Lottomatica Group S.p.A.

PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES

Approved, on a preliminary basis, by the Board of Directors of Lottomatica Group S.p.A. on 27 February 2023, and definitively by the Board of Directors on 5 May 2023, following a favourable opinion from the members of the Related Parties Committee, and subsequently amended by the Board of Directors on 27 July 2026, upon a proposal from the Related Parties Committee

INTRODUCTION

This procedure (the "**Procedure**"), adopted by Lottomatica Group S.p.A. (hereinafter "**Lottomatica**" or the "**Company**" or the "**Issuer**"), sets out the principles and rules designed to ensure the transparency and substantive and procedural fairness of transactions with related parties carried out by the Company either directly or through its subsidiaries[1] .

In particular, the Procedure:

(a) sets out the criteria for identifying related parties, defining the procedures and timelines for drawing up and updating the list of related parties and identifying the corporate functions responsible for this purposes;

(b) sets out the rules for identifying transactions with related parties prior to their conclusion;

(c) sets out the procedures for the Company to carry out transactions with related parties, including through subsidiaries within the meaning of Article 93 of Legislative Decree No. 58/1998 ("TUF") or otherwise subject to management and coordination;[2]

(d) sets out the methods and timetable for fulfilling disclosure obligations to the corporate bodies and the market.

This procedure has been drawn up in accordance with and for the purposes of:

(i) Article 2391-bis of the Civil Code[3] ,

(ii) Legislative Decree No. 58 of 24 February 1998, as subsequently amended (hereinafter, the **"Consolidated Law on Finance**" or "**TUF**"); and

(iii) the **"Regulations on Transactions with Related Parties**" adopted by Consob Resolution No. 17221 of 12 March 2010 (as last amended by Resolution No. 23979 of

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[1] This Procedure was provisionally approved by the Board of Directors of Lottomatica Group S.p.A., by resolution of the Board of Directors dated 27 February 2023, with a view to the admission to listing of the Issuer's ordinary shares on the Euronext Milan market, organised and managed by Borsa Italiana S.p.A. Following the listing, the Procedure was adopted by the Board of Directors on 5 May 2023, in accordance with Article 4(3) of the Consob Regulations, with the favourable vote of the members of the Related Parties Committee and following an assessment, carried out by the Company's Board of Statutory Auditors, of the Procedure's compliance with the principles set out in the Consob Regulations. The provisions of this Procedure came into force with effect from the date on which trading in the Issuer's ordinary shares commenced on the Euronext Milan market. As a newly listed company within the meaning of Article 3 of the Consob Regulation, from the date of listing until the date of approval of the financial statements for the second financial year following that of listing, the Company has applied to transactions with related parties, including those of major significance (as identified in accordance with Annex 3 of the Consob Regulation), by way of derogation from Article 8 of the Consob Regulations, a procedure that takes into account the principles and rules set out in Article 7 of the Consob Regulations themselves with regard to transactions of "Lesser Importance" and, in any event, without prejudice to the necessary disclosure requirements.

The Procedure was subsequently amended by a resolution of the Board of Directors dated 27 July 2026, upon the recommendation of the Related Parties Committee, in order to make the updates necessitated by the loss of the status of a newly listed company, as well as to make further amendments deemed appropriate in the context of the periodic review of the document. The Procedure, which came into force 1 September 2026, repeals and replaces the previous version.

[2] Therefore, for the purposes of this Procedure, where it governs related-party transactions carried out through subsidiaries, it is clarified that the latter are to be understood as companies controlled, directly or indirectly, by the Issuer, in accordance with Article 2359 of the Civil Code.

[3] It should be noted that Article 9 of Legislative Decree No. 47 of 27 March 2026 introduced, within the framework of the rules governing transactions with related parties, an amendment to Article 2391-*bis* of the Civil Code, adding the following provision to paragraph 3(b) of the aforementioned Article: *"In addition to the other cases of exemption, Consob provides, in any event, that the company's procedures may exclude from the application of the rules referred to in the preceding sentence those transactions with related parties identified by Consob itself, on the basis of the materiality thresholds referred to in subparagraph (a), provided that, for these transactions carried out during the financial year, the notes to the annual accounts and the consolidated accounts, if prepared, indicate at least the number of transactions carried out and their total and average amounts by type of transaction, with reference to each of the related parties with whom the transactions were carried out*". As at the date of approval of this Procedure, the Supervisory Authority has not yet amended the Consob Regulations to incorporate the changes introduced by Article 2391-*bis* of the Civil Code. The Company will monitor Consob's actions in order to amend the text of this Procedure promptly, where necessary.

14 May 2026, in force from 11 June 2026) and subsequent amendments and supplements (hereinafter, the **“Consob Regulations**”).

It should be noted that the Company also applies the Procedure taking into account Consob Communication No. DEM/10078683, published on 24 September 2010, containing *“Guidance and guidelines for the application of the Regulations on transactions with related parties adopted by Resolution No. 17221 of 12 March 2010, as subsequently amended*” (the “**Implementing Communication**”).

Insofar as matters are not expressly provided for in the Procedure, reference should be made to the applicable laws and regulations and, unless otherwise specified, the provisions of the Consob Regulation and the Implementing Communication are deemed to be expressly incorporated, to be interpreted in accordance with the guidance provided by Consob, as well as the definitions set out in the Corporate Governance Code for listed companies drawn up by the Italian Corporate Governance Committee (the **“Corporate Governance Code**”).

This Procedure constitutes an instruction issued by the Issuer to its subsidiaries pursuant to and for the purposes of Article 114(2) of the Consolidated Law on Finance. It forms an essential component of Lottomatica’s internal control and risk management system and of the Company’s Organisational Model pursuant to Legislative Decree No. 231/2001.

In implementing this Procedure, the Company ensures that the processing of personal data is carried out in accordance with the principles of lawfulness, fairness, transparency, data minimisation, accuracy, storage limitation, integrity and confidentiality as set out in Article 5 of Regulation (EU) 2016/679 (“**GDPR**”).

1. ARTICLE 1
DEFINITIONS

Set out below is a list of the main definitions used in this Procedure, including those set out in the Appendix to the Consob Regulation (*Definitions of related parties and related party transactions and functional definitions thereof according to international accounting principles*).

1.1. **“Directors Involved in the Transaction**”: directors of the Company who have an interest in the transaction, on their own behalf or on behalf of third parties, that conflicts with that of the Company.

1.2. “**Independent Directors**”: directors who meet the independence requirements set out in Article 148(3) of the Consolidated Law on Finance (TUF) and the Corporate Governance Code.

1.3. **“Unrelated Directors**”: directors other than the counterparty to a specific transaction with a related party and the related party’s related parties.

1.4. **“Shareholders’ Meeting**”: the Shareholders’ Meeting of Shareholders of Lottomatica Group S.p.A.

1.5. **“Register of Transactions with Related Parties**”: the document maintained by the Responsible Function containing the information referred to in Article 12 below.

1.6. “**Commencement of Negotiations**”: the point at which (*i*) the counterparty to a potential transaction has been identified – including following a selection process – and (*ii*) discussions have commenced with that counterparty regarding the essential and ancillary terms of the transaction. However, the following activities, by way of example, are not considered to constitute the “commencement of negotiations”: the signing of confidentiality agreements governing exclusively commitments relating to the confidentiality of information and documents; the exchange of expressions of interest; and market sounding activities.

1.7. **“Civil Code**”: refers to Royal Decree No. 262 of 16 March 1942, as subsequently amended and supplemented.

1.8. "**Corporate Governance Code**": the Corporate Governance Code for listed companies adopted in January 2020 by the Italian Corporate Governance Committee promoted by Borsa Italiana S.p.A., as amended from time to time and currently in force.

1.9. **"Related Parties Committee**" or **"Committee**" the committee referred to in Article 4 of the Procedure, composed entirely of Independent Directors and responsible for expressing its opinion on Transactions with Related Parties.

1.10. **"Implementing Communication**": Consob Communication No. DEM/10078683, published on 24 September 2010, containing *"Guidelines and guidance on the application of the Regulations on related-party transactions adopted by Resolution No. 17221 of 12 March 2010, as subsequently amended*".

1.11. "**Board**" or **"Board of Directors**": the Board of Directors of Lottomatica Group S.p.A.

1.12. **"Consob":** the Italian Securities and Exchange Commission.

1.13. **"Control**": has the meaning set out in IFRS 10.

1.14. **"Joint Control**": has the meaning set out in IFRS 11.

1.15. **"Designated Manager":** means the manager responsible for preparing the company's financial statements as referred to in Article 154-*bis* of the TUF.

1.16. **"List of Related Parties**" or "**List**": the list referred to in Article 3 of the Procedure containing the names and personal and corporate details of the Related Parties of Lottomatica Group S.p.A.

1.17. **"Independent Expert":** a natural or legal person who meets the requirements of professionalism, integrity and independence demanded by the nature of the assignment entrusted to them. Independence is verified by the OPC Committee prior to the appointment, taking into account, in particular, any economic, equity or financial relationships between the expert and (i) the Related Party, its subsidiaries, its controlling entities, companies under common control, as well as the directors of the aforementioned companies; (ii) Lottomatica, its subsidiaries, its controlling entities, companies under common control, and the directors of the aforementioned companies; and is certified by a declaration issued by the independent expert upon the award of the appointment[4] .

1.18. **"Responsible Function**": the Listed Corporate Governance Function established within the Legal Department.

1.19. **"Group"**: the group of companies falling within Lottomatica's scope of consolidation.

1.20. **"Transaction(s) with Related Party(ies)"** or **"Transaction(s)**": a transaction or transactions defined as such by the International Accounting Standards in force from time to time, namely any transfer of resources, services or obligations, regardless of whether consideration has been agreed, carried out by Lottomatica or its Subsidiaries (including entities that are not companies[5] whose management bodies are predominantly composed of employees of Lottomatica or its subsidiaries). By way of example and without limitation, the following fall within the scope of Transactions with Related Parties:

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[4] The Implementing Communication clarifies that the Independent Experts selected by the Committee responsible for transactions with related parties need not necessarily be different from those who may have been appointed by the Company. Furthermore, the economic, equity and financial relationships indicated may be considered irrelevant for the purposes of assessing independence, subject to the requirement to provide explicit justification in the information document referred to in Annex 4 of the Consob Regulation.

