INTRODUCTION

The purpose of these Internal Regulations is to specify the modus operandi of the Board of Directors (hereinafter the „Board” or the „Board of Directors”) of Purcari Wineries Public Company Limited (hereinafter the „Company”), as a supplement to legal and regulatory provisions and the Company’s Articles of Association (hereinafter the „Articles” or „bylaws”).

A Director’s Charter has been prepared and is attached as Appendix 1 to these Internal Regulations. These Internal Regulations and the Directors’ Charter are intended for use by every Board member (hereinafter a „Member” or a „Director”) and, more generally, every person permanently or occasionally participating in or attending Board meetings.

These Internal Regulations may be revised from time to time as and when considered necessary by the Board.

Furthermore, Directors or occasional or permanent participants at Board meetings are required to fully adhere to the terms of the Code of Conduct attached as Appendix 2 to these Internal Regulations, relating to the Company’s securities transactions and the offence of insider trading applicable to all employees and corporate officers.

ARTICLE 1 – COMPOSITION AND OPERATION OF THE BOARD

1.1 Composition of the Board

In accordance with Article 84 of the bylaws, the Company is administered by a Board of Directors composed of not less than 5 Members, the majority of whom shall be non-executive and out of which at least 2 shall be independent. There shall be no maximum number of Directors.

A non-executive director is considered any member of the Board who is not a full-time employee of the Company, does not draw and fixed monthly or annual salary from the Company and is not involved in the Company’s day-to-day operations.

An independent director is a director who has not formed any relationship that could interfere with the exercise of his independent judgement. An independent director shall meet the following criteria:

1. Not to be the CEO/executive officer of the company or of a company controlled by it and not have been in such position for the previous five years;
2. Not to be an employee of the Company or of a company controlled by it and not have been in such position for the previous 5 years;
3. Not to receive and not have received additional remuneration or other advantages from the Company or from a company controlled by it, apart from those corresponding to the quality of non-executive director;
4. Is not or has not been an employee of, or has not or had not any contractual relationship, during the previous year, with a significant shareholder of the Company, controlling more than 10% of voting rights or with a company controlled by it;
5. Not to have and not have had during the previous year a business or professional relationship with the Company or with a company controlled by it, either directly or as a customer, partner, shareholder, member of the Board / Director, CEO / executive officer or employee of a company having such a relationship if, by its substantial character, this relationship could affect his/her objectivity;
6. Not to be and not have been in the last 3 years the external or internal auditor or a partner or salaried associate of the current external financial or internal auditor of the Company or a company controlled by it;
7. Not to be a CEO/executive officer in another company where another CEO /
executive officer of the Company is a non-executive director;

8. Not to have been a non-executive director of the Company for more than 12 years;

9. Not to have family ties with a person in the situations referred to at points 1. and 4.

Each member of the Board of Directors should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgement in practice, according to the criteria presented above.

1.2 Operation of the Board

1.2.1 Chairman

In accordance with Articles 113 and 116 of the bylaws, the Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings, as they think fit, and may elect a chairman of their meetings (hereinafter the „Chairman”) and determine the period for which he is to hold the relevant office. The Chairman, shall preside at all meetings of the Directors, but if no such Chairman, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

The Chairman is responsible for the smooth operation of the Board and its committees, whose meetings he may attend and to which he may submit questions for an opinion, and for application of the good governance principles. In particular, the Chairman ensures that the Directors are given, in a timely manner and in a clear and suitable form, the information needed to perform their duties.

The Board may entrust the Chairman with information and consultation tasks on specific issues falling within the Board’s powers.

1.2.2 Calling of meetings

Board meetings are called by the Chairman or by any Director through the Company’s secretary. The place where the meeting will be held and the agenda are indicated in the notice of the meeting. Except in the event of a duly substantiated emergency or necessity, notice of the meeting is given at least 7 calendar days prior to the date of the meeting by any appropriate means, even orally. Necessity means unforeseeable events or transactions that may have an impact on the Company’s share price for which a Board decision is urgently required. In such cases, this notice period will be reduced to a minimum of 24 hours.

1.2.3 Transmission of documents

The Chairman ensures that the Directors receive the documents and information required for the performance of their duties.

Except in the event of emergency or necessity, the documents and information required by the Directors to fully perform their duties will be sent to them at least 5 calendar days prior to the holding of each meeting.

In case of necessity, when the notice period for the meeting is reduced to a minimum of 24 hours, the agenda and the documents will be sent to Directors at the same time.

