individually to the Bodies with Strategic Supervision Function, Management and Control Bodies as soon as they are resolved.

Reporting to Consob

Ordinary Transactions of Greater Significance implemented by UBI Banca or by a Subsidiary Company with Related Parties of UBI Banca must be communicated to Consob by way of link with the storage mechanism authorised in accordance with Art. 65-septies, paragraph 3 of the Issuers' Regulation. For further clarifications, see subsequent Article 2.10.4 (*Reporting to Consob*).

Reporting to the public

On the occasion of completing Transactions of Greater Significance with Related Parties of UBI Banca, even by Subsidiary Companies of UBI Banca, the Bank prepares and makes public an informative document in accordance with the Consob Regulation. For further details on the reporting to the public of Transactions of Greater Significance see Article 2.10.3 below (*Reporting to the public for Transactions of Greater Significance*).

In circumstances where the Committee expresses a negative opinion, by the next day after that of the Shareholders' Meeting convened for the purposes of approving the Transaction of Greater Significance, complete information in relation to the outcomes of the vote is made available to the public, according to the methods indicated in Title II, Chapter I of the Issuers' Regulation, with particular regard to the number of votes expressed overall by the unrelated shareholders.

Minutes of Management Board

The minutes of the resolutions with which the Body with Management Function approves the Transactions of Greater Significance provide adequate motivation in relation (i) to the interest of UBI Banca or, if appropriate, of the other UBI Group companies, in completing those Transactions, as well as the convenience and substantial correctness of the respective conditions and (ii) the reasons for any deviations, in terms of economic-contractual conditions and other profiles characteristic of the operation, with respect to the Conditions Equivalent to those of the Market or Standard.

Ex post reporting on the implementation of Transactions of Greater Significance

The Appointed Entities or the entities identified for that purpose by the Body with Management Function for the execution of Transactions of Greater Significance at least on a quarterly basis provide to the Body with Management Function, Strategic Supervision and Control and to the Committee, by way of UBI Corporate Affairs and Relationships with the Authorities (or the corporate affairs function or the same function of the other UBI Group companies) complete information on the execution of Transactions of Greater Significance. As part of that information, evidence is given of the occurrence of the conditions, if provided, to which the Committee had subjected its favourable opinion on the implementation of a certain Transaction of Greater Significance.

c) Strategic Transactions

The Supervisory Board resolves on Strategic Transactions with Related Parties of UBI Banca, in compliance with Art. 38, letters d), m) and u) of the Articles of Association, at the proposal of the Management Board and subject to the favourable opinion of the Committee regarding the existence of the interest of UBI Banca in completing the Strategic Transaction as well as on the convenience and substantial correctness of the respective conditions.

In addition, if the members of the Supervisory Board have an interest, on their own behalf or that of third parties, in the Strategic Transaction, they must give information thereof to the other directors, specifying the nature, terms, origin and scope of the interest. This is without prejudice to the obligations of abstention where those members have an interest in conflict in the Transaction.

Non-delegable competence of the Management Board

The Management Board has the exclusive competence to resolve on the resolution proposal to be submitted to the Supervisory Board in relation to a Strategic Transaction, and it cannot, therefore, grant that delegation to any of its members.

Involvement of the Committee

Also for the purposes of drafting the preventive motivated non-binding opinion, the Committee is involved in the negotiations and in the preliminary phase relating to Strategic Transactions, and this is done through: (a) receipt of comprehensive information on the Relevant Entities in accordance with the Global Perimeter involved, the characteristics and conditions of the Strategic Transaction, which the Appointed Entities are obliged to send with the utmost promptness during the aforementioned negotiation and preliminary investigation phases and in any case until their conclusion, as well as (b) the right to formulate comments and request information from the Appointed Entities at any time prior to the approval of the Strategic Transaction.

If the conditions of the Strategic Transaction are defined as Conditions Equivalent to those of the Market or Standard, the documentation that the Appointed Entities must provide to the Committee as well as to the Supervisory Board must contain objective supporting elements.

In that context, the UBI Corporate Affairs and Relationships with the Authorities Area – which does not have an operating interest in the decision-making phases - receives from the Competent Decision-Making Body the documentation produced for the Transactions that must be put before the Committee and performs the check of completeness of the documentation and the information contained therein. In the absence of the documentary elements concerning the assessments made and the economic interest of the transaction it requests from the Competent Decision-Making Body the supplementations necessary for the purposes of issuance of the Committee's opinion.

Transmission of Committee's opinion to the Supervisory Board and preventive information to decision-making bodies

For the purposes of assessing each Strategic Transaction in relation to which the Supervisory Board is asked to resolve, the Chairman of the Committee sends to the Supervisory Board, in useful time with respect to the date of the meeting at which the same is asked to resolve on that Transaction, the Committee's opinion together with the informative elements and the documentation used for prepare that opinion.

The Appointed Entities send to the Management Board – which subsequently proceeds to send to the Supervisory Board – complete and adequate information regarding the characteristics and methods of the Strategic Transaction.

Approval of Strategic Transactions in the case of a negative opinion of the Committee

In the case of a negative opinion of the Committee, the Supervisory Board may in any case resolve in favour of the Strategic Transaction provided that, subject to the effectiveness of the Transaction, the shareholders' meeting is convened without delay so that it may rule, with a non-binding resolution, on the completion of the Transaction. To that end, the Chairman of the Supervisory Board gives prompt communication of the same to the Chairman of the Management Board so that it may convene the Shareholders' Meeting.

Reporting to the public

In circumstances where the Committee expresses a negative opinion, by the day after that of the Shareholders' Meeting convened for the purposes provided by the same, complete information is provided to the public according to the methods indicated in Title II, Chapter I of the Issuers' Regulation, in relation to the outcomes of the vote, with particular regard to the number of votes expressed overall by the shareholders of the Bank which do not fall among the entities indicated in the Group Global Perimeter.

Minutes of the Supervisory Board

The minutes of the resolutions with which the Supervisory Board approves a Strategic Transaction provide adequate motivation on the interest of UBI Banca in completing that Transaction, as well as the convenience and substantial correctness of the respective conditions.

Ex post reporting on the execution of the Strategic Transaction

The Appointed Entities or the entities identified for that purpose by the Management Board for the execution of Strategic Transactions at least on a quarterly basis provide to the Management Board, to the Supervisory Board and to the Committee complete information on the execution of the Strategic Transactions. As part of that information, evidence is given of the occurrence of the conditions, if appropriate, to which the Committee had subjected its favourable opinion on the implementation of a certain Strategic Transaction.

Reference to provisions on Transactions of Greater Significance

Without prejudice to what is expressly provided in relation to the procedural decision-making rules of Strategic Transactions, if the Strategic Transaction exceeds the thresholds of significance indicated in Article 2.2a) above, the procedural decision-making rules provided by this Article for Transactions of Greater Significance apply.

2.8.2 Transactions under the remit of the shareholders' meeting

In the case of Transactions under the remit of the shareholders' meeting, the following preliminary and decision-making rules must be adopted depending on whether it is a Transaction of Greater Significance or a Transaction of Lesser Significance.

a) Transactions of Lesser Significance

If the responsibility to resolve on the implementation of a Transaction of Lesser Significance is reserved to the shareholders' meeting in accordance with the law or based upon specific provisions of the articles of association, for resolutions of the board competent to formulate the resolution proposal to be submitted to the latter, in relation to the preliminary phase and that of approval of the proposal itself, the same procedural rules shall apply, *mutatis mutandis*, as provided for the approval of Transactions of Lesser Significance indicated in Article 2.8.1a) above.

b) Transactions of Greater Significance

If the responsibility to resolve on the implementation of a Transaction of Greater Significance is reserved, in accordance with the law or the articles of association, to the shareholders' meeting of UBI Banca or to another UBI Group company, for resolutions of the body competent to formulate the resolution proposal to be submitted to the shareholders' meeting, the same procedural rules shall apply in relation to the preliminary phase, the negotiation phase and that of approval of the proposal itself, *mutatis mutandis*, as indicated in Article 2.8.1b) above, with the exception of the provisions relating to the approval of Transactions of Greater Significance in the case of a negative opinion of the Committee.