[5] By way of example only, foundations.

(i) the disposal, including free of charge, of movable and immovable assets;

(ii) the provision of works, services and supplies;

(iii) the granting or obtaining of loans and guarantees;

(iv) mergers, demergers by incorporation or non-proportional demergers in the strict sense;

(v) any decision relating to the allocation of remuneration and financial benefits, in any form, to members of the Board of Directors and/or standing members of the Board of Statutory Auditors, as well as to managers with strategic responsibilities at Lottomatica[6] .

In view of the rationale and objectives of these rules, a transaction, as defined above, may be considered as such only if the relevant counterparty can be identified in advance: for this reason, any transactions carried out on regulated markets, multilateral trading facilities, organised trading facilities and trading platforms that do not allow the counterparty to be identified in advance fall outside the definition of a Transaction with Related Parties and are therefore not subject to the application of this Procedure.

1.21. **"Regular Transactions Completed in Market-Equivalent or Standard Terms**": transactions concluded on terms similar to those usually applied to unrelated parties for transactions of a corresponding nature, scale and risk, or based on regulated tariffs or imposed prices, or those applied to parties with whom the Company is legally obliged to contract at a specified consideration, in accordance with the provisions of Article 3, paragraph 1, letter e), of the Consob Regulation.

1.22. **"Subsidiary"**: means any company controlled, directly or indirectly, by Lottomatica.

1.23. **"Transactions of Smaller Amount":** Transactions whose amount or equivalent value is below the thresholds set out in Article 6.6 below of this Procedure.

1.24. **"Transactions of Greater Importance":** as set out in greater detail in Annex 3 to the Consob Regulation and in **Annex 2** to this Procedure, Transactions, including those carried out through subsidiaries, in which at least one of the following materiality thresholds, applicable depending on the specific Transaction, exceeds the threshold of 5% for general Related Party Transactions or 2.5% for Transactions entered into with any listed parent company – where one exists – or with parties related to the latter who are in turn related to the Company:

a) <u>materiality ratio based on the consideration</u>: this is the ratio of the transaction value to the net assets taken from the most recent balance sheet (consolidated, where prepared) published by the Company, or, if higher, the Company's market capitalisation as at the close of the last trading day included in the reference period of the most recent published periodic financial report (annual or half-yearly financial report or additional periodic financial information, where prepared);

b) <u>asset materiality ratio</u>: this is the ratio of the total assets of the entity subject to the Transaction to the total assets of the Company. The figures to be used must be taken from the most recent balance sheet published (consolidated, where prepared) by the Company; where possible, similar figures must be used to determine the total assets of the entity subject to the Transaction;

c) <u>liability materiality ratio</u>: this is the ratio of the total liabilities of the acquired entity to the Company's total assets. The figures to be used must be taken from the most recent balance

[6] See Article 7 below.

sheet published (consolidated, where prepared) by the Company; where possible, similar figures must be used to determine the total liabilities of the acquired company or business unit.

1.25. **"Transactions of Lesser Importance":** Transactions with Related Parties other than Transactions of Greater Importance and Transactions of Smaller Amount.

1.26. **"Ordinary Transactions":** Transactions falling within the ordinary course of business and related financial activities of the Company and/or the Subsidiary carrying out the Transaction.[7] In classifying a transaction as "ordinary", account is taken of the criteria set out in paragraph 3 of the Implementing Communication, to which reference is made.

1.27. **"Related Parties":** parties identified as such pursuant to Article 2 of the Procedure.

1.28. **"International Accounting Standards":** the international accounting standards adopted in accordance with the procedure set out in Article 6 of Regulation (EC) No 1606 and which are currently applicable.

1.29. **"Procedure":** this procedure governing Transactions with Related Parties, adopted by Lottomatica in accordance with the general principles set out in the Consob Regulation.

1.30. **"Consob Regulation**": the regulation setting out provisions on transactions with related parties adopted by Consob by Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented.

1.31. **"Issuers' Regulations**": the regulations approved by Consob Resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented.

1.32. **"Unrelated Shareholders**": those persons entitled to vote other than the counterparty to a specific Transaction and other than Related Parties to both the counterparty to a specific Transaction and the Company.

1.33. **"Appointed Person":** as the case may be, the Head of Department or Project Manager responsible for managing activities relating to the specific Transaction with a Related Party, identified in accordance with the Company's organisational provisions in force from time to time and the Company's procedures in force.

1.34. "**Consolidated Law on Finance**" or "**TUF**": Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented.

2. ARTICLE 2
IDENTIFICATION OF RELATED PARTIES

2.1. Related Parties of Lottomatica are those entities which, at the time of the commencement of negotiations relating to a transaction, are identified as such in accordance with the International Accounting Standards in force on that date.

[7] Pursuant to the Implementing Communication*, 'an "ordinary" transaction occurs when two selection criteria are simultaneously met. Firstly, the transaction must be attributable to the operating activity or, alternatively, to the financial activity connected thereto. Secondly*, *the same transaction must also fall within the "ordinary" course of the operating activity or the connected financial activity'.* 'Operating activities' means the combination of (i) the Company's main revenue-generating activities and (ii) all other management activities that cannot be classified as 'investment' or 'financial' activities. In determining what constitutes "ordinary course of business", account must be taken of the nature, frequency, function or purpose, scale, contractual terms and conditions, nature of the counterparty and timing. Please refer to the Application Guidance for further clarification regarding the ordinary nature of the Transaction.

2.2. **Annex 1** contains an extract of the definition of a Related Party pursuant to IAS 24, as well as a reference to further definitions relevant thereto, as set out in the International Accounting Standards in force on the date of this Procedure and as also referred to in the Appendix to the Consob Regulation[8] .

2.3. The Responsible Function*,* with the support of the Finance, Control and Credit Department, assists the addressees of this Procedure where the identification of a Related Party is disputed on the basis of the definition contained in the International Accounting Standards. Should the identification of a Related Party remain contentious, even following the analyses carried out by the Responsible Function, the assessment is referred by the Responsible Function to the Related Parties Committee.

3. ARTICLE 3
LIST OF RELATED PARTIES

3.1. The identification and updating of Related Parties are ensured through the preparation of the List of Related Parties, which is maintained in electronic form and updated by the Responsible Function, with the support of the Finance, Credit and Control Department as regards the interpretation of International Accounting Standards.

3.2. This List is divided into the following two sections:

(i) Legal Entities List Section;

(ii) Natural Persons and Related Parties List Section.

3.3. The information and data on Related Parties contained in the List of Related Parties consist of: (i) for natural persons, the first name and surname, date and place of birth, and tax identification number; (ii) for legal entities, the company name, registered office, and tax identification number/VAT number. The processing of personal data carried out for the purposes of this Procedure is conducted in accordance with Regulation (EU) 2016/679 ("GDPR"), Legislative Decree 196/2003 and subsequent amendments, as well as the applicable company policies on the protection of personal data. The data is processed exclusively for purposes relating to the identification of Related Parties, the management of Transactions with Related Parties and the fulfilment of the relevant legal and regulatory obligations. The processing of personal data relating to the preparation, maintenance and updating of the List of Related Parties is governed by Article 18 of this Procedure.

3.4. The List of Related Parties is updated on the basis of: (i) Lottomatica's shareholdings in other companies; (ii) information received from the parties referred to in Article 4, paragraph 8, of the Consob Regulation; and (iii) declarations made by Related Parties – where such parties are natural persons as referred to in point (a) of the definition of Related Parties set out in Annex 1 – in accordance with paragraph 3.5 below; as well as (iv) any further information available to the Company.

3.5. The Responsible Function shall notify in writing each Director and Standing Auditor of Lottomatica, as well as the Managers with strategic responsibilities at Lottomatica and its parent company, of their inclusion in the List of Related Parties, and at the same time shall request each person concerned to provide details of close family members and of entities in which they themselves or their close family members hold an interest or hold a position relevant for the purposes of defining the scope of Related Parties as referred to in Article 3 above, by completing **Annex 3** to the Procedure and sending it to the Responsible Function at the email address particorrelate@lottomatica.com. Those required to make such disclosures undertake, where required by applicable legislation, to inform the data subjects concerned that their personal data will be disclosed to the Company for the purpose of applying this Procedure.

[8] Consultation of Annex 1 does not exempt the reader from consulting the relevant accounting standards in full, the current status of which must always be verified.

3.6. Directors and Standing Auditors, as well as managers with strategic responsibilities at Lottomatica companies or at the entity controlling Lottomatica, are required to promptly notify the Responsible Function at particorrelate@lottomatica.com of any changes relevant to the identification of their related parties. In any event, the Responsible Function, with the support of the Finance, Credit and Control Department, shall update the List of Related Parties at least every six months. The personal data contained in the List of Related Parties shall be updated in accordance with criteria of accuracy and relevance, so that it remains consistently appropriate for the purposes pursued by this Procedure.

3.7. The following may request access to the List of Related Parties by sending a written request to particorrelate@lottomatica.com: Directors, Standing Auditors, the Committee referred to in Article 5, members of the Supervisory Body of Lottomatica and its Subsidiaries, the person appointed to carry out the statutory audit of the accounts, and persons holding the following positions: (i) the Designated Manager, (ii) the Chief Financial Officer, where this role is not held by the Designated Manager, and (iii) the Chief of Internal Audit. Access is granted only to the extent strictly necessary for the performance of their respective duties. The Responsible Function may respond to the request by issuing extracts from the List limited to the data relevant to the purpose of the request. A record is kept of each instance of access.

3.8. The Related Parties Committee oversees the proper maintenance of the Related Parties List.

4. ARTICLE 4
RELATED PARTIES COMMITTEE

4.1. Lottomatica's Related Parties Committee comprises at least three Independent Directors appointed by resolution of the Board of Directors.