1.2.4 Board Secretary

A Board Secretary, who does not necessarily have to be a Director, is appointed by the Board upon a proposal by the Chairman or by any Director. He acts as the secretary for both the Board and its committees and prepares the minutes of meetings of the Board and its committees.
The Board Secretary is responsible for the effective functioning and support of the Board and its committees and for ensuring efficient communication and information flows between the Board, its committees, the Company and its shareholders.

1.3 Quorum

The quorum necessary for each of the Board meeting may be fixed by the Directors, and unless so fixed at least one half of the total number of Directors shall constitute a quorum (provided that if the total number of Directors is uneven, then the necessary quorum shall be the nearest whole number exceeding one-half of the total number of Directors).

Directors who take part in the Board meeting by videoconference or other means of telecommunication that make it possible to identify them and guarantee their effective participation under the conditions set by the regulations in force are considered to be present for the purposes of calculating the quorum and majority (see Article 1.6 of these Internal Regulations).

1.4 Setting of the agenda for the meetings

The Chairman sets the agenda for meetings.

Any Director wishing to discuss with the Board an item that has not been included on the agenda at any Board meeting shall inform the Chairman prior to the meeting. The Chairman shall inform the Board in this respect.

If this is justified by the circumstances, an additional agenda may be provided by the Chairman to the Directors when they enter the meeting.

If the Chairman so requests, the discussion of any or all of the miscellaneous items may be automatically carried over to the next Board meeting.

1.5 Holding of Board meetings

The Board holds at least 1 meeting per quarter and as often as required in the interests of the Company.

At the last meeting in each calendar year, the Directors are provided with a provisional list of dates of meetings of the Board and its committees for the following year.

1.6 Participation in Board meetings by videoconference or other means of telecommunication

Board meetings may be held by videoconference or other means of telecommunication that makes it possible to identify the Directors and guarantee their effective participation.

For the purposes of calculating the quorum and majority, the simultaneous connection through telephone or other means of communication of a number of Directors not fewer than the number necessary to constitute a quorum, even if one or more of these Directors are outside Cyprus, shall be deemed to constitute a meeting of the Directors and all the provisions relating to meetings of the Directors shall apply to such meetings so long as the following conditions are complied with:

(i) all the directors who at the particular time are entitled to receive notice of the meeting of the Directors shall be entitled to receive notice of a meeting by means of a telephone or other means of communication and to be connected by telephone or other such means of communication for the purposes of such meeting. A notice for such meeting may be given by telephone or other means of communication;

(ii) each Director participating at the meeting must be able to hear each one of the other Directors participating at the meeting;

and the minutes of the proceedings at such a meeting shall constitute sufficient evidence of such proceedings and the observance of all necessary formalities, if certified as true minutes by the Chairman of the meeting or the Board’s secretary.
The provisions mentioned above shall apply mutatis mutandis to the committees of Directors.

1.7 Rules relating to the adoption of decisions

1.7.1 Proxy

Unless prohibited by law and subject to the rule on the number of non-executive and independent Directors being complied with, any Director may, under his own responsibility, delegate the right to vote in his name by proxy to another person. The proxy must be in writing and, as the case may be, in electronic format. In this case, the proxy is repeated at the next Board meeting, at the latest. The proxy must bear the date of the meeting for which it is given. A Director may give a proxy to another Director or to another third person. The proxy holder may take part in the Board meeting in person or, where applicable, by videoconference or other means of telecommunication.

1.7.2 Methods of voting

Voting shall take place by raising hands, by roll call or by secret ballot. Voting by secret ballot is the rule when the questions involve persons, such as their appointment or the setting of their remuneration. If a Director so requests, the Board will vote by roll call or by secret ballot. If a request for voting by roll call and a request for voting by secret ballot are submitted for the same issue, voting by secret ballot will be given priority.

1.7.3 Required majorities

Whether voting takes place by raising hands, by roll call or by secret ballot, decisions are taken by a majority of the Members present, considered to be present or represented at the time of voting. In the event of a tied vote, the Chairman of the meeting shall have a second or a casting vote.

1.8 Minutes of Board meetings

Deliberations by the Board are recorded in minutes drawn up in typed copy, numbered in the same order as the date of the deliberations to which they relate and with continuous page numbering. They reflect the discussions and the positions expressed, the deliberations put to the vote and the results of voting.

In principle, draft minutes should be provided to the Directors within a period of 25 calendar days following the meeting.

The Chairman submits the minutes of the previous meeting(s) to the Board for approval.

In the event of emergency or necessity, the precise wording of the minutes on a particular issue is adopted at the meeting, at the Chairman’s request, so that the Company can notably rely on it with regard to third parties.