In the case of a negative opinion of the Committee, Art. 19 of the Articles of Association known as *whitewash*) shall apply, with reference to the Transactions of Greater Significance under the remit of the shareholders' meeting of UBI Banca.

2.8.3 Controls relating to the executive phase of transactions with Relevant Entities in accordance with the Global Perimeter: losses, transfers to impaired loans, judicial or extrajudicial settlement agreements

Without prejudice to the provisions on reporting obligations in relation to Transactions of Greater Significance, Transactions of Lesser Significance and Strategic Transactions, the Appointed Entities or the entities identified for that purpose by the competent decision-making body for the execution of each Transaction with Relevant Entities in accordance with the Global Perimeter inform with the utmost promptness the Committee when, in the executive phase of those Transactions, it seems likely that the same

may give rise to losses, transfers to impaired loans, judicial or extrajudicial settlement agreements, according to the terms provided in the respective detailed implementing regulations.

The decisions to be assumed in the face of those circumstances - for which it is specified that the exemptions indicated in Article 2.4 (*Cases of Exemption*) do not apply – must necessarily be preceded by the prior opinion of the Committee on the convenience and substantial correctness of those decisions. In the case of a negative opinion or one conditional upon the findings by the Committee, the competent body of UBI Banca – or, as appropriate, of another company of the UBI Group – as identified by the detailed implementing regulations, where it in any case assesses favourably the Transaction, must submit without delay the issue - accompanied by complete and adequate information regarding the characteristics and methods of implementation as well as the opinion expressed by the Committee – to the resolution of the Body with Management Function of the UBI Group company involved. It is specified that if the Transaction is to be completed by a Subsidiary Company, where the prior opinion of the Group Head is in any case required, the proposal must be submitted for the resolution of the Management Board itself.

2.8.4 Some coordination provisions for Subsidiary Companies

Without prejudice to the provisions of Articles 2.8.1 (*Decision-making rules for Transactions implemented by UBI Banca and by the other companies of the UBI Group*), 2.8.2 (*Transactions under the remit of the shareholders' meeting*) and 2.8.3 (*Controls relating to the executive phase of transactions with Relevant Entities in accordance with the Global Perimeter: losses, transfers to impaired loans, judicial or extrajudicial settlement agreements*) above as well as Articles 2.10.3 below (*Reporting to the public for Transactions of Greater Significance*) and 2.10.4 (*Reporting to Consob*), it is specified that the Subsidiary Companies must consider the following guidelines:

- (i) for the purposes of identifying and managing transactions with Relevant Entities in accordance with the Global Perimeter they incorporate and implement the principles and guidelines indicated in the Global Policy and this Regulation, fulfilling every requirement connected to reporting of the Transaction in accordance with what is also required by the relevant regulations;
- (ii) if the establishment of a Committee within the Subsidiary Company is not required, the provisions referring to the same are understood to be applied to the Independent Directors or to the additional alternative controls established in accordance with the applicable regulations in force and in conformity with the provisions indicated in Art. 2.5.1 (*Duties and functions of the Committee – Alternative controls - Non-binding favourable opinion*) of this Regulation;
- (iii) in the case of Transactions which must be implemented by the Subsidiary Companies for which the prior opinion of the Group Head is required, the same must be treated in conformity with the provisions of Article 2.2d) above;
- (iv) they establish within them suitable tools, even of IT nature - according to a principle of proportionality commensurate to the actual significance of the potential conflicts of interest - to allow for the identification and management of Transactions with Relevant Entities in accordance with the Global Perimeter and, with regard to the bank component of UBI Group, of Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law;
- (v) with regard to Transactions with Relevant Entities in accordance with the Global Perimeter, they establish specific internal quarterly information flows for their Bodies with Management and Control Function and for their Committee, according to methods similar to those provided by this Regulation;
- (vi) they send on a quarterly basis to the Group Head information contained in the information flows in order to prepare the consolidated reporting and they provide to the Group Head any additional information requested;

Notwithstanding the above, note that the banking companies of the UBI Group ensure the application of the additional provisions contained in the Global Policy and Global Regulation in relation to Transactions with

Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, incorporating and implementing what is provided by the Global Policy and by this Regulation.

2.8.5 Framework Resolutions

The Management Board has the right to approve, by way of a Global resolution, the implementation of Transactions with Relevant Entities in accordance with the Global Perimeter which are homogeneous between them as to the type and characteristics of those Transactions and that are concluded with certain categories of Relevant Entities in accordance with the Global Perimeter (the **Framework Resolution**).

The Framework Resolution must: (a) have effectiveness not exceeding one year, (b) describe transactions with the Relevant Entities in accordance with the Global Perimeter which are its subject in an adequately determined manner, indicating, on an accumulated basis, the expected maximum amount to be realised in the period of reference established therein as well as specifying the motivations of the conditions at the basis of which the aforementioned Transactions must be executed, with particular reference to respect of the Conditions Equivalent to those of the Market or Standard, according to what is specified in more detail in the detailed implementing regulations. If a Transaction with Relevant Entities in accordance with the Global Perimeter, albeit initially attributable to a Framework Resolution, does not respect the requirements of specificity, homogeneity and determinacy based upon the resolution itself, it may not be completed in implementation of the latter; that Transaction is therefore subject to the aforementioned rules established generally for each Transaction in accordance with this Regulation.

Depending on the expected maximum amount of the transactions with the Relevant Entities in accordance with the Global Perimeter which are subject to the Framework Resolution considered on an accumulated basis, the process of adopting the Framework Resolution must occur in conformity with the procedural provisions indicated in Article 2.8.1 above (*Decision-making rules for Transactions implemented by UBI Banca*) with reference, as appropriate, to the decision-making rules provided for Transactions of Greater Significance or for the Transactions of Lesser Significance. For the individual transactions with Relevant Entities in accordance with the Global Perimeter concluded in implementation of the Framework Resolution the aforementioned provisions do not, on the other hand, apply.

In any case, the Appointed Entities or the entities delegated for that purpose by the Management Board during the assumption of the Framework Resolution provide to the Management Board itself complete information - at least quarterly - on the implementation of the Framework Resolution.

It is specified that the provisions indicated in this Article do not apply to Strategic Transactions.

2.8.6 Reference to provisions contained in Article 136 of the Italian Consolidated Banking Law

Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are subject to the procedural and decision-making rules indicated in Section III below. Subject to what is provided in more detail in subsequent Section III to which reference is made, below are some rules of coordination to be applied in the presence of Transactions that are subject both to the application of the rules indicated in Article 136 of the Italian Consolidated Banking Law and the rules provided by this Regulation for transactions with the Relevant Entities in accordance with the Group Global Perimeter.

In particular, if UBI Banca implements a Transaction with its Banking Representative or another entity attributable to the same falling within the definition of Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law, the following apply:

- (i) with reference to the decision-making process, the rules of procedural nature indicated in Art. 136 of the Italian Consolidated Banking Law and the obligations of motivation of the resolution indicated in Section III of this Regulation;
- (ii) with reference to the phase of negotiations and preliminary investigation, if they are (a) Transactions of Greater Significance, the rules relating to the involvement of the Committee during the negotiation and

preliminary investigation phase, therein including the transmission of a complete and prompt information flow with the right of the Committee to request further information and to formulate observations; (b) Transactions of Lesser Significance, the rules relating to the involvement of the Committee in accordance with which the Committee must receive, with appropriate prior notice with respect to the date on which the competent body must resolve in that regard, complete information on the parties, characteristics and conditions of the Transaction of Lesser Significance.