4.2. The Committee performs the functions set out in current legislation and in this Procedure. It may propose amendments or additions to this Procedure to the Board of Directors.

4.3. The Committee's operations are governed by the Organizational Regulation of the Related Parties Committee, approved by the Board of Directors, subject to the opinion of the Related Parties Committee.

5. ARTICLE 5
PRELIMINARY ACTIVITY

5.1. Appointed Persons who, on behalf of the Company or its Subsidiaries, are responsible for the approval and/or execution of a specific transaction, shall, prior to the Commencement of Negotiations[9] , verify whether or not the counterparty to the transaction in question is to be considered a Related Party, by using a dedicated application available on the company intranet, entering the personal details of the potential counterparty to the transaction. In carrying out this verification, the Appointed Person may seek assistance from the Responsible Function.

5.2. If it is established that the counterparty to the transaction is a Related Party, the Appointed Persons shall, unless the transaction is a Transaction of Smaller Amount, promptly notify the Responsible Function of their intention to commence negotiations relating to the transaction by sending to the email address particorrelate@lottomatica.com, the *"Information Schedule on Transactions with Related Parties"* referred to in **Annex 4** of the Procedure, duly completed and signed, containing the following information:

a. the counterparty's identification details and the nature of the relationship;
b. the type and subject matter of the Transaction;

[9] In the case of transactions requiring the conduct of auctions, tenders or other competitive procedures, the checks must be carried out as early as the stage of preparing the documentation necessary for participation in or the launch of the competitive procedure.

c. the value of the Transaction and a description of its financial terms;
d. expected timeframe;
e. the reasons for the Transaction, any critical issues and potential risks that may arise from its execution, including in light of any subjection to management and coordination;
f. any other transactions entered into with the same Related Party or with parties related to it;
g. an indication of whether one or more of the grounds for exclusion referred to in Article 6 below, points (ii), (iii), (iv), (v) and (vi), apply. In the case of Regular Transactions Completed in Market-Equivalent or Standard Terms, the documentation prepared shall contain objective supporting evidence;
h. any exceeding of one or more of the materiality thresholds set out in Annex 2 to this Procedure, for the purposes of classifying the Transaction as of Greater Importance or of Lesser Importance.

The documentation submitted must contain only the personal data strictly necessary for carrying out the checks provided for in this Procedure.

5.3. Similarly, the Appointed Persons must provide a similar notification should they intend to amend the terms of a Transaction that has already been approved.

5.4. For the purposes of determining the value of the Transaction, the following criteria shall apply:

(i) the value of fixed-term contracts shall be deemed to be equal to the estimated payments for their entire duration; in the case of open-ended contracts, it shall be equal to the estimated payments for the duration of a financial year or, where the notice period for termination exceeds one year, for the entire notice period;

(ii) amounts relating to Transactions that are of a similar nature or carried out as part of a single plan, concluded with the same Related Party or with parties related to both that party and the Company, during the same financial year, must be aggregated.

5.5. For the purposes of classifying a Transaction as of Greater or Lesser Importance, reference should be made to the materiality thresholds set out in Paragraph 1.23(a), (b) and (c) and set out in **Annex 3** of the Consob Regulation and in **Annex 2** of this Procedure.

5.6. Upon receipt of the above notification, the Responsible Function, with the support – where necessary – of the Finance, Credit and Control Department and other corporate functions, shall carry out a preliminary check to determine whether:

(i) the transaction can in fact be classified as a Related-Party Transaction within the meaning of the Procedure;
(ii) one or more of the cases of exclusion referred to in Article 6 below apply;
(iii) whether the Transaction qualifies as a Transaction of Greater or Lesser Importance.

Once it has been established that the transaction qualifies as a Transaction with Related Parties and it has been verified that none of the exclusions set out in Article 6 below apply, the Responsible Function, after consulting the Chief Executive Officer, shall initiate the procedures set out in Articles 7.1, 7.2, 7.3 and 7.4, depending on whether the Transaction is of Greater or Lesser Importance.

The Responsible Function shall also verify whether the conditions for the application of the "*Internal Procedure for the management and handling of inside information and for the external disclosure of documents and information*" adopted by the Company pursuant to Articles 17 and 18 of the Market Abuse Regulation (MAR), respectively, are met.

5.7. Should the identification of a Related Party or the application of one or more of the cases of exclusion referred to in Article 6 below prove contentious, the Responsible Function shall refer the assessment to the Related Parties Committee, through its Secretary.

5.8. Where one or more of the exemptions referred to in Article 6 below apply, the Responsible Function shall ensure that the information relating to the transaction under review is retained in the Register of Transactions with Related Parties (as defined below), including for the purposes of the obligations set out in Article 12 below.

5.9. For the purposes of the checks referred to in Paragraph 5.6. iii), the Responsible Function, following the approval of the consolidated financial statements, shall receive from the Finance, Control and Credit Department the reference parameters necessary for calculating the materiality thresholds referred to in Paragraph 1.23(a), (b) and (c) and set out in **Annex 3** to the Consob Regulation and in **Annex 2** to this Procedure.

6. ARTICLE 6
CASES OF EXCLUSION

6.1. The provisions of this Procedure shall not apply, pursuant to Article 13(1) of the Consob Regulation, to Shareholders' Meeting resolutions referred to in Article 2389, first paragraph, of the Civil Code, relating to the remuneration payable to members of the Board of Directors and, where applicable, the executive committee, nor to resolutions concerning the remuneration of directors holding specific positions falling within the total amount previously determined by the Shareholders' Meeting pursuant to Article 2389, third paragraph, of the Civil Code. Nor do the provisions of the Procedure apply to the Shareholders' Meeting resolutions referred to in Article 2402 of the Civil Code, relating to the remuneration payable to members of the Board of Statutory Auditors.

6.2. The provisions of the Procedure do not apply, pursuant to Article 13, paragraph 1-bis, of the Consob Regulation, to transactions resolved upon by companies and directed at all shareholders on equal terms, including:

a) capital increases with pre-emption rights, including those in connection with convertible bonds, and bonus share issues provided for in Article 2442 of the Civil Code;
b) demergers in the strict sense, whether total or partial, with shares allocated on a *pro rata* basis;
c) reductions in share capital by way of repayment to shareholders as provided for in Article 2445 of the Civil Code and purchases of own shares pursuant to Article 132 of the Consolidated Law on Finance.

6.3. Furthermore, the provisions of the Procedure do not apply:

(i) to transactions of a smaller amount as referred to in Paragraph 6.6 below;

(ii) remuneration schemes based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the TUF and the related implementing transactions (see Paragraph 6.7 below);

(iii) resolutions, other than those referred to in Article 6.1 above, and set out in Article 13(1) of the Consob Regulation, concerning the remuneration of directors holding specific positions and other executives with strategic responsibilities, in accordance with the conditions laid down in Article 13(3)(b) of the Consob Regulation (see Paragraph 6.8 below);

(iv) Regular Transactions Completed in Market-Equivalent or Standard Terms (see Paragraph 6.9 below);

(v) transactions with or between subsidiaries and transactions with associated companies, provided that there are no interests in such companies which may qualify as "significant" (see Paragraph 6.10 below).

6.4. It is, however, understood that the periodic disclosure obligations set out in Articles 13 and 14 below and in Article 5(8) of the Consob Regulation apply to the transactions referred to in points (ii), (iii), (iv) and (v) above.

6.5. Subject to the provisions of Article 5 of the Consob Regulation, the provisions of this Procedure do not apply to transactions to be carried out on the basis of instructions issued by supervisory authorities for the purposes of stability, or on the basis of directives issued by the parent company for the execution of instructions issued by supervisory authorities in the interests of the group's stability.

6.6. ***Transactions of Smaller Amount***

6.6.1. Transactions of Smaller Amount (as defined below) are excluded from the scope of application of the Consob Regulation and this Procedure and may be carried out, in accordance with the powers vested in them, by the relevant person within the Company on a case-by-case basis or by the executive directors and authorized managers of the subsidiaries. The "Smaller Amount" criterion takes precedence over any other grounds for exclusion from the application of this Procedure that may apply to the transaction (e.g. Regular Transactions Completed in Market-Equivalent or Standard Terms, transactions with Subsidiaries). Transactions of Smaller Amount are also excluded from the transparency regime provided for in Article 5 of the Consob Regulation.

6.6.2. In line with the aim of excluding Transactions that do not entail significant risks to investor protection, taking into account the scale of Lottomatica's and the Group's balance sheet, income statement and financial statement items, for the purposes of the Procedure, **"Transactions of Smaller Amount"** are defined as Transactions with Related Parties whose amount or equivalent value does not exceed:

- the sum of **€300,000** per year for individual transactions with related parties that are legal entities, or for transactions with related parties concluded with the same legal entity that are of a similar nature or carried out as part of a single plan;

- the amount of **€100,000**, on an annual basis, for individual Transactions with Related Parties who are natural persons, or for Transactions with Related Parties concluded with the same natural person who is a Related Party, where such transactions are of a similar nature or carried out as part of a single plan.

6.6.3. To determine the value of the transaction for the purposes of establishing whether it constitutes a 'Transaction of a Smaller Amount', the criteria set out in paragraph 5.4 above shall apply.

6.7. ***Remuneration schemes pursuant to Article 114-bis of the TUF***

6.7.1. Pursuant to Article 13(3)(a) of the Consob Regulation, remuneration schemes based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-*bis* of the TUF and the related implementing transactions are excluded from the application of the provisions of the Consob Regulation itself and of this Procedure.

6.7.2. The obligations regarding transparency and substantive and procedural fairness provided for by the provisions currently in force apply to remuneration schemes pursuant to Article 114-*bis* of the TUF and the related implementing transactions. This is without prejudice to the obligations set out in Article 5(8) of the Consob Regulation concerning periodic accounting disclosures, as well as the disclosure obligations set out in Articles 13 and 14 below.