In addition to the information required by the regulations in force, each set of minutes shall include, where applicable, an indication of the consequences of any technical problem related to participation by videoconference or other means of telecommunication on the Board’s deliberations.

After approval, the minutes are initialled and signed by the Chairman of the Board or, failing this, by the Chairman of the meeting during which this approval was given, and by a Director.

Each Director is given a copy of the minutes of Board meetings upon request.

Extracts of minutes to be produced in court or elsewhere are certified as true copies by the Chairman of the Board or by a Director who attended the meeting, or else by the Board Secretary.
1.9 Provision of training to Directors

Directors may receive any training required for the proper performance of their duties as Director – and where applicable, committee member. Such training is provided or approved by the Company.

1.10 Duties of Directors

Before accepting his duties, a Director must ensure that he is aware of the general and special obligations relating to his office. He must in particular be familiar with the applicable legal or regulatory provisions, the Company’s bylaws, these Internal Regulations and the related appendices and any supplemental information that the Board may provide to him. The Director is bound by a duty of discretion and confidentiality in the Company’s interests.

Directors, and any person called to attend (i) Board meetings in person or by videoconference or other means of telecommunication, or (ii) meetings of Board committees, have an obligation of absolute confidentiality with regard to the information provided to them within the framework of their duties, or discussed at Board meetings. They undertake to preserve the confidentiality of the information provided. In particular, the discussions themselves, the minutes recording the terms of such discussions and the reports and documents sent to the Board are confidential and may not be circulated.

In the event of a proven breach of a confidentiality obligation by one of the Directors or by any other person attending a Board meeting, the Chairman of the Board shall consider the action to be taken, possibly before the courts, with regard to such breach.

Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.

During their mandate, the Board members must disclose to the Board, which shall subsequently ensure that such information is disclosed to the shareholders and to the potential investors, their other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions.

1.11 Evaluation of the Board’s performance

The Board, with all the Directors present, shall annually devote part of a Board meeting to conduct a self-evaluation of the performance and effectiveness of the Board and its Committees during the year.

This process shall be led by the Chairman who shall seek the opinion of each Director on how the operations of the Board could be improved to ensure it delivers on its responsibilities. The Directors shall provide constructive feedback on what the Board does well and what the Board needs to improve on.

1.12 Management of conflicts of interest

Directors have a duty of loyalty to the Company and shall strive to avoid conflicts of interests, defined as situations in which their personal or other professional interests make it difficult to act impartially in the best interests of the Company and its shareholders and perform their role as a Director.

Directors shall disclose annually to the Audit Committee their main professional positions and activities, including their duties in non-profit organizations and any relevant legal entities in which they themselves or those whom they represent are significant shareholders. The Audit Committee shall satisfy itself that there have been no actual conflicts of interests.
It is a Director’s responsibility to declare any actual or perceived conflict of interest at the beginning of all Board meetings and not to take part in any Board deliberations relating to the operations in connection to which such conflict of interests exists.

If a transaction for which a Director has an actual or potential conflict of interest is unavoidable, the transaction or business relationship with the Company shall be approached with appropriate caution and full transparency.

**ARTICLE 2 – BOARD COMMITTEES**

2.1 The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit, provided that (i) no committee shall consist of less than three members and (ii) a majority of the members of each committee shall consist of independent Directors.

Any committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Directors.

2.2 A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

2.3 Committees may meet and adjourn their meetings as think proper.

2.4 Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the event of an equality of votes, the chairman of the meeting shall not have a second or casting vote.

**ARTICLE 3 – VALIDITY OF ACTS DONE BY DIRECTORS**

All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

**ARTICLE 4 – APPROVAL AND REVIEW OF THE INTERNAL REGULATIONS**

4.1 These Internal Regulations shall come into force upon approval by the Board of Directors and may be amended by resolution thereof at any time.

4.2 Any issue concerning interpretation of these Internal Regulations shall be referred to the Board.

4.3 In the event of conflict between the Internal Regulations and any applicable national laws or regulations, the latter shall prevail.
APPENDIX 1 – DIRECTOR’S CHARTER

INTRODUCTION

The Directors of the Company undertake to comply with and follow the guidelines contained in this Charter. This Charter has been drawn up to enable Directors to fully perform their duties and to ensure that the contribution made by each of them is fully effective and meets the standards expected from them in terms of independence, ethics and integrity.

Article 1 – Corporate interest

Each Director must act in all circumstances in the Company’s interest. All Directors must consider themselves as representing all the shareholders, whatever their method of appointment.

Article 2 – Compliance with law and the bylaws

Each Director must be fully aware of his rights and obligations. Directors must, in particular, be aware of and comply with the legal and regulatory provisions relating to their duties, and the specific rules laid down in the Company’s bylaws and the Internal Regulations of the Board.