2.9 Subsequent reporting to the competent bodies

On each Transaction with Relevant Entities in accordance with the Global Perimeter concluded by UBI Banca or by the Subsidiary Companies information is provided at least quarterly to the Management Board, to the Supervisory Board and to the Committee (subject to information at least quarterly to the competent bodies of the Subsidiaries for transactions completed by them), in order to provide to the latter an informative picture as complete as possible of the set of most significant Transactions implemented in the period of reference, in accordance with the provisions of the Consob Regulation, the 263 Supervisory Provisions and the other applicable regulations, in accordance with the terms and methods provided more specifically in the detailed implementing regulation of UBI Banca.

The information must concern all transactions concluded in the period of reference, irrespective of their classification. This excludes loan Transactions or intergroup bank collections, except where the loan or intergroup bank collection Transaction concerns a Subsidiary Company in which there are Significant Interests of another Relevant Entity in accordance with the Global Perimeter and Conditions Equivalent to those of the Market or Standard are not present.

The information indicated in this paragraph 2.9 must be renewed in the case of any anomaly situations identified on the Transactions already communicated.

2.10 Reporting to Consob and to the market

On the occasion of Transactions with Related Parties of UBI Banca specific reporting rules to the market and to Consob must be observed, in accordance with the provisions of Art. 5 (*Reporting to the public on transactions with Related Parties*) of the Consob Regulation.

The following provisions do not apply to transactions with Connected Entities and Group Key Personnel that are not also Related Parties of UBI Banca.

2.10.1 Periodic financial reporting on transactions with Related Parties

Without prejudice to the reporting obligations provided by international accounting standard IAS 24 with regard to transactions with Related Parties, UBI Banca includes in the interim management report as well as in the annual management report information on:

- individual Transactions of Greater Significance concluded in the relevant period with Related Parties of UBI Banca, as identified according to the criteria set out in the Consob Regulation;
- additional individual transactions with Related Parties of UBI Banca as defined by international accounting standard IAS 24, concluded in the relevant period, that have significantly affected the capital situation or the results of UBI Banca;
- any change or development of transactions with Related Parties, as defined by accounting standard IAS 24, described in the latest annual report, which have had a significant effect on the capital situation or the results of UBI Banca in the relevant period.

The reporting obligations indicated in this Article also apply to the Exempt Transactions indicated in letters C, D, E, F and G of Article 2.4 (*Cases of Exemption*).

This is subject to the internal rules of the UBI Group with reference to the application of international accounting standard IAS 24.

2.10.2 Price Sensitive Communications on transactions with Related Parties of UBI Banca

If a Transaction with Related Parties of UBI Banca is also subject to the reporting obligations provided by Art. 17, paragraph 1 of MAR, the communications to be disseminated to the public in accordance with that provision (the **Price Sensitive Communications**) must also contain the following information, in accordance with the provisions of the Consob Regulation and the “Instructions for the Regulation of Markets Organised and Managed by Borsa Italiana S.p.A.”:

- the indication that the counterparty of the Transaction is a Related Party and the description of the nature of the correlation;
- the name or company name of the Transaction counterparty;
- whether or not the Transaction exceeds the thresholds of significance provided for Transactions of Greater Significance and an indication of any subsequent publication of a reporting document;
- the procedure that has been or will be followed to approve the Transaction and, in particular, if the company has applied a case of exemption;
- any approval of the Transaction despite the contrary opinion of the Unrelated Independent Directors.

With reference to Transactions for which the company is not required to publish the information document indicated in Annex 4 of the Consob Regulation (see Article 2.10.3 below (*Reporting to the public for Transactions of Greater Significance*) of this Global Regulation) – both because the transaction does not exceed the thresholds of significance identified for the Transactions of Greater Significance, and because the cases and rights of exemption apply - the further supplementary information will be published in relation to the Transactions expressly required by the Application Communication.

2.10.3 Reporting to the public for Transactions of Greater Significance

In the case of Transactions with Related Parties of UBI Banca of Greater Significance to be implemented by the bank or even by its Subsidiary Companies, UBI Banca prepares an informative document containing the elements indicated in Annex 4 of the Consob Regulation.

The informative document is also prepared where, during the financial year, Transactions are concluded with the same Related Party, or with parties related both to the latter and to the individual company counterparty, which are homogeneous between them or implemented in execution of a unitary plan (for example, the Framework Resolutions), which, despite not being considered individually Transactions of Greater Significance, exceed – when considered cumulatively - the thresholds of significance indicated in Article 2.2.a) above. That calculation also includes Transactions completed by Subsidiary Companies, while the Exempt Transactions are not considered.

Without prejudice to the provisions of Art. 17 of MAR, the informative document is made available to the public at the registered office of the Bank and according to the methods provided by Title II, Chapter I of the Issuers' Regulation, within: (a) seven days from the approval of the Transaction by the competent body or, where the competent body resolves to present a contractual offer, from the time the contract - even preliminary - is concluded or even, in the case of shareholders' meeting remit or authorisation, from the approval of the proposal to be submitted to the shareholders' meeting; (b) fifteen days from the approval of the Transaction or from the conclusion of the contract that determines the exceeding of the thresholds of significance indicated in Article 2.2.a) above, where that exceeding is determined by the accumulation of the Transactions.

It is reiterated that that informative document is not required for the Transactions indicated in letter F (*i.e.* Intergroup Transactions) of Article 2.4 (*Cases of Exemption*) above.

2.10.4 Reporting to Consob

The informative document indicated in Article 2.10.3 above (*Reporting to the public for Transactions of Greater Significance*) as well as the additional documents required in accordance with Art. 5 (*Reporting to the public on transactions with Related Parties*) of the Consob Regulation, relating to transactions with Related Parties of UBI Banca of Greater Significance to be implemented by the Bank or even by the Subsidiary Companies are sent to Consob according to the methods provided by the Consob Regulation and by the Issuers' Regulation.

In particular, the information sent to Consob must contain indications regarding the counterparty of the Transaction, the subject of the same and the fee. The same communication terms indicated in Article 2.10.3 above (*Reporting to the public for Transactions of Greater Significance*) apply.

The obligation indicated in this Article does not apply to the Transactions indicated in letter F (*i.e.* Intergroup Transactions) of Article 2.4 (*Cases of Exemption*) above.

2.11 Risk Activities in relation to Connected Entities and Group Key Personnel

In accordance with the provisions of the Global Policy, it is reiterated that the assumption of Risk Activities in relation to the Connected Entities must be contained within specific prudential limits relating to the consolidated and individual Regulatory Capital identified by the applicable regulations, subject to any more stringent limits that may be provided by the company regulations.

2.11.1 Prudential Limits

UBI Banca and each company of the UBI Group respects the prudential limits imposed by the applicable regulations indicated in Annex B (*Prudential Limits to Risk Activities*) of this Regulation and to that end the UBI Group has implemented specific safeguards aimed at allowing of those limits to be continuously respected on the perimeter of Connected Entities, as described in more detail in the detailed implementing regulation.

UBI Group has extended the operations of verification as part of the prudential limits relating to the Connected Entities, also including Transactions that involve as counterparty Group Key Personnel.

The respect of the prudential limits must be assessed:

- (i) preliminarily, when granting any credit lines to Connected Entities and to Group Key Personnel; and
- (ii) to any change to the composition of categories of Connected Entities and Group Key Personnel indicated in the Global Perimeter.

By way of an automatic batch procedure, the prudential limits are checked daily for all counterparties that are classified as Connected Entities and Group Key Personnel, also for the purpose of immediately intercepting any exceeding due to changes of perimeter in the composition of the Connected Entities and Group Key Personnel.

This is in any case subject to the provisions of the Policy on internal controls in protection of the Risk Activities and conflicts of interest in relation to Connected Entities prepared by *risk management*.

2.11.2 Supervisory reports to the Bank of Italy

In accordance with the rules of the Bank of Italy in relation to 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 provided in the respective prudential reporting rules. The reports are made at consolidated level by UBI Banca, in the capacity of Group Head, and at individual level by the other Italian banks belonging to the UBI Group.