6.8. ***Resolutions concerning the remuneration of directors holding specific positions and other executives with strategic responsibilities***

6.8.1. Pursuant to Article 13(3)(b) of the Consob Regulation, resolutions, other than those specified in Article 13(1) of the Consob Regulation and referred to in paragraph 6 of the Procedure, concerning the remuneration of directors and board members holding specific positions, as well as other executives with strategic responsibilities are excluded from the scope of the Consob Regulation, provided that:

(i) the Company has adopted a remuneration policy approved by the Shareholders' Meeting;

(ii) a committee comprising exclusively non-executive directors, the majority of whom are independent, has been involved in drawing up the remuneration policy;

(iii) the remuneration awarded is determined in accordance with that policy and quantified on the basis of criteria that do not involve discretionary assessments.

This is without prejudice to the obligations set out in Article 5, paragraph 8 of the Consob Regulations on periodic accounting disclosures, as well as the disclosure obligations set out in Articles 13 and 14 below.

6.9. ***Regular Transactions Completed in Market-Equivalent or Standard Terms***

Identification of Regular Transactions Completed in Market-Equivalent or Standard Terms

6.9.1. The identification of Regular Transactions Completed in Market-Equivalent or Standard Terms referred to in this Article is left to the discretion of the Appointed Person, with the support of the Responsible Function and the Finance, Credit and Control Department, which may, in case of doubt, consult the Related Parties Committee.

Applicable Regulations

6.9.2. Regular Transactions Completed in Market-Equivalent or Standard Terms are excluded from the scope of this Procedure, without prejudice to the provisions of Article 5, paragraph 8, of the Consob Regulation on periodic accounting disclosures and without prejudice to the disclosure obligations set out in Articles 13 and 14 below.

6.9.3. The body responsible for resolving and/or executing the transaction must, in any event, be provided, in good time prior to the approval of the transaction itself, with complete and adequate information on the transaction, including documentation containing evidence confirming that market or standard conditions are met.

6.9.4. Where transactions benefiting from the exemption referred to in this paragraph are Transactions of Greater Importance within the meaning of Paragraph 1.23, notwithstanding the disclosure requirements laid down in Article 5, paragraphs 1 to 7 of the Consob Regulation and without prejudice to the provisions of Article 17 of MAR, the Company shall:

(i) promptly involve the Related Parties Committee in assessing the applicability of this exemption;

(ii) notify Consob and the Related Parties Committee, within seven days of the transaction's approval by the competent body, of the counterparty, the subject matter and the consideration of the transactions that have benefited from the exemption, as well as the reasons why it is considered that these constitute an Regular Transactions Completed in Market-Equivalent or Standard Terms, providing objective supporting evidence;

(iii) indicate in the interim management report and in the annual management report, as part of the information required under Article 5(8) of the Consob Regulation, which of the reportable transactions were concluded by making use of the exemption referred to in this paragraph.

6.9.5. For each Regular Transactions Completed in Market-Equivalent or Standard Terms that is subject to exemption, the Responsible Function shall keep a record, within the Register of Transactions with Related Parties, of details relating to: (i) the ordinary nature of the transaction, in relation to its subject matter, frequency and size; (ii) the nature of the relationship; (iii) the contractual documentation; and (iv) the size and type of the counterparty.

6.10. ***Transactions with and between Subsidiaries and/or associated companies***

6.10.1. Transactions with or between Subsidiaries, including jointly, as well as transactions with associated companies, provided that there are no significant interests held by other Related Parties of the Company in the Subsidiary or associated companies acting as counterparties to the transaction, without prejudice to the provisions of Article 5, paragraph 8, of the Consob Regulation on periodic accounting disclosures and without prejudice to the disclosure obligations set out in Articles 13 and 14 below.

6.10.2. The assessment of the materiality of such interests is carried out as set out below:

(i) account is taken, amongst other things, of the existence of any shareholding relationships between the Company's Subsidiary or associated company and other Related Parties of the Company itself, or of any financial relationships between the Subsidiary or associated company, on the one hand, and other Related Parties of the Company, on the other;

(ii) account is taken of the provisions of paragraph 21 of the Implementing Communication, to which reference is made; in particular, the interests of the entity controlling the Company are considered significant where the shareholding held by that entity (including indirectly) in the counterparty to the Transaction with Related Party – which is a subsidiary of, or an associate of, the Company – has an effective weighting greater than that of the shareholding held by that entity in the Company;[10]

(iii) interests arising merely from the sharing of one or more directors or, where applicable, other managers with strategic responsibilities between the Company and the Subsidiary or associated company are not considered to be significant interests (see Article 14(2) of the Consob Regulation);

(iv) significant interests do, however, exist where, in addition to the mere sharing of one or more directors or other managers with strategic responsibilities, such persons benefit from incentive schemes based on financial instruments (or, in any event, variable remuneration) dependent on the results achieved by the Subsidiary or associated company with which the transaction is carried out.

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[10] For illustrative purposes only, the examples provided by Consob in Resolution No. 17389 of 23 June 2010 are set out below to clarify the concept of *'effective weight of the holding*':

(i) Company A controls Company B (a listed company) through a 50 per cent holding of shares carrying voting rights; Company B, in turn, controls Company C (an unlisted company) through the same percentage holding. Furthermore, A directly holds the remaining 50 per cent of C. In the transaction between Company B and Company C, Company A has a significant interest in C, as the effective weight of its holding in the latter company is 50 per cent + (50 × 50 per cent) = 75 per cent, whilst the weight of its holding in B is 50 per cent: there is therefore an incentive for a net transfer of resources from B to C.

(ii) Company A controls Company B (a listed company) through a 30 per cent holding of shares with voting rights, which in turn controls Company C (an unlisted company) through a 50 per cent holding of shares with voting rights. Furthermore, A directly holds 10% of C. In the transaction between company B and company C, company A does not hold a significant interest in C, as the effective weight of its stake in the latter company is 10% + (30 × 50%) = 25%, whilst the weight of its stake in B is 30%: therefore, in the absence of other significant interests, there is no incentive for a net transfer of resources from B to C.

6.10.3. For each transaction with and between subsidiaries and/or associated companies, the Responsible Function shall keep a record, within the Register of - Transactions with Related Parties, of details relating to the nature of the transaction, its subject matter, frequency and scale, and the contractual documentation, including for the purposes of complying with the requirements set out in Article 12 below.

7. ARTICLE 7
PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES

7.1. ***Procedures for Transactions of Greater Importance falling within the competence of the Board of Directors***

7.1.1. The Board of Directors shall approve Transactions of Greater Importance subject to a reasoned favourable opinion from the Related Parties Committee and with any Directors Involved in the Transaction abstaining from the vote, without prejudice in any event to the provisions of Article 2391 of the Civil Code. This opinion sets out, clearly and comprehensively, the Committee's assessment of the Company's interest in carrying out the Transaction, as well as the appropriateness and substantial fairness of the relevant terms and conditions. The Committee's opinion is considered:

(i) favourable, when it expresses full endorsement of the Transaction;

(ii) favourable but conditional, where full endorsement of the Transaction is subject to the acceptance of certain observations expressly set out within that opinion. In this case, the Board of Directors may proceed to approve the Transaction, without the need for the Committee to issue a new opinion, provided that the aforementioned observations are addressed at the time of the conclusion or execution of the Transaction;

(iii) negative, where it contains reservations even regarding a single aspect of the Transaction, unless the opinion itself expressly states otherwise in favour of carrying out the Transaction. In the latter case, the opinion must set out the reasons why it is considered that the aforementioned observations do not invalidate the overall assessment of the Company's interest in carrying out the Transaction, as well as the fairness and substantial correctness of the relevant terms and conditions.

7.1.2. During the negotiation and preliminary investigation phases, the Appointed Person, through the Responsible Function, shall provide the Related Parties Committee with in a timely manner, complete and adequate information regarding each Transaction of Greater Importance, describing the nature of the relationship, the main terms and conditions of the Transaction, the expected timeline for its completion, the assessment procedure followed, the reasons underlying the Transaction itself, as well as any risks to Lottomatica and its Subsidiaries.

7.1.3. The Related Parties Committee, or one or more members delegated by it, shall be entitled to request information and make comments to the Appointed Person for conducting the negotiations or the preliminary investigation regarding the matters covered by the disclosures referred to in the preceding paragraph, as well as to request any other information deemed useful for the purpose of assessing the Transaction. In any event, the information requested shall be provided to the Committee.

7.1.4. In carrying out its duties, the Related Parties Committee may, at Lottomatica's expense, seek the advice of one or more Independent Experts.

7.1.5. The Related Parties Committee shall, as a rule, issue its opinion at least 5 days before the meeting of Lottomatica's Board of Directors convened to approve the Transaction of Greater Importance and shall forward it to the Responsible Function within the same timeframe. The opinion shall be attached to the minutes of the Committee's meeting.

7.1.6. Should one or more members of the Related Parties Committee be found to have a related-party interest in relation to a specific Transaction of Greater Importance, the equivalent safeguards set out in Article 8 below shall apply. To this end, the members of the Related Parties Committee shall promptly notify the Responsible Function of the existence of any related-party interests they may have in relation to each specific Transaction under negotiation. Where equivalent safeguards are applied, the provisions set out in this article shall apply to the persons identified in accordance with Article 8 below.

7.1.7. In the event of a negative opinion from the Related Parties Committee, the Board of Directors may submit the Transaction of Greater Importance to the Ordinary Shareholders' Meeting for authorisation; the Shareholders' Meeting, subject to compliance with the majorities required by law and the Articles of Association and with the applicable provisions on conflicts of interest, shall resolve the matter with the favourable vote of at least half of the voting Unrelated Shareholders. In any event, the completion of a Transaction of Greater Importance is prevented only if the Unrelated Shareholders present at the Shareholders' Meeting represent at least 10%of the share capital carrying voting rights.

7.1.8. The minutes of the resolutions by which Lottomatica's Board of Directors approves Transactions of Greater Importance shall include adequate justification regarding Lottomatica's interest in carrying out such Transactions, as well as the advantage and substantive fairness of the relevant terms and conditions.

7.1.9. The Chief Executive Officer shall provide the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information on the execution of Transactions of Greater Importance approved by the Board of Directors pursuant to this Article.