Article 3 – Performance of duties: guiding principles

Each Director must perform his duties with independence, loyalty and professionalism.

Article 4 – Independence and duty of expression

Each Director undertakes to preserve, in all circumstances, his independence of analysis, judgement, decision and action. He also undertakes not to be influenced by any factor unrelated to the corporate interest, which he undertakes to defend. Directors shall notify the Board of any information of which they are aware that may appear to them to be likely to affect the Company’s interests. Directors have the duty to clearly express their concerns and opinions. They shall endeavour to convince the Board of the relevance of their positions. In the event of a disagreement, they ensure that their positions are explicitly recorded in the minutes of Board meetings. Appropriate steps will be taken to ensure the independence of employee Directors, particularly with regard to their professional careers.

Article 5 – Independence and conflicts of interest

Each Director shall strive to avoid any conflict that may exist between his moral and material interests and those of the Company. He shall inform the Board of any conflict of interest in which he could be directly or indirectly involved. If he cannot avoid being in a situation of conflict of interest, he shall refrain from participating in the discussions and in any decision on the topics concerned.

Article 6 – Loyalty, good faith and the duty of discretion

Directors shall not take any initiative which could harm the Company’s interests and shall act in good faith in all circumstances. Directors shall be bound by a duty of discretion with regard to the information and the discussions in which they participate and shall respect the confidential nature of all the information provided to them within the scope of their duties, as stated in the Internal Regulations. They undertake not to use for their own personal benefit or for the benefit of any other person the privileged information to which they have access. In particular, when they
have information on the Company in which they are Directors that has not been made public, they undertake not to trade, or have any other person trade in the Company’s securities on the basis of such information.

**Article 7 – Professionalism and commitment**

Each Director undertakes to devote the necessary time and attention to fulfil his duties. He shall keep himself informed on the Company’s businesses and specific issues, its challenges and values, including by asking its senior managers questions. Directors shall attend Board meetings regularly and diligently. They shall attend General Shareholder’s Meetings. Directors shall endeavour to obtain in due time the information which they consider essential to keep themselves informed in order to be able to take part in the Board’s deliberations with full knowledge of the facts. They shall remain fully informed at all times on all matters relating to their duties and have the right to ask the company for training to ensure the due and proper performance thereof.

**Article 8 – Professionalism and efficiency**

Each Director contributes to the collective nature and efficiency of the work of the Board and of any specialised Board committees that may have been set up. Directors shall make any recommendations that they consider would be likely to improve the modus operandi of the Board, in particular at the time of the evaluation of the Board’s operation, performed under the supervision of an independent Director on a regular basis. They agree to the evaluation of their own actions by the Board of Directors. They shall ensure, along with the other Board members that oversight responsibilities are performed efficiently and without any hindrance. In particular, they shall make sure that procedures making it possible to check on compliance with the laws and regulations, both in substance in spirit, have been put in place in the Company. They ensure that the positions adopted by the Board give rise to formal decisions, that are properly substantiated and recorded in the minutes of Board meetings, particularly where they relate to the approval of the financial statements, the budget, resolutions to be submitted to the General Shareholder’s Meeting and important aspects of corporate life.
APPENDIX 2 – CODE OF CONDUCT

The Company’s Code of Conduct relating to securities transactions and insider trading

Directors, Corporate Officers, Employees

The Company wishes to ensure prudent management of its securities in line with the regulations in force and to notify its Directors, Chairman and CEO (hereinafter – „Corporate Officers”) and employees, in accordance with the precautionary principle, of the rules associated with certain securities transactions.

This Appendix describes the Company’s Code of Conduct (the „Code”) with regard to securities transactions carried out by Corporate Officers and employees. It also sets out some of the main legal provisions on which this Code is based.

The securities concerned (the „Securities”) are the following:

• shares, bonds and all composite securities issued by the Company;
• derivatives or other instruments linked to these securities (options, units of FCPEs (corporate mutual funds), etc.).

Non-compliance with the rules set out in this Code and, in general, the applicable regulations could expose the Company and/or the persons concerned to civil, criminal or administrative sanctions. This Code is intended to ensure maximum security for the employees and Corporate Officers of the Company in order to prevent them from incurring any liability.

From this standpoint, two types of measures need to be observed: (1) prohibitions with regard to certain transactions involving the Company’s securities, and (2) an obligation to report transactions involving the Company’s securities carried out by Corporate Officers, certain high-level managers with Executive Management status and persons who are closely related to them. This Code also summarises the regulations applicable to lists of insiders (3).

I. Prohibited