UBI Banca may provide that the aforementioned reporting obligations are also extended to Transactions performed by, or implemented with, entities other than the Connected Entities provided that they fall within the definition of Relevant Entities in accordance with the Global Perimeter.

SECTION III – TRANSACTIONS WITH RELEVANT ENTITIES IN ACCORDANCE WITH ARTICLE 136 OF THE ITALIAN CONSOLIDATED BANKING LAW

3

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

Art. 136 of the Italian Consolidated Banking Law provides that Bank Representatives of Italian banks may not enter into obligations of any nature or complete acts of sale, directly or indirectly, with the bank in which they hold the role except after having implemented a specific resolution process on the transaction.

Bank Representatives means persons who perform functions of administration, management and control at an Italian bank. In particular, that definition includes members of the Management Board and Supervisory Board as well as members of the boards of directors and boards of statutory auditors (including alternate auditors) of any Italian bank. The definition also includes the general manager and those who perform roles involving the exercise of functions equivalent to that of general manager.

Since, in accordance with Art. 136 of the Italian Consolidated Banking Law, obligations contracted indirectly by the Bank Representatives, are also significant, the obligations contracted by the following are also subject to the application of the special rules indicated in Art. 136 of the Italian Consolidated Banking Law:

1. Subsidiary Companies controlled directly or indirectly by the Bank Representatives;
2. companies in which the Bank Representatives are shareholders with unlimited liability (*i.e.* limited partnerships, general partners in general partnerships and joint stock companies, sole shareholders of corporations where they have not proceeded in accordance with Art. 2362 of the Italian Civil Code to register in the companies register);
3. trust companies;
4. sole proprietorships of the Bank Representatives;
5. a professional firm or other entity in which the Bank Representative is an associate, partner or founding partner, if the economic benefits of the relationship established are received significantly also by the Bank Representative;
6. natural persons who, by virtue of special relationships with the Bank Representatives may generate cases of interposition, such as, for example, the spouse in the regime of joint assets, children and other dependant relatives;
7. Subsidiary Companies controlled directly or indirectly by the natural persons indicated in point 6.;
8. companies in which the natural persons indicated in point 6. are shareholders with unlimited liability;
9. sole proprietorships of the natural persons indicated in point 6.;
10. natural persons who have issued a delegation to operate on its relationships to the Bank Representatives,

(the Bank Representatives together with the entities indicated in points from 1. to 10. of this Article, the **Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law**).

The definition of “Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law” also includes any additional entities - other than those expressly provided in this Article – who are, from time to time, indicated by the Bank Representative in the case of interposition or obligations contracted indirectly by the latter beyond the cases indicated in points from 1. to 10. of this Article.

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

The rules indicated in Art. 136 of the Italian Consolidated Banking Law apply to **obligations of any nature** and to **contracts of sale** between a Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law and the Italian bank in which the relevant Bank Representative covers the respective role.

In particular, Art. 136 of the Italian Consolidated Banking Law applies to the following relationships assumed by the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law:

- sale purchase agreements;
- transactions and services that involve the provision of credit or granting of guarantees;
- obligations of any nature - financial and non-financial - therein including professional assignments granted;
- bank transactions not involving the provision of credit regulated under conditions different from standard ones in use for customers or employees.

The rules indicated in the Article in question also apply:

- in all cases where a Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law intervenes as guarantor in any guise in a transaction with third party counterparties;
- with reference to the existing relationships, in the case of “obligations with indeterminate expiry” or in cases where “the conditions of the transaction have changed”, when the pre-existing relationships become significant in accordance with Art. 136 of the Italian Consolidated Banking Law and in particular: (a) to loans granted to an entity prior to its appointment as Bank Representative of the contracting bank; (b) to obligations assumed by Bank Representatives of banks participating in a merger process, in the case of their continuation in the collegial bodies of the new bank.

In all these cases, subject to respect of the approval methods of the aforementioned transactions provided by Art. 136 of the Italian Consolidated Banking Law, if the Transactions implemented by the bank members of UBI Group with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are significant for the purposes of the Global Perimeter, the procedural rules indicated in Article 3.3 below (*Preliminary investigation and special resolution process*) will apply in derogation of the provisions of Articles 2.7 (*Identification of Transactions and preliminary investigation phase*) and 2.8 (*Decision-making process of Transactions*) of this Regulation. The reporting obligations indicated in Articles 2.9 (*Subsequent reporting to the competent bodies*) and 2.10 (*Reporting to Consob and to the market*) of this Regulation remain in place, where applicable.

In relation to the transactions subject to the rules indicated in Art. 136 of the Italian Consolidated Banking Law dimensional thresholds of significance are not permitted and, therefore, in the case of Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law who are also Relevant Entities in accordance with the Global Perimeter the exemption relating to Transactions of Negligible Amount does not apply. However, based upon the indications provided by the Bank of Italy the following relationships are considered exempt:

- contractual relationships not involving the provision of credit (e.g. transactions of collection of savings, the subscription of bonds, deposit certificates, interest-bearing bonds, repurchase agreements, opening of deposits), provided that they involve standardised conditions in use for customers or for employees;
- obligations connected to transactions of sale of currency and securities traded on the regulated markets, regulated at standardised conditions applied to customers and employees, provided that the price is advanced in the case of purchase and the securities are delivered in advance in the case of sale.

3.3 Preliminary investigation and special resolution process

Transactions implemented by bank members of the UBI Group with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are subject to the resolution process expressly required by that Art. 136 of the Italian Consolidated Banking Law, namely: (i) approval by the management body unanimously with exclusion from the vote of the relevant Bank Representative⁷ and (ii) favourable vote of all members of the audit body of the bank⁸.

Notwithstanding the provisions of Art. 136 of the Italian Consolidated Banking Law, if the Transactions implemented by bank members of the UBI Group with the Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law are significant for the purposes of the Global Perimeter, the following procedural rules also apply, depending on whether they are Transactions of Greater Significance or Transactions of Lesser Significance. In the case of Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law the issuance of a preventive opinion by the Committee is not required.

a) **Transactions of Lesser Significance**

Involvement of the Committee

The Committee receives, appropriately in advance of the date on which the competent body is required to resolve in that regard, complete information on the parties, the characteristics and conditions of the Transaction of Lesser Significance from the Appointed Entities.

Preventive information to bodies competent to resolve

For the purposes of assessing each Transaction of Lesser Significance, the Appointed Entities send to the bodies competent to resolve, in useful time for adopting each resolution, complete and adequate information regarding the characteristics and methods of the Transaction of Lesser Significance. In particular, where the conditions of the Transaction of Lesser Significance are defined as Conditions Equivalent to those of the Market or Standard, the documentation prepared by the Appointed Entities contains objective supporting elements.

Resolutions of the competent body

The resolutions with which the competent body of UBI Banca or another company of the UBI Group approves the Transactions of Lesser Significance provide adequate motivation as to (a) the opportunity and economic convenience of the Transaction for the relevant company, as well as (b) the reasons for any deviations, in terms of economic-contractual terms and other profiles characteristic of the Transaction, with respect to the Conditions Equivalent to those of the Market or Standard, providing, in that regard, adequate supporting elements with the documentation accompanying the resolution.

b) **Transactions of Greater Significance**

Involvement of the Committee

The Committee is involved in the negotiations and in the preliminary investigation phase relating to Transactions of Greater Significance, and this is done through (a) the receipt of complete information on the various profiles of the Transaction of Greater Significance (i.e. counterparty, transaction type, conditions, convenience for the company, impact on the interests of the entities involved, etc.) which the Appointed

⁷ For banks that adopt the dual system - such as UBI Banca – the unanimous resolution of approval of the transaction is assumed by the Management Board. For banks that adopt the traditional system, on the other hand, such as IW Bank – the unanimous resolution is assumed by the board of directors.

⁸ For banks that adopt the dual system - such as UBI Banca – the favourable vote is the responsibility of all members of the Supervisory Board. On the other hand, for banks that adopt the traditional system - such as IW Bank – the favourable vote is the responsibility of all members of the board of statutory auditors.