7.2. ***Procedures for Transactions of Greater Importance falling within the competence of the Shareholders' Meeting***

7.2.1. In the case of Transactions of Greater Importance which fall within the competence of the Shareholders' Meeting or which must be authorised by the Shareholders' Meeting in accordance with the law or the Articles of Association, the provisions set out in Article 7.1 above shall apply to the negotiation phase, the preliminary investigation phase and the approval phase of the proposed resolution to be submitted to the Shareholders' Meeting.

7.2.2. The proposed resolution to be submitted to Lottomatica's Shareholders' Meeting may be approved by the Board of Directors, with any Directors Involved in the Transaction abstaining from the vote and without prejudice in any event to the provisions of Article 2391 of the Civil Code, even in the event of a negative opinion from the Related Parties Committee. In such a case, subject to compliance with the majorities required by law and the Articles of Association, as well as the applicable provisions on conflicts of interest, the Shareholders' Meeting shall pass the resolution with the favourable vote of at least half of the voting Unrelated Shareholders. In any event, the completion of a Transaction of Greater Importance shall be prevented only if the Unrelated Shareholders present at the Shareholders' Meeting represent a percentage of at least 10% of the share capital carrying voting rights.

7.2.3. The Chief Executive Officer shall provide the Board of Directors and the Board of Statutory Auditors, at least quarterly, with a specific report on the implementation of Greater Importance approved by the Shareholders' Meeting in accordance with this Article.

7.3. ***Procedures for Transactions of Lesser Importance falling within the remit of the Board of Directors***

7.3.1. The Board of Directors of Lottomatica – with any Directors Involved in the Transaction abstaining from the vote, subject in all cases to the provisions of Article 2391 of the Civil Code – or the competent delegated body shall approve Transactions of Lesser Importance , subject to a reasoned, non-binding opinion from the Related Parties Committee on Lottomatica's interest in carrying out the Transaction, as well as on the advisability and substantial fairness of the relevant terms and conditions.

7.3.2. Where a related-party relationship exists with the competent delegated body, or with a Related Party through that body, the latter shall refrain from approving the Transaction and shall refer the matter to the delegating body.

7.3.3. During the negotiation and preliminary investigation phases, the Appointed Person, through the Responsible Function, shall provide the Related Parties Committee, in a timely manner, complete and adequate information regarding each Transaction of Lesser Importance, describing the nature of the relationship, the main terms and conditions of the Transaction, the expected timeframe for its completion, the assessment procedure followed, the reasons underlying the Transaction itself, as well as any risks to Lottomatica and its Subsidiaries.

7.3.4. In carrying out its duties, the Related Parties Committee may, at Lottomatica's expense, seek the advice of one or more Independent Experts.

7.3.5. The Related Parties Committee shall, as a rule, issue its opinion at least 5 days prior to the meeting of Lottomatica's Board of Directors convened to approve the Transaction of Lesser Importance or prior to the date scheduled for the approval of the Transaction by the competent delegated body. Within the same timeframe, the Committee shall forward the opinion to the Responsible Function. The opinion is attached to the minutes of the Committee's meeting.

7.3.6. Should one or more members of the Related Parties Committee be related in connection with a specific Transaction of Lesser Importance, the equivalent safeguards set out in Article 8 below shall apply. To this end, the members of the Related Parties Committee shall promptly notify the Responsible Function of the existence of any related-party situations in relation to each specific Transaction under negotiation. Where equivalent safeguards are applied, the provisions set out in this article shall apply to the persons identified in accordance with Article 8 below.

7.3.7. As a general rule, at least 5 days before the meeting of the Board of Directors convened to approve Transactions of Lesser Importance or, where the power to approve such transactions lies with a delegated body, before the date scheduled for the approval of those transactions, the Responsible Function shall provide the members of the Board of Directors and the Board of Statutory Auditors – or, respectively, supply the competent delegated body – with adequate information on Transactions of Lesser Importance, including the Committee's opinion.

7.3.8. The minutes of the resolutions by which the Board of Directors approves Transactions of Lesser Importance – or the decisions of the competent delegated body – shall set out adequate reasons regarding Lottomatica's interest in carrying out such Transactions, as well as the advantage and substantive fairness of the relevant terms and conditions.

7.3.9. The Chief Executive Officer shall provide the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information on the execution of Transactions of Lesser Importance approved by the Board of Directors or by the competent delegated body in accordance with this Article.

7.4. ***Procedures for Transactions of Lesser Importance falling within the competence of the Shareholders' Meeting***

7.4.1. In the case of Transactions of Lesser Importance which fall within the remit of the Company's Shareholders' Meeting or which must be authorised by the Shareholders' Meeting in accordance with the law or the Articles of Association, the provisions set out in Article 7.3 above shall apply during the preliminary examination phase and the approval phase of the proposed resolution to be submitted to the Shareholders' Meeting.

7.4.2. The Chief Executive Officer shall provide the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information on the execution of Transactions of Lesser Importance approved or authorised by the Shareholders' Meeting in accordance with this article.

8. ARTICLE 8
EQUIVALENT SAFEGUARDS IN THE EVENT OF A CONNECTION BETWEEN ONE OR MORE INDEPENDENT DIRECTORS AND A SPECIFIC TRANSACTION

8.1. Where, in relation to a specific transaction with related parties, one or more members of the Related Parties Committee declare themselves to be related parties with regard to that specific transaction, the reasoned favourable opinion of the Related Parties Committee must be issued by the remaining Unrelated Directors members of the Related Parties Committee who may be present.

8.2. Should only two Unrelated Independent Directors remain within the Related Parties Committee, the opinion must be issued unanimously.

8.3. Should there be only one Unrelated Independent Director remaining on the Related Parties Committee, the duties of the Related Parties Committee shall be carried out by a panel comprising that Committee member and the two oldest Unrelated Independent Directors.

8.4. Should the above provisions not be applicable, the duties assigned to the Committee by the Procedure shall be carried out by the Board of Statutory Auditors. In such a case, if any member of the Board of Statutory Auditors has an interest, either on their own behalf or on behalf of third parties, in the Transaction, they shall notify the other Statutory Auditors thereof, specifying the nature, terms, origin and scope of such interest.

8.5. In the event that the provision referred to in paragraph 8.4 above cannot be applied either, the functions of the Related Parties Committee shall be assigned to an Independent Expert. Where the Board of Directors seeks the opinion of the Independent Expert, the role of Independent Expert may not be entrusted to any person who is a counterparty to the Transaction or a Related Party of the Company or of the counterparty to the Transaction. Upon appointment, the Independent Expert must declare their independence, which must be verified by the Board of Directors; should there be (or have been in the past) any economic, equity or financial relationships between the Independent Expert and the Company, the expert must declare their existence and explain why they do not compromise their independence.

8.6. For the purposes of this assessment, consideration shall also be given to any such relationships (whether current or past) between the expert and (i) the Related Party, its subsidiaries, the entities controlling it, companies under common control, and the Directors of the aforementioned companies; (ii) the Company, its Subsidiaries, the entities controlling it, companies under common control, and the Directors of the aforementioned companies.

9. ARTICLE 9
TRANSACTIONS CARRIED OUT THROUGH SUBSIDIARIES

9.1. Where the Board of Directors (or the delegated bodies or other company executives) of the Company reviews and/or approves Transactions with Related Parties carried out by Subsidiaries, the Related Parties Committee, or, as the case may be, the person(s) acting in its stead, the Board of Statutory Auditors and the Board of Directors of the Company shall receive, in good time, adequate and complete information on the transaction and, in particular, on the nature of the relationship (specifying the Related Party), the subject matter, the financial terms and the timing of the transaction, as well as the interests and reasons underlying the transaction. In the case of Regular Transactions Completed in Market-Equivalent or Standard Terms, the documentation prepared shall contain objective supporting evidence.

9.2. The Transaction is approved and/or executed by the competent body of the Subsidiaries following an opinion issued by the Related Parties Committee or, as the case may be, by the body or bodies acting in its stead in accordance with the provisions of Article 7 above (a binding opinion for Transactions of Greater Importance and a non-binding opinion for Transactions of Lesser Importance). The opinion must be issued in good time prior to the date of approval and/or execution of the transaction. All information submitted to the Related Parties Committee or, as the case may be, to the bodies acting in its stead, together with any further documentation relating to the transaction, shall be made available without delay to the body authorised to approve and/or execute the transaction.

9.3. Where the transaction to be carried out through a Subsidiary falls within the remit of the Subsidiary's Shareholders' Meeting, the procedure set out above shall apply, *mutatis mutandis*, to the preliminary examination and approval of the draft resolution to be submitted to that Shareholders' Meeting.

9.4. The same grounds for exclusion set out in Article 6 of the Procedure apply to transactions carried out through subsidiaries.

9.5. The Chief Executive Officer, with the support of the Responsible Function and the relevant corporate functions of the subsidiary concerned, shall provide, at least quarterly, to the Board of Directors and the Board of Statutory Auditors of the Company a complete and detailed report (i) on the execution of the transactions, (ii) on transactions carried out despite the negative opinion of the Related Parties Committee, without prejudice to the powers of the subsidiary's administrative body (acting collectively, where applicable) in accordance with the provisions of Article 9.2 above, as well as (iii) on transactions exempted under this Procedure, approved by the subsidiaries during the relevant quarter, and on the main characteristics and conditions thereof. This is without prejudice to the disclosure obligations for transactions of Greater Importance referred to in Article 5 of the Consob Regulation.

10. ARTICLE 10
FRAMEWORK RESOLUTIONS

10.1. Pursuant to Article 12 of the Consob Regulation, transactions of a similar nature with certain categories of Related Parties, to be carried out including through Subsidiaries, may be approved by the Board through the use of framework resolutions.

10.2. Without prejudice to the provisions of the Consob Regulation, including those relating to public disclosure, the provisions of the preceding Article 7 shall apply to resolutions concerning the adoption of framework resolutions, depending on the foreseeable maximum amount of the transactions covered by the resolution, considered cumulatively.

10.3. Framework resolutions adopted in accordance with this article may not remain in force for more than one year and must relate to sufficiently specific transactions, setting out at least the expected maximum amount of the Transactions to be carried out during the reference period and the reasons for the conditions laid down.

10.4. The Chief Executive Officer, with the support of the relevant department, shall provide the Board of Directors with a comprehensive report, at least quarterly, on the implementation of the framework resolutions.

10.5. Upon approval of a framework resolution, the Company shall publish an information document in accordance with Article 12 below if the expected maximum amount of the transactions covered by that resolution exceeds one of the materiality thresholds identified in accordance with Paragraph 1.23 above.

10.6. The provisions of Article 7 above do not apply to individual transactions concluded in implementation of the framework resolution. Transactions concluded in implementation of a framework resolution that is the subject of an information document published in accordance with the preceding paragraph are not counted for the purposes of the aggregation provided for in Article 5(2) of the Consob Regulation.

11. ARTICLE 11
URGENT TRANSACTIONS

11.1. Without prejudice to the disclosure obligations set out in Article 5 of the Consob Regulation, in cases of urgency, Transactions with Related Parties which do not fall within the competence of the Shareholders' Meeting or do not require its authorisation pursuant to the law and the Articles of Association may be approved by the Board of Directors or by the relevant managing director (with the exception, in the latter case, the scenario referred to in paragraph 7.3.2 above, and without prejudice in any event to the exclusive competence of the Board of Directors in the case of a Transaction of Greater Importance and the obligation of any Directors Involved in the Transaction to abstain), by way of derogation from the provisions of Article 7 above, provided that:

(a) where the Transaction to be carried out falls within the competence of a managing director, the Chairman of the Board of Directors and, where appointed, the Lead Independent Director, are informed promptly and, in any event, prior to the completion of the Transaction, of the duly substantiated reasons for urgency;

b) such Transactions are subsequently subject, without prejudice to their validity, to a non-binding resolution of the first available ordinary shareholders' meeting;

c) when convening the Shareholders' Meeting referred to in point (b) above, the Board of Directors shall prepare a report containing an adequate justification of the reasons for the urgency. The Company's Board of Statutory Auditors shall report to the Shareholders' Meeting on its assessment as to whether the reasons for the urgency are valid;

d) the report and assessments referred to in point (c) are made available to the public at least twenty-one days before the date set for the Shareholders' Meeting at the Company's registered office and in accordance with the procedures set out in Part III, Title II, Chapter I of the Issuers' Regulations. These documents may be included in the information document referred to in Article 5(1) of the Consob Regulations;

e) by the day following the Shareholders' Meeting, Lottomatica shall make available to the public, in the manner specified in Part III, Title II, Chapter I of the Issuers' Regulations, information on the results of the vote, with particular regard to the total number of votes cast by unrelated shareholders.

12. ARTICLE 12
REGISTER OF RELATED-PARTY TRANSACTIONS

12.1. The Company's Responsible Function shall establish and maintain a register (the "**Register of Related-Party Transactions**"), by means of a dedicated electronic register, containing a list of:

(i) Transactions with Related Parties, including those carried out through Subsidiaries, approved in accordance with Article 7 (including those covered by framework resolutions pursuant to Article 10 and urgent transactions referred to in Article 11); and

(ii) Transactions with Related Parties, including those carried out through Subsidiaries, falling within one of the exemption cases referred to in Article 6, excluding Transactions of Smaller Amount.

12.2. The Register is managed using tools designed to ensure adequate levels of confidentiality, integrity, availability and traceability of access, in accordance with the technical and organisational measures adopted by the Company, including through its suppliers, who have been specifically designated as Data Processors pursuant to Article 28 of the GDPR.

13. ARTICLE 13
PUBLIC DISCLOSURE ON TRANSACTIONS WITH RELATED PARTIES

13.1. ***Public Disclosure on Transactions with Related Parties of Greater Importance***

13.1.1. In the event of Transactions of Greater Importance, including those carried out through Subsidiaries, the Company prepares an information document drawn up in accordance with the template set out in Annex 4 of the Consob Regulation.

13.1.2. The obligation to publish the information document also arises where several transactions are carried out during the same financial year with the same Related Party, or with parties related to both the latter and the Company, which are of a similar nature or carried out as part of a single plan, and which – although not individually qualifying as transactions of Greater Importance – exceed – when considered cumulatively – at least one of the materiality thresholds set out in Annex 2 to the Procedure (so-called "cumulative transactions"). For the purposes of the aforementioned aggregation, transactions carried out by Italian or foreign subsidiaries are also taken into account, whilst any transactions exempted under Article 6 of the Procedure are not considered.

13.1.3. Together with the information document referred to in paragraph 13.2.1, the Company also makes available to the public any opinions of the Related Parties Committee and of the Independent Experts, where involved.

13.1.4. The information document must be published and submitted to Consob within the time limits and in the manner specified in Article 5 of the Consob Regulation.

13.2. ***Periodic financial reporting***

13.2.1. The *interim* management report and the annual management report provide information:

(i) on individual Transactions of Greater Importance concluded, including through Subsidiaries, during the reporting period;

(ii) on any individual Transactions with Related Parties concluded during the reporting period which have had a material impact on the Company's financial position or results;

(iii) on any changes or developments in transactions with related parties described in the most recent annual report which have had a material effect on the Company's financial position or results during the reporting period.

Information on individual Transactions of Greater Importance may be included by reference to the disclosure documents published pursuant to paragraphs 1, 2 and 6 of Article 5 of the Consob Regulation, setting out any significant updates.

13.3. ***Transactions with Related Parties disclosed to the public pursuant to Article 17 of MAR***

13.3.1. Where a Transaction with Related Parties is disclosed by means of a press release pursuant to Article 17 of the MAR, such press release shall, in addition to the other information to be published pursuant to the aforementioned provision, include, in accordance with Article 6 of the Consob Regulation, at least the following information:

(i) a description of the Transaction;

(ii) a statement that the counterparty to the Transaction is a related party and a description of the nature of the relationship;

(iii) the name or designation of the counterparty to the Transaction;

(iv) whether or not the Transaction exceeds the materiality thresholds identified in accordance with Article 1.23 and Annex 2 of the Procedure, and an indication as to whether an information document will subsequently be published in accordance with Article 5 of the Consob Regulation;

(v) the procedure that has been or will be followed for the approval of the Transaction and, in particular, whether the Company has availed itself of an exemption provided for in this Procedure pursuant to Articles 13 and 14 of the Consob Regulation;

(vi) the possible approval of the transaction despite the negative opinion of the directors or independent board members.

13.3.2. According to the Implementing Communication, in cases where the issuer does not publish the information document pursuant to Article 13.1.1 above, either because the transaction does not exceed the materiality thresholds set out in Annex 2, or because the cases and grounds for exemption provided for in Article 6 above apply, the following are among the items of information that may be relevant for the purposes of compliance with Article 17 of the Market Abuse Regulation (MAR) on Related-Party Transactions, which generally serve as a benchmark for Consob's requests for the publication of supplementary information regarding announcements relating to such transactions, by way of example: (i) the key characteristics of the transaction (price, terms of execution, payment schedule, etc.); (ii) the economic rationale for the transaction; (iii) a description of the economic, equity and financial effects of the transaction in question; (iv) the methods used to determine the consideration for the transaction, as well as an assessment of whether it is fair in relation to the market values of similar transactions; (v) where the economic terms of the transaction are deemed to be equivalent to market or standard terms, in addition to a statement to that effect, an indication of the objective supporting evidence; (vi) any use of experts to value the transaction and, in such cases, an indication of the valuation methods adopted in relation to the fairness of the consideration, as well as a description of any critical issues highlighted by the experts in relation to the specific transaction.

14. ARTICLE 14
INFORMATION FLOWS TO THE BOARD OF DIRECTORS, THE BOARD OF STATUTORY AUDITORS AND THE RELATED PARTIES COMMITTEE

14.1. The Chief Executive Officer, with the support of the Responsible Function, the Appointed Person and any other parties involved in the transactions and/or with the support of the Directors or the relevant corporate functions of the Subsidiaries, shall provide:

(a) to the Company's Board of Directors and Board of Statutory Auditors, on a quarterly basis, adequate information:

(i) on the execution of all Related-Party Transactions governed by this Procedure (excluding those exempt from the application of this Procedure pursuant to Article 6) approved during the quarter, with particular reference to the nature of the relationship, the manner in which the transaction was carried out, and the terms and conditions; the information shall also cover transactions with related parties carried out through Subsidiaries which have been examined or approved by the Company's Board of Directors and on which the Related Party Committee has issued an opinion; and

(ii) the implementation of the framework resolutions referred to in Article 10 above; and

14.2. The Responsible Function shall submit to the Related Parties Committee, at least every six months, a report on the application of the exclusions referred to in Article 6 in relation to Transactions of Significant Importance. With regard to Excluded Transactions pursuant to Article 6.9 (*Regular Transactions Completed in Market-Equivalent or Standard Terms*) and pursuant to Article 6.10, the disclosure shall also include Transactions of Lesser Importance that are not Transactions of Smaller Amount.

15. ARTICLE 15
CONFIDENTIALITY

15.1. Information received or otherwise acquired by all parties involved in Transactions with Related Parties must be kept strictly confidential and handled in accordance with the provisions of the current procedure for the internal management and external communication of documents and information concerning the Company.

16. ARTICLE 16
APPROVAL, DISTRIBUTION AND PUBLICATION OF THE PROCEDURE

16.1. ***Approval and amendments to the Procedure***

16.1.1. The Board of Directors shall periodically assess, and in any event at least every three years, whether to review the Procedure, taking into account, amongst other things, any legislative and regulatory changes, any changes that may have occurred in the ownership structure, and the effectiveness of the Procedure in practice.

16.1.2. The Chairman or the Chief Executive Officer of the Company may introduce into this document and its annexes non-substantive amendments and updates rendered necessary by changes that may occur in the Company's organisational structure and its internal organisational provisions and/or by new legislative and/or regulatory developments. The Chairman or the Chief Executive Officer of the Company may also directly amend Annex 1 to this Procedure to ensure continued compliance with the legislation and International Accounting Standards in force at the time.