Entities are obliged to send with the utmost promptness during the aforementioned negotiation and preliminary investigation phases and in any case until their conclusion as well as (b) the right to formulate comments and request information from the Appointed Entities at any time prior to the finalisation of the Transaction of Greater Significance. The Committee represents without delay to the Appointed Entities and to the competent resolution bodies any informative gaps or those identified in the pre-resolution phase.

Preventive information to the bodies competent to resolve

For the purposes of assessing each Transaction of Greater Significance, the Appointed Entities send to the competent decision-making body, in useful time for the adoption of each resolution, complete and adequate information on the characteristics and methods of that Transaction. In particular, if the conditions of the Transaction of Greater Significance are defined as Conditions Equivalent to those of the Market or Standard, the documentation prepared by the Appointed Entities contains objective supporting elements.

Resolutions of the competent body

The resolutions with which the competent body of UBI Banca or of another UBI Group company approves the Transactions of Greater Significance provide adequate motivation as to (a) the opportunity and economic convenience of the Transaction for the relevant company as well as (b) the reasons for any deviations, in economic-contractual terms and other profiles characteristic of the Transaction, from the Conditions Equivalent to those of the Market or Standard, providing, in that regard, adequate supporting elements with the documentation accompanying the resolution.

3.4 Right of delegation

Art. 136 of the Italian Consolidated Banking Law attributes to the management body the right to delegate the approval of transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law by way of the adoption of Framework Resolutions subject to the resolution rules indicated in this Section.

The recourse to Framework Resolutions even in the case of Transactions with Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law is possible in the presence of non-occasional operations with the Bank Representative or with another Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law.

Without prejudice to the provisions of the detailed application regulations, the Framework Resolution may attribute to senior management and to the central structures of UBI Banca and the other bank members of the UBI Group the competence to authorise subsequently the completion of the individual transactions to which the Framework Resolution refers.

In any case, the Framework Resolution may not be generic and must contain specific indications so as to avoid any assessment discretion.

SECTION IV – ORGANISATION MODEL AND CONTROL SAFEGUARDS, MAIN ROLES AND RESPONSIBILITIES AND VIOLATIONS OF GLOBAL POLICY AND REGULATION

4

4.1 Organisational and control safeguards

For the purposes of preparing and drafting the detailed implementing rules of this Regulation, opportune organisational safeguards, adequate operating procedures, even of IT nature, as well as precise controls must be identified and defined, based upon the criteria indicated below.

A. Organisational and process controls:

1. clear identification, with formalisation of duties and responsibilities assigned to the structures involved in the individual operating processes in that field;
2. clear explanation of the methods, tools in support (even of IT nature) and timescales for executing the various tasks;
3. correct incorporation of the protocols defined in the Organisation, Management and Control Model in accordance with Italian Legislative Decree 231/2001.

B. Controls:

1. structuring of the *informative set* of controls according to the provisions of the “Group Regulation of the integrated management model of processes”;
2. systematic, precise and clear identification of the controls provided in the individual process phases also relating to the joint functioning of several controls (integration) and subordination of one control to other company processes (independence).

In addition, in order to limit the commission of operating errors connected to manual operations, the process must be supported by IT procedures able to intercept and block the incorrect operations as well as aimed at authorising the construction of periodic reports for the purposes of prompt transmission to the senior bodies of the Bank.

4.2 Main roles and responsibilities

UBI Supervisory Board

- It approves the Global Policy and this Regulation, subject to the favourable opinion of the Related Parties and Connected Entities Committee;
- it assesses at least annually the Global Policy and the Regulation in order to check if it is necessary and/or opportune to revise and/or update the same, subject to the favourable opinion of the Related Parties and Connected Entities Committee;
- it resolves on Strategic Transactions with Related Parties, at the proposal of the Management Board, subject to the opinion of the Committee on the existence of the interest of the Bank or, if appropriate, of the other UBI Group companies, on the completion of the Strategic Transaction as well as on the convenience and substantial correctness of the respective conditions;
- it receives from UBI Corporate Affairs and Relationships with the Authorities the quarterly list of transactions concluded with Relevant Entities for the activities under its remit;

- it defines and approves the limits of propensity to risk provided by the 263 Supervisory Provisions and illustrated by the specific Policy in control of the Risk Activities and conflicts of interest in relation to Connected Entities.

UBI Management Board

- It approves the Global Policy and this Regulation, subject to the favourable opinion of the Related Parties and Connected Entities Committee;
- it assesses at least annually the Global Policy and the Regulation to check if it is necessary/opportune to review and/or update the same, subject to the favourable opinion of the Related Parties and Connected Entities Committee;
- it resolves on transactions with Related Parties of Greater Significance not classifiable also as Strategic Transactions involving, where provided, the Committee;
- it approves, by way of the Framework Resolution, the execution of Transactions with Relevant Entities in accordance with the Global Perimeter which are homogeneous between them as to the type and characteristics of those Transactions and which are concluded with certain categories of Relevant Entities in accordance with the Global Perimeter;
- it resolves on Transactions that fall within the scope of application of Art.136 of the Italian Consolidated Banking Law ((i) approval by the management body made unanimously with exclusion of the vote of the Bank Representative involved and (ii) favourable vote of all members of the control body of the bank);
- it receives from UBI Corporate Affairs and Relationships with the Authorities the quarterly list of transactions concluded with Relevant Entities for the activities under its remit;
- it checks respect of the limits of propensity provided by the specific Policy in control of the Risk Activities and the conflicts of interest in relation to Connected Entities and it informs the Supervisory Board of the maintenance of the indicator within the defined value.

Subsidiary Companies – Board of Directors

- It adopts the Global Policy and this Regulation, subject to the favourable opinion of the Committee;
- it receives from the competent function the quarterly list of transactions concluded with Relevant Entities for the activities under its remit.

UBI Related Parties and Connected Entities Committee

- It provides its opinion on the Global Policy and on the Regulation prior to submission to the Management Board and the Supervisory Board as well as on the occasion of the periodic assessment of those documents, making any modification and/or supplementation proposals;
- it is involved in the preliminary investigation phase and in that of negotiation in the presence of Transactions of Greater Significance and of Strategic Transactions providing a motivated non-binding opinion on the existence of the interest, as well as the convenience and substantial correctness of the respective conditions of the Transaction;
- it provides, where required, a motivated prior non-binding opinion on the existence of the interest as well as the convenience and substantial correctness of the respective conditions for the Transactions of Lesser Significance.

Subsidiary Companies - Committee/Independent Directors

- It provides, where required, a motivated prior non-binding opinion on the existence of the interest as well as on the convenience and substantial correctness of the respective conditions for Transactions of Lesser Significance.

UBI Corporate Affairs and Relationships with the Authorities

- It supports the Company Bodies in keeping updated the Global Policy and this Regulation;
- it monitors the incorporation of the Global Policy and the Regulation by the UBI Group companies interfacing with the local corporate affairs function (or homologous function);
- it checks, also by way of the support of other structures and functions internal to the Bank, that this Regulation is correctly applied by all parties involved;
- it provides advisory support to the structures of UBI Banca and of the other UBI Group companies in relation to conflicts of interest;
- it continuously manages for UBI Banca and for the Subsidiary Companies the monitoring and mapping of the Relevant Entities in accordance with the Global Perimeter and in accordance with Art. 136 of the Italian Consolidated Banking Law, checking any variations ascertained also through the use of info providers and other company informative sources,
- it receives from the decision-making bodies the documentation produced for all transactions that must be put before the Related Parties and Connected Entities Committee and performs the check of the completeness of the documentation and the information contained therein. In the absence of the documentary elements proving the assessments made and the economic interest of the transaction, it requests from the decision-making bodies the necessary supplementations for the purposes of issuance of the opinion of the Related Parties and Connected Entities Committee;
- it oversees the transmission to Consob of all documentation provided in accordance with the Consob Regulation when completing Transactions of Greater Significance with Related Parties, as well as the preparation and fulfilment of the respective reporting obligations;
- it presents to the Management Board and to the Supervisory Board the quarterly list of transactions concluded in the relevant period;
- it acts as a specialist interface with reference to all communications to the ECB on conflicts of interest;
- in relation to the areas of direct operational responsibility, it is the "support unit" in relation to the compliance function, to which it guarantees its contribution for the correct and effective execution of specific activities/phases in the conformity processes relating to the areas under its remit.