16.1.3. The Related Parties Committee, the Board of Statutory Auditors and the Board of Directors are subsequently informed of such updates and amendments.

16.1.4. Any other amendments must be approved by the Board of Directors, upon the recommendation or following a favourable opinion from the Related Parties Committee.

16.1.5. The Company's Board of Statutory Auditors monitors the compliance of this Procedure with the general principles set out in the Consob Regulations, as well as its observance, and reports thereon to the Company's Shareholders' Meeting in accordance with Article 153 of the Consolidated Law on Finance.

16.2. ***Dissemination and publication of the Procedure***

16.2.1. The Responsible Function shall forward the Procedure to the Company's main corporate functions, including the Designated Manager – in order to ensure coordination with the administrative and accounting procedures provided for by the aforementioned regulation – as well as to the functions responsible for ensuring compliance with the Procedure.

16.2.2. Furthermore, pursuant to Article 114(2) of the TUF, the Procedure shall also be forwarded by the Responsible Function to the members of the Board of Directors and (where applicable) the Supervisory Body of the Subsidiaries, and to the main corporate functions of those Subsidiaries, so that such parties may review it and, insofar as it falls within their remit or is their responsibility, comply with it. To this end, a communication signed by the Chairman of the Board of Directors or the Chief Executive Officer must be sent to the administrative bodies of the Subsidiaries, containing instructions regarding the main obligations incumbent upon the subsidiaries in order to ensure the effective implementation of the processes governed by the Procedure within the Lottomatica Group. The governing bodies of the Subsidiaries shall sign and send, for acceptance, a notice to the Company (for the attention of the Chief Executive Officer and the Responsible Function) in which they accept the instructions received, undertaking also to comply, within their respective areas of responsibility, the obligations set out in the Procedure, as well as to disseminate the Procedure within their organisational structures and to any companies over which the Subsidiaries exercise control.

14.2.1. The Procedure, in its currently applicable version, is published on the Company's *website* www.lottomaticagroup.com in the 'Governance' section and, including by reference to that website, in the annual management report, in accordance with Article 2391-*bis* of the Civil Code, where information is also provided on transactions carried out with related parties.

17. ARTICLE 17
TRAINING AND INFORMATION

17.1. In order to ensure the effective and efficient application of the Procedure, the Company organises training and information initiatives for the workforce of Lottomatica and its subsidiaries, to be identified on the basis of the roles held.

17.2. The Company also organises specific induction sessions for executives with strategic responsibilities and for members of Lottomatica's administrative and supervisory bodies.

18. ARTICLE 18
PROCESSING OF PERSONAL DATA

18.1. This Article governs the roles, responsibilities and measures applicable to the processing of personal data carried out in implementation of the Procedure, in accordance with the GDPR and the Privacy Code.

18.2. Lottomatica Group S.p.A. is the independent data controller for the personal data contained in the List of Related Parties and the Register of Related-Parties Transactions, which it processes in fulfilment of the obligations imposed on it by the provisions referred to in the Introduction. The Subsidiaries are independent data controllers in respect of the processing they carry out in implementation of the Procedure, in compliance with the instructions issued to the ccording to Article 114(2) of the TUF. There is no joint controllership between the Company and the Subsidiaries within the meaning of Article 26 of the GDPR.

18.3. Personal data processed in accordance with this Procedure are retained for the following periods:

(a) data contained in the List of Related Parties, for the duration of the office or relationship giving rise to the related-party status and for the five years following its termination, in accordance with the limitation period for corporate liability actions referred to in Article 2393 of the Civil Code;

(b) the data contained in the Register of Related-Party Transactions and in the supporting documentation relating to individual Transactions, for ten years from the conclusion of the Transaction, in accordance with the retention obligations set out in Article 2220 of the Civil Code;

(c) the data subject to the publication obligations referred to in Article 13, for the period provided for by the applicable legislation on corporate disclosure.

The time limits referred to in points (a) and (b) shall be deemed to be extended for the time necessary to establish, exercise or defend a right in court, or to comply with requests from the Supervisory Authorities. Once the aforementioned time limits have expired, the data shall be deleted or retained in anonymised form.

ANNEX 1

DEFINITIONS OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS AND FUNCTIONAL DEFINITIONS THEREOF ACCORDING TO INTERNATIONAL ACCOUNTING PRINCIPLES

1. **Definitions of related parties and transactions with related parties according to international accounting principles**

Pursuant to Article 2 of this Procedure, an extract of the definitions of related parties and transactions with related parties as set out in IAS 24 is provided below, together with a reference to further definitions relating thereto as provided for by international accounting standards, as in force at the date of this Procedure.

***Related Parties*:**

A related party is a person or entity that is related to the entity that is preparing its financial statements (*i.e.* Lottomatica).

(a) A person or close member of that person's family is related to a reporting entity if that person:

i. has control or joint control over Lottomatica; or

ii. has significant influence over Lottomatica; or

iii. is a member of the key management personnel of Lottomatica or one of its parent companies.

(b) An entity is related to Lottomatica if any of the following conditions applies:

i. the entity and Lottomatica are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

iii. both entities are joint venture of the same third party;

iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

v. the entity is a post-employment defined benefit plan for the benefit of employees of either Lottomatica or an entity related to Lottomatica;

vi. the entity is controlled or jointly controlled by a person identified in (a);

vii. a person identified in point (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of its parent);

viii. the entity, or any member of a group to which it belongs, provides management services with strategic responsibilities to Lottomatica or to Lottomatica's parent [IAS 24, paragraph 9].

In the definition of a related party, an associate includes the subsidiaries of the associate and a joint venture includes the joint venture's subsidiaries. Therefore, for example, a subsidiary of an associate and the investor that has significant influence over the associate are related to each other [IAS 24, paragraph 12].

***Transactions with Related Parties*:**

A transaction with a related party is a transfer of resources, services or obligations between an entity and a related party, regardless of whether consideration has been agreed [IAS 24, paragraph 9][11] .

Such transactions include:

- mergers, demergers by incorporation or non-proportional demergers, where carried out with related parties;
- decisions relating to the allocation of remuneration and economic benefits, in any form, to members of the administrative and supervisory bodies and to senior management with strategic responsibilities.

2. Functional definitions to those of "related parties" and "transactions with related parties" according to international accounting principles

Associate (IAS 28)

An associate is an entity over which the investor exercises significant influence.

In the definition of a related party, an associate includes the subsidiaries of the associate, and a joint venture includes the subsidiaries of the joint venture. Therefore, for example, a subsidiary of an associate and the investor that has significant influence over the associate are related to each other [IAS 24, paragraph 12].

Control (IFRS 10)

An investor controls an investee when it is exposed to, or has rights to, variable returns from its relationship with the investee and, at the same time, has the ability to affect those returns by exercising its power over the investee.

Joint control (IFRS 11)

Joint control is the sharing, on a contractual basis, of control over an arrangement, which exists only when the unanimous consent of all parties sharing control is required for decisions relating to the relevant activities.

Key Management Personnel (IAS 24)

Key management personnel are those individuals who have the authority and responsibility, directly or indirectly, for the planning, direction and control of the company's activities, including the directors (whether executive or non-executive) of the company itself[12] .

Significant Influence (IAS 28)

Significant influence is the power to participate in determining the financial and operating policies of the investee without having control or joint control over it.

If an entity holds, directly or indirectly (for example, through subsidiaries), 20 per cent or more of the voting rights exercisable at the investee's general meeting, it is presumed that the entity has significant influence, unless the contrary can be clearly demonstrated.

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[11] Such transactions include:

- mergers, demergers by incorporation or non-proportional demergers in the strict sense, where carried out with related parties;

- decisions relating to the allocation of remuneration and financial benefits, in any form, to members of the administrative and supervisory bodies and to executives with strategic responsibilities.

[12] The Implementation Notice specifies that the category of 'senior managers with strategic responsibilities' is also deemed to include the standing members of the supervisory bodies (board of statutory auditors and supervisory board).

Conversely, if the entity holds, directly or indirectly (for example, through subsidiaries), less than 20 per cent of the voting rights exercisable at the investee's general meeting, it is presumed that the entity does not have significant influence, unless such influence can be clearly demonstrated. Even if another entity holds an absolute or relative majority, this does not necessarily preclude an entity from having significant influence.

The existence of significant influence on the part of an entity is usually indicated by the occurrence of one or more of the following circumstances:
(a) representation on the board of directors, or equivalent body, of the investee;
(b) involvement in the decision-making process, including participation in decisions regarding dividends or other forms of profit distribution;
(c) the existence of significant transactions between the entity and the investee;
(d) the exchange of senior management; or
(e) the provision of essential technical information.

Joint Ventures (IAS 28)

A *joint venture* is an arrangement involving joint control of an entity under which the parties exercising joint control have rights to the net assets of that entity.

A joint control arrangement is an arrangement under which two or more parties exercise joint control over the economic activity that is the subject of the arrangement. Joint control is the sharing, by agreement, of control over an economic activity, which exists only when decisions relating to that activity require the unanimous consent of all parties sharing control.

Close family members (IAS 24)

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

(a) that person's children and spouse or partner;
(b) the children of that person's spouse or partner;
(c) dependants of that person or of their spouse or partner.

3. Principles for interpreting definitions

3.1 When examining each related party relationship, attention must be paid to the substance of the relationship and not merely to its legal form [IAS 24, paragraph 10].

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

ANNEX 2
IDENTIFICATION OF TRANSACTIONS OF GREATER IMPORTANCE WITH RELATED PARTIES

In accordance with the guidelines set out in Annex 3 to Consob Regulation, Transactions of Greater Importance are defined **as those in which at least one of the following thresholds**, applicable depending on the specific transaction, **exceeds 5%** for **related-party transactions in general** or **2.5% for transactions entered into with any listed parent company** – where one exists – or with parties related to the latter who are in turn related to the Company:

a) transaction **value materiality ratio**: this is the ratio of the transaction value to the net assets taken from Lottomatica's most recent published consolidated balance sheet or, if higher, the Company's market capitalisation as at the close of the last trading day included in the reference period of the most recent published periodic financial report (annual or half-yearly financial report or additional periodic financial information, where prepared).