Subsidiary Companies – Corporate affairs functions (or homologous function)

- It oversees, also by way of the support of additional structures and functions internal to the Bank, that this Regulation is applied correctly by all parties involved at company level;
- it requests advice, where necessary, from UBI Corporate Affairs and Relationships with the Authorities for the correct application of the Global Policy and this Regulation;
- it receives from the decision-making bodies the documentation produced for all Transactions which must be put before the Committee and performs the check of completeness of the documentation and the information contained therein. In the absence of documentary elements proving the assessments made and the economic interest of the transaction, it requests from the decision-making bodies the necessary supplementations for issuance of the opinion of the Committee;
- it presents to the company bodies the quarterly list of transactions concluded with Relevant Entities for the activities under its remit;
- it sends to UBI Corporate Affairs and Relationships with the Authorities the quarterly list of transactions concluded with Relevant Entities subject to information to its company bodies.

UBI Policies, Tools and Credit Data

- It provides support at the request of UBI Corporate Affairs and Relationships with the Authorities in the mapping of Relevant Entities in accordance with the Global Perimeter and Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law with specific reference to the identification of significances deriving from situations of economic connection (Economic Groups).

Appointed Entity

- Following the request to complete a transaction and preliminarily to the execution of the same, it verifies, also by way of the automatic recovery of the information made by the relevant application, if the counterparty can be classified as a Relevant Entity in accordance with the Global Perimeter and in accordance with Art. 136 of the Italian Consolidated Banking Law. Depending on the outcome of that verification, it activates the respective decision-making procedure, gathering the information necessary for the assessment of the transaction;
- it verifies respect of the limits provided for transactions with Representatives of UBI Banca, UBISS, the other banks and the Supervised Intermediaries of the UBI Group, with the Managers with Strategic Responsibilities of UBI Banca and with the general manager or the members of general management of UBISS, the other banks and Supervised Intermediaries of the UBI Group and with some entities attributable to them (see Annex C);
- it checks for each Transaction with Connected Entities and Key Personnel respect of the prudential limits provided for the Risk Activities (see Annex B);
- In the presence of Transactions of Greater Significance and of Strategic Transactions of UBI Banca it involves the Committee in the preliminary investigation phase and in the negotiation phase, providing to that Committee complete information on the different profiles of the Transaction.

Decision-Making Body/Minimum Decision-Making Body/Competent Decision-Making Body

- It analyses the transaction in order to verify if it is an Exempt Transaction, guaranteeing the traceability of the assessments made and archiving the outcomes;
- in the presence of Transactions of Lesser Significance it requests from the Committee, where provided, a preventive non-binding opinion on the existence of the interest, as well as on the convenience and substantial correctness of the respective conditions of the transaction, providing all necessary information;
- it provides to UBI – Corporate Affairs and Relationships with the Authorities/homologous function for the Subsidiary Companies documentation for all transactions that must be put before the Committee;
- it resolves on transactions with Relevant Entities in accordance with the Global Perimeter, except for Transactions which require the approval of the Management Board or the Supervisory Board or the Board of Directors with reference to the other UBI Group companies;
- it informs with the utmost promptness the Committee each time, in the executive phase of Transactions with Relevant Entities in accordance with the Global Perimeter, it seems likely that the same may give rise to losses, transfers to impaired loans, judicial or extrajudicial settlement agreements.

UBI Administration and Tax Fulfillments

- It monitors any modification of the perimeter of Group companies which is significant for the purposes of identifying the perimeter of interested parties (Supervised Intermediaries) and, if the presuppositions are in place, it promptly informs UBI – Corporate Affairs and Relationships with the Authorities;
- it prepares and sends to the Bank of Italy the supervisory reports provided for Connected Entities for UBI (both on a consolidated basis and on an individual basis) and for the Group companies for which it performs activity in the *service* regime.

UBI – Support to Supervisory Board and UBI – Support to Management Board

- They provide to UBI Administration and Tax Fulfilments the necessary information to prepare the periodic financial reporting on transactions with Related Parties, liaising with UBI Corporate Affairs and Relationships with the Authorities.

ROLE OF CONTROL FUNCTIONS

Risk Management

It includes in the Group Risk Appetite Framework the risk policies relating to risks deriving from hypotheses of conflict of interests. To that end, it prepares the document "RAF - Policy on internal controls to safeguard the Risk Activities and conflicts of interest in relation to Connected Entities" which defines the framework of limits for managing that risk. Those limits are monitored by the Risk Management function and reported to the Company Bodies in coherence with the internal processes.

Compliance

It acts with prior guidance to ensure the substantial regulatory coherence of the processes governed by the company and, therefore, the activation of correct behaviours by all operators, guaranteeing the protection of the interests of customers/investors and cooperating in the strategy of building fiduciary relationships with the relevant stakeholders.

To that end, it collaborates in staff training activities on the provisions applicable to the activities performed, in order to spread a business culture based upon principles of honesty, correctness and respect of the spirit and letter of the rules.

It also includes, in its annual plan, verifications aimed at certifying the adequacy and overall effectiveness of the processes and resolution procedures implemented with the aim of preventing the violation of any rule applicable to the Bank and to the companies of the UBI Group in the areas overseen by this Regulation and by the related implementing provisions.

Those controls must be performed at least on a half-yearly basis or, for the areas of relevance, when significant changes occur: (a) to the perimeter of interested parties; (b) to the methodologies and criteria of assessment of the principle of ordinary nature, cost effectiveness, etc.; (c) to the procedures in support of management processes; (d) to changes to the regulations and legislation of reference. Any evidence of non-conformity is promptly reported to the Company Bodies.

Internal Audit

It verifies compliance with the provisions contained in this Regulation and in the Global Policy, promptly reporting to the company bodies, in respect of the information flows defined by the detailed implementing regulations, any anomalies that emerged.

To that end, coherently with its periodic planning: (a) it plans verification interventions aimed at assessing the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the mechanisms of control connected to managing the interests of the Representatives and other senior figures of UBI Group identified in accordance with this Regulation and Global Policy; (b) it performs, on an annual basis, checks of effectiveness on a random basis as to the correct management by the structures of the UBI Group involved of the operations implemented by those entities; (c) it launches targeted investigations on specific operations in the face of evidence emerging from its verification activities or based upon reports originating from the structures of the UBI Group involved in managing and controlling those issues.

4.3 Violations of Global Regulation and Global Policy

If the Body with Strategic Supervision Function (for its members) or the Body with Management Functions (for its members and for Key Personnel), with the support, where necessary, of the second level control functions, having heard in advance from the interested party who may produce his own deductions, ascertains the voluntary and material violation, by a Representative or a member of Key Personnel, of the Global Policy and of this Global Regulation:

- if it is a Representative for whom the verification of the requirements of suitability is required, the latter will be submitted to the chairman of the body to which the Representative belongs (or the Vice Chairman where the violation concerns the Chairman, or, in the absence or impediment of the latter, the eldest Director) to that body itself for the opportune assessments regarding any impact of the violation on the requirements of suitability of the Representative provided by the existing regulations and by the UBI Banca policy in force on requirements of Representatives. The body to which the Representative belongs, in making its assessments, must take account of the voluntary nature, the qualitative-quantitative significance of the violations also in view of the potential economic and/or reputational damage to the Company and/or to the UBI Group, notwithstanding that in line with what is expressly provided in the Global Policy, formal and moderate violations will not be significant;
- if it is a member of Key Personnel who is a mere employee and is not a member of a management and control body, following the determinations of the Body with Management Functions, information will immediately be given to the body that appointed and/or designated that person so that it may assess according to the criteria indicated in the above point – assisted by the company function in charge of managing employees - the appropriate actions to be undertaken, possibly also in terms of disciplinary measures;

Without prejudice to the provisions of Art. 52 of the Italian Consolidated Banking Law and Art. 149 of the Italian Consolidated Finance Law, if the assessments indicated in this Article lead to an opinion of absence of the requirements of suitability in accordance with the provisions of the policy adopted by UBI Banca on suitability in force - and notwithstanding that the termination from the role may be declared only in cases provided by the law and by the articles of association –, UBI Banca will give prompt information to the European Central Bank, for the purposes of the assessments and/or decisions under its remit, regarding the outcomes of the examination performed and the considerations made by the body to which the Representative belongs or by the body which proceeded with the respective appointment and/or designation in accordance with this Article.

Without prejudice to the foregoing, it is reiterated, finally, that any non-compliance with the provisions of paragraph 1 of Art. 136 of the Italian Consolidated Banking Law is punished with the criminal sanctions provided by the third paragraph of the cited Article.

SECTION V –GENERAL PROVISIONS

5

5.1 Implementation of the Regulation

The Management Board ensures the implementation of this Regulation, using the different structures of UBI Banca involved in its application which define the necessary implementing provisions which must be promptly sent to the competent organisational units.

5.2 Interpretation of the Regulation

This Regulation is aimed at implementing and supplementing the provisions on transactions with Related Parties, Connected Entities, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and Other Key Entities by the regulatory and legislative provisions applicable to UBI Banca.

For anything not expressly regulated by this Regulation, the provisions of the Consob Regulation, the 263 Supervisory Provisions, Art. 136 of the Italian Consolidated Banking Law, of 2391 and 2391-*bis* of the Italian Civil Code as well as any other regulation in force each time concerning the rules on transactions with Related Parties, Connected Entities, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law and Other Relevant Entities as defined in accordance with this Regulation are understood to be cited here. The interpretation of the definitions contained in this Regulation on transactions with Related Parties must be made in reference, where applicable, also to the set of international accounting standards adopted in accordance with the procedure indicated in Art. 6 of EC Regulation no. 1606/2002, as subsequently amended.

For the purposes of qualifying a counterparty of UBI Banca or other company of the UBI Group as its Related Party, Connected Entity (therein including, therefore, Relevant Entities in accordance with Article 136 of the Italian Consolidated Banking Law), member of Group Key Personnel or Other Relevant Entity – as defined by way of self-regulation by the Bank - reference must be made to the essence of the relationship and not simply to its legal form.

In any case, the Supervisory Board is responsible for resolving doubts on the interpretation and application of this Regulation - also by way of the support of structures of the Bank, such as the UBI Corporate Affairs and Relationships with the Authorities Area –, in conformity with the legal and statutory rules applicable as well as the principles and recommendations made public from time to time by the Supervisory Authority.

5.3 Publicity

This Regulation and the respective amendments are published on the internet website of UBI Banca (www.ubibanca.it).

5.4 Entry into force of the Global Regulation

The entry into force of this Global Regulation will occur during the fourth quarter of 2018 and is subject to the incorporation of the provisions of the Global Policy and the Global Regulation into the deeds and internal implementing rules of UBI Banca and/or of the other UBI Group companies.

The entry into force of all provisions of this Regulation following the finalisation of the computerisation procedures will be communicated by way of specific press release simultaneously to the publication on the internet website of UBI Banca of this Regulation.

Annex A

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

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

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

<u>Related Parties of UBI Banca (in accordance with the Consob Regulation)</u>	
<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. 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. 	
<u>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)</u>	
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. 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 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 	<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 subject, directly or indirectly, to common control

<p>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>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>
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Prudentially, the entities reported by the 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, 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.

Other Relevant Entities

1. 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 represented by shares having voting right and recorded by the communication pursuant to Art. 120 of the Italian Consolidated Finance Law.
2. The entity which is party to a shareholder agreement 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
3. Companies invested 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.
4. Companies controlled 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.
5. Companies in which a Member of UBI Banca, UBISS, the other banks and/or the Supervised Intermediaries of the UBI Group or one of their Close Relatives holds executive roles.
6. 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.
7.	<u>Foundations of family and/or corporate nature</u> 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.
8.	<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>
9.	<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>
10.	<u>Economic Group</u> 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.
11.	<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 Regulation.</u>

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

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 Supervisory Provisions and the respective connected entities. In particular, the following entities are included:

Group Key Personnel (in accordance with the 263 Supervisory Provisions)	
Key Personnel	Entities Connected to Key Personnel
<p>The employee or collaborator of the companies of the UBI Group who is not an 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 remuneration and incentive policies and practices indicated in the 285 Supervisory Provisions.</p> <p>It is noted that the Key Personnel does not include auditors.</p>	<p>The following are entities connected to Key Personnel:</p> <ol style="list-style-type: none"> 1. companies and enterprises even incorporated in non-corporate form controlled by a member of Key Personnel; 2. Close Relatives of a member of Key Personnel and the companies or enterprises controlled by the latter.

* * *

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 in order to obtain benefits from its activity. Control is assumed 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 clearly be demonstrated that that possession does not constitute control. Control exists also when an entity possesses half, or a lesser share, of the voting rights exercisable in the shareholders' meeting to the extent that 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 the 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, contractually established, of Control over an economic activity.

Pension Funds means only pension funds established or promoted by the companies or in which the latter is 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 may be obtained through 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 where that entity possesses, directly or indirectly, 20% or a larger 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, where it possesses, directly or indirectly, a share less than 20% of the votes exercisable in the shareholders' meeting of that invested company, unless than 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 voting rights does not necessarily preclude another entity from the right 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 exist, even irrespective of the existence of 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 the decisions on dividends or another type of distribution of profits;
- (iii) presence of significant transactions between an entity and a company invested by the same;
- (iv) exchange of management personnel;
- (v) 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 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 legal personality, as in the case of a partnership, controlled by another entity.

Close Relatives means those relatives who 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 or dependents of the entity, the not legally separated spouse or cohabiting partner.

2) Definitions functional to the notion of Connected Entity and Key Personnel, in line with the 263 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 statutory clauses that concern or have as their effect the power to exercise the activity of management and coordination over a company;
- (iii) in cases of dominant influence, which is deemed to exist, subject to contrary evidence, when there is one of the following situations: (x) existence of an entity that, based upon agreements, has the right to appoint or revoke the majority of directors or the Supervisory Board or holds alone the majority of the votes for the purposes of resolutions relating to 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 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 purpose, 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 in the choice of directors or members of the Supervisory Board or the managers of the enterprises; (w) subjection to common management, based upon the composition of the management bodies or for other concordant elements.

Control is also identified when it is exercised indirectly by way of Subsidiary Companies, trust companies, organisations or interposing persons.

The companies or enterprises controlled by entities in turn subject to Joint Control are not considered to be indirectly controlled.

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

- (i) entities that have the possibility of exercising a crucial influence over the financial and operational decisions of strategic nature of the enterprise⁹;

⁹ That situation occurs, for example, in the presence of two or more entities each having the possibility of hindering the adoption of financial and operational decisions of strategic nature of the subsidiary company, through the exercise of a voting right or by virtue of the quorums for decisions of the corporate bodies.

- (ii) other entities able to influence the management of the business based upon investment held, agreements entered into in any form, statutory 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 its Control.

Significant Influence is assumed to be 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 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.

In the case of possession 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 significant 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 rules of issuers of shares listed on regulated markets does not constitute in itself an indicator of Significant Influence;
- (ii) participating in the decisions of strategic nature of a company, particularly when it has crucial voting rights in the decisions of the shareholders' meeting in relation to financial statements, allocation of profits, distribution of reserves, without this constituting a situation of Joint Control¹⁰;
- (iii) the existence of significant transactions - thereby meaning Transactions of Greater Significance as defined in the Global Regulation –, the exchange of management personnel, the provision of essential technical information.

The Significant Influence is also identified when it is exercised indirectly, by way of Subsidiary Companies, trust 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.

¹⁰ That situation occurs, for example, when the shareholding of the company is split between several shareholders (not linked between them by joint control agreements) so that the vote of certain shareholders, who individually possess shares less than the presumptions of significant influence, may be decisive for the formation of the shareholders' meeting majorities in the matters indicated above in point (ii).

Annex B

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 LIMIT	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 groups¹¹. A Non-Financial Related Party is deemed to exist where the activities other than banking, financial and insurance activities exceed 50% of the total of the overall activities¹². 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 held¹³.

¹¹ See 285 Supervisory Provisions, Third Part, Chapter 1, Section I.

¹² 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.

¹³ 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

Annex C – Part I

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

Entities Category	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
Category A	1. Representatives of UBI Banca, UBISS, other banks and Supervised Intermediaries of the UBI Group.	Performing loans	Unsecured loans	Euro 30,000.00
			Secured loans	Euro 500,000.00
	2. Managers with Strategic Responsibilities of UBI Banca.	Services / goods (therein including advisory activities)		Prohibition
		Sponsoring activity		Prohibition
	3. The general manager and members of general management – where present – of UBISS, 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.”

Entities Category	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
	<p>other banks and Supervised Intermediaries of the UBI Group.</p> <p>4. The Relatives Subject to Limits¹⁴ of the entities indicated in above points 1., 2. and 3..</p>	Donations		Prohibition
Category B	<p>1. Any company in which a Representative 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 the members of general management – where present – of UBISS, the other banks and Supervised Intermediaries of the UBI Group or a Relative Subject to</p>	Unsecured loans		<p>Loans of amount exceeding Euro 100,000.00 → it is prohibited for each of those entities to have, individually, at central 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 obtained from the market share of UBI Banca - of the total loans granted by the Italian banking system as recorded by the central credit register.</p> <p>Note: it is specified that for the purposes of calculating the</p>

¹⁴ **Relatives Subject to Limits** means:

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

Entities Category	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits
	<p>Limits of the aforementioned entities performs a role of executive director.</p> <p>2. Each Subsidiary Company (in accordance with Consob) controlled by the entities indicated in Category A. above.</p> <p>3. Each Associated Company (in accordance with Consob) with the entities indicated in Category A above.</p> <p>4. Family and/or Business Foundations.</p>	Performing loans		prohibition, reference is made to the sums granted and not to those used.
			Secured loans	<p>Loans of amount higher than Euro 100,000.00 → it is prohibited for each of those entities to have, individually, at central 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 obtained from the market share of UBI Banca - of the total of loans granted by the Italian banking system as recorded by the central credit register.</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 activities)	Prohibition	
		Sponsoring activities	Prohibition	
		Donations	Prohibition	

Annex C – Part II

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

Entities Category	Individual categories Related Parties/Connected Entities and Other Relevant Entities	Transaction Type		Limits	
Category C (Entities subject to the mapping procedures indicated in the Global Policy and the Global Regulation other than entities indicated in Category A and Category B of the above table on limits)	<p>1. Any legal or natural person or entity – other than those indicated in Categories A and B of the above table of Part I of this Annex – subject to the mapping procedures indicated in the Global Policy and the Global Regulation. Merely by way of example the following entities:</p> <p>(i) shareholders exceeding 3% of the share capital of UBI Banca;</p> <p>(ii) members of shareholder agreements which aggregate more than 10% of the share capital of UBI Banca and which hold an investment exceeding 1% of the share</p>	Performing loans	Unsecured loans	No set limit	
			Secured loans		
		Services/goods (therein including advisory activities)			No set limit, without prejudice to the provisions of Art. 2.7.3.3 of the Regulation.
		Sponsoring activities			No set limit but necessary approval of the Management Board, subject to favourable opinion of the Committee.
		Donations			Euro 50,000.00 per individual financial year with reference to donations in favour of the entities indicated in no. 1(iii). Transactions relating to

	<p>capital of UBI Banca;</p> <p>(iii) foundations, associations and entities of the third sector (even of loan nature) - other than Family and/or Business Foundations – where a Representative of UBI Banca, UBISS, the other banks and 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 Supervised Intermediaries of the UBI Group or a Relative Subject to Limits of the aforementioned entities holds roles of administration, management, or control, excluding entities (such as,</p>	<p>donations of amount exceeding Euro 50,000.00 per 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>Any Transaction relating to donations is in any case subject to approval by the Supervisory Board.</p>	
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	<p>for example, the ABI, the Interbank Deposit Protection Fund, the Chambers of Commerce) in which the role was assumed at the designation of UBISS, of the bank and/or of the Supervised Intermediary of the UBI Group.</p> <p>2. Any other legal or natural person, or entity that is a Representative of UBI Banca, UBISS, of the other banks and 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, of the other banks and Supervised Intermediaries of the UBI Group believes that it must report, even only for prudential purposes, in accordance with the Global Policy and the Global Regulation.</p>		
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Annex D

Conditions Equivalent to those of the Market or Standard

In assessing if the conditions applicable to a significant Transaction can be classified as “Conditions Equivalent to those of the Market or Standard” UBI Banca and the other UBI Group companies, in adopting internal deeds and regulations implementing this Regulation which also provide appropriate controls and adequate operating procedures - the latter as defined according to the criteria indicated in Art. 4.1 (*Organisational and control safeguards*) of Section IV of this Global Regulation – must apply, with reference to each of the types of transaction indicated below, at least the following guidelines:

A. Loans

With reference to loans, whatever the technical form used, it must be assessed if the proposed spreads (*i*) are equal to or better than those for the UBI Group companies with respect to the PRIF¹⁵ in force each time or, failing that, another indicator which will be identified for that purpose, or (*ii*) have a maximum deviation of 20% compared to the PRIF or, failing that, another indicator that will be identified for that purpose.

In any case “Conditions Equivalent to those of the Market or Standard” are considered to be conditions provided in the information booklets available to the public and those applied based upon commercial conventions that involve the general application to a category of entities of which that Relevant Entity forms part in accordance with the Global Perimeter or the Relevant Entity in accordance with Article 136 of the Italian Consolidated Banking Law (for example, conventions applicable to employees of UBI Group where 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 particular professional categories or where the Relevant Entity in accordance with the Global Perimeter belongs to that professional category and similar cases).

B. Direct collection

With reference to direct collection, it must be assessed whether or not the proposed spreads fall within the maximum percentage deviation of 20% compared to the average spread calculated for the same technical form/segment of the counterparty.

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

¹⁵ PRIF = reference price that expresses the summary of the commercial positioning of the Group's offer with reference to specific segments of customers, technical forms, ratings, during the transactions. Defined with reference to market conditions, the competitive context, business performance targets, 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 conditions.

C. Asset Management

With reference to collective asset management, “Conditions Equivalent to those of the Market or Standard” are considered to be conditions applied to customers that are in line with what is provided by the Fund regulation, with the exception of any economic benefits usually applied to customers.

With reference to individual asset management, “Conditions Equivalent to those of the Market or Standard” are considered to be conditions (i) at least equal to what is contained in specific lists indicating the average prices applicable to customers that take account of the amount of assets under management or (ii) that have a maximum deviation of 20% compared to those average prices.

D. Properties

With reference to sales of properties, it must be assessed if the conditions proposed for the transaction are in line with (or better than for the company of the UBI Group that completes the transaction) the estimate 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 between at least three suppliers irrespective of the value of the supply.

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

Annex E

Delegated Powers Form

Regulation source: *Group Regulation on Transactions with Related Parties in accordance with Consob Regulation no. 17221/2010, Connected Entities in accordance with the 263 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*

Approved by:

- Management Board on 13 June 2018
- Supervisory Board on 14 June 2018

Owner: UBI Corporate Affairs and Relationships with the Authorities

Delegated powers: in the document there are no delegated powers.