If the financial terms of the Transaction are fixed, the consideration for the Transaction is:
i. for the cash components, the amount paid to/by the contractual counterparty;
ii. for components consisting of financial instruments, the fair value determined, at the date of the Transaction, in accordance with International Financial Reporting Standards;
iii. for financing transactions or the provision of guarantees, the maximum amount payable.

If the financial terms of the Transaction depend wholly or partly on factors not yet known, the consideration for the Transaction is the maximum amount receivable or payable under the agreement.

b) **asset materiality ratio:** this is the ratio of the total assets of the entity subject to the Transaction to Lottomatica's total consolidated assets. The figures to be used must be taken from the most recent consolidated balance sheet published by Lottomatica; where possible, comparable figures must be used to determine the total assets of the entity subject to the Transaction.

For transactions involving the acquisition or disposal of shareholdings in companies that affect the scope of consolidation, the value of the numerator is the total assets of the investee, regardless of the percentage of share capital being disposed of.

For transactions involving the acquisition or disposal of shareholdings in companies that do not affect the scope of consolidation, the value of the numerator is:
(i) in the case of acquisitions, the consideration for the transaction plus any liabilities of the acquired company assumed by the acquirer;
(ii) in the case of disposals, the consideration for the asset disposed of.

For transactions involving the acquisition and disposal of other assets (other than acquisitions), the value of the numerator is:
(i) in the case of acquisitions, the higher of the consideration and the carrying amount to be attributed to the asset;
(ii) in the case of disposals, the carrying amount of the asset.

c) **liability relevance ratio**: this is the ratio of the total liabilities of the acquired entity to the total assets of Lottomatica. The figures to be used must be taken from the most recent consolidated balance sheet published by Lottomatica; where possible, equivalent figures must be used to determine the total liabilities of the acquired company or business unit.

Where several Transactions are aggregated, the significance of each Transaction is first determined on the basis of the applicable index or indices; the results for each index are then added together.

Where one Transaction or several Transactions aggregated together are identified as “of greater importance” and this result appears manifestly unjustified in view of specific circumstances, a request may be made to Consob to specify alternative methods for calculating the indices, by notifying Consob of the essential characteristics of the transaction and the specific circumstances on which the request is based, prior to the conclusion of negotiations.

ANNEX 3

DECLARATION BY RELATED PARTIES

I, the undersigned [*first name and surname*], born in [*place of birth*] on [*dd/mm/yyyy*], resident at [*residential address*], in my capacity as [*director/statutory auditor/ manager with strategic responsibilities]* of Lottomatica Group S.p.A. (**"Lottomatica Group**"),

whereas

A related party *is a person or entity related to the entity preparing its financial statements* (the "entity preparing the financial statements"), namely:

(a) A person, or a close family member of that person, is related to an entity preparing financial statements if that person:

(i) has control or joint control of the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is one of the key management personnel of the reporting entity or of its parent.

(b) An entity is related to a reporting entity if any of the following conditions apply:

(i) the entity and the reporting entity are part of the same group (which means that each parent, subsidiary and group company is related to the others);

(ii) one entity is an associate or a joint venture of the other entity (or an associate or a *joint venture* that is part of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third party and the other entity is an associate of that third party;

(v) the entity is represented by a post-employment benefit plan for the employees of the reporting entity or of a related entity;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is one of the key management personnel of the entity (or of its parent);

(viii) the entity, or any member of a group to which it belongs, provides management services with strategic responsibilities to the reporting entity or to the parent of the reporting entity [IAS 24, paragraph 9].

In the definition of a related party, an associate includes the associate's subsidiaries and a joint venture includes the joint venture's subsidiaries. Therefore, for example, a subsidiary of an associate and the investor that has significant influence over the associate are related to each other [IAS 24, paragraph 12].

Having taken note of the definitions of ***'Close Family Members'***, '***control'***, ***'joint control'*** and ***'significant influence'*** as relevant under the Consob Regulation on Related Party Transactions (Resolution No. 17221/2010, as amended) and set out in the annex to this statement (**Annex B**)

declares

1. □ that it does not exercise any control, joint control or significant influence over any company or entity, nor does it hold a significant shareholding in the capital of any company or entity conferring voting rights equal to or exceeding 20% of the total

or (if point 1 has not been ticked)

2. □ that it controls, or jointly controls, or exercises significant influence over the companies and/or other entities listed below, and/or holds a significant shareholding in the capital of the companies and/or entities listed below conferring voting rights equal to or exceeding 20% of the total:

Company/Entity	**Registration number (Tax Code / VAT No.)**	**Registered office**	**Type of control/influence**

and further declares

3. □ that it has no Close Family Members within the meaning of the Consob Regulation and IAS standards;

or (if point 3 has not been ticked)

4. □ that, in accordance with the Consob Regulations and IAS standards, his/her close family members are:

First name and surname	Place and date of birth	Tax reference number	Relationship

and that the aforementioned close family members (if point 4 has been ticked)

5. □ do not have any control, joint control or significant influence over any company or other entity, nor do they hold a significant shareholding in the capital of any company or entity that confers voting rights equal to or greater than 20% of the total

or that the Close Family Members referred to in point 4, if any (in the event that point 5 has not been ticked)

6. □ control, jointly control or exercise significant influence over, or in any way hold a significant interest conferring voting rights equal to or exceeding 20% of the total, in the following entities:

Company/Entity	Registration number (Tax Code / VAT number)	Registered office	Relationship between close associates and the company/entity

The undersigned undertakes to notify Lottomatica Group promptly of any future changes or updates to the information provided herein.

The Lottomatica Group declares and guarantees that the personal data collected via this Form will be processed in accordance with the GDPR (General Data Protection Regulation 679/2016), as set out in the privacy notice attached to this form.

Date Signature

_________________ _________________

ANNEX 4
INFORMATION SCHEDULE ON TRANSACTION WITH A RELATED PARTY

II/I, the undersigned __________________________, in my capacity as ________________________ of Lottomatica Group S.p.A. or of the company _______________________________, a subsidiary of Lottomatica Group S.p.A., pursuant to *the "Procedure for Transactions with Related Parties*" and in accordance with the provisions of Article 5 thereof, as the "*Appointed Person*", sets out below the characteristics of the transaction to be assessed for the purposes of applying the regulations.

CHARACTERISTICS OF THE TRANSACTION

ISSUER/REPORTING COMPANY:	❑ Lottomatica Group S.p.A. ❑ A company directly or indirectly controlled by Lottomatica Group S.p.A. Specify company name: ____________________________________
TYPE OF RELATED PARTY:	❑ Related Party: Natural Person ❑ Related Party: Legal Entity within the Group ❑ Related party: Legal Entity NOT belonging to the Group
FIRST NAME AND SURNAME (IF A NATURAL PERSON) / COMPANY NAME (IF A LEGAL ENTITY) OF THE RELATED PARTY	
VAT NUMBER/TAX REFERENCE NUMBER OF THE RELATED PARTY	
TYPE OF TRANSACTION	❑ Transaction carried out by Lottomatica Group S.p.A. ❑ Transaction carried out through a subsidiary of Lottomatica Group S.p.A. Please specify: ____ ❑ Intra-group transaction Specify: ____ ❑ Allocation of remuneration and financial benefits, in any form, to members of the administrative and supervisory bodies and to senior managers with strategic responsibilities

	Specify: ________________ ❑ agreement (including non-binding agreements) or contract Specify: ________________ ❑ participation in a tender or competitive procedure Specify: ________________ ❑ funding Please specify: ________________ ❑ other Please specify: ________________
BRIEF DESCRIPTION OF THE TRANSACTION	
ECONOMIC VALUE OF THE TRANSACTION (PLEASE ALSO INCLUDE A BRIEF DESCRIPTION OF THE ECONOMIC TERMS AND THE METHOD USED TO DETERMINE THEM)	
DURATION	from: ________ expiring on: ________________ ❑ First activation ❑ Renewal (please specify the date of first activation: ________________)

	Other: ____
EXPECTED TIMEFRAME	
REASONS FOR THE TRANSACTION	
CRITICAL ISSUES AND ANY RISKS THAT MAY ARISE FROM ITS IMPLEMENTATION	

APPLICATION OF A GROUND FOR EXCLUSION PURSUANT TO ARTICLE 6 OF THE PROCEDURE

Transaction Excluded

❑ No

❑ Yes

If 'Yes', state the reasons with reference to the cases set out in Article 6 of the Procedure: ____

If the exclusion provided for ordinary transactions concluded on terms equivalent to market or standard terms is deemed applicable, provide objective evidence (including in an annex) to support this.

____

____

____

CLASSIFICATION OF THE TRANSACTION

❑ The Transaction qualifies as a Transaction of Lesser Importance

❑ Although the Transaction may individually be classified as a Transaction of Lesser Importance, when considered cumulatively it may result in the thresholds for significance being exceeded

❑ The Transaction qualifies as a Significant Transaction due to the thresholds being exceeded (describe the calculation carried out) ____

____

❑ although this is an intra-group transaction, the grounds for exemption from disclosure requirements set out in do not apply due to the possible existence of a significant interest held by another Related Party of the Company (specify the additional Related Party and describe the possible significant interest) __________________________

____

____

❑ The Transaction qualifies as a Regular Transactions Completed in Market-Equivalent or Standard Terms (see in this regard Article 1 ‘Definitions’ contained in the Procedure) (please submit, together with this form, documentation containing objective supporting evidence)

❑ The Transaction may form part of a series of similar transactions with certain categories of Related Parties and may therefore be subject to a specific framework resolution.

ANY NOTES/POINTS FOR THE RESPONSIBLE FUNCTION TO NOTE:

____

____

____

ATTACHED DOCUMENTATION:

- ____
- ____
- ____

*****

Please send the form and any relevant attachments via your work email to: particorrelate@lottomatica.com.

*****

Pending the company’s assessment, the undersigned declares that he will temporarily refrain from carrying out the Transaction.

Date Signature

____________________ ____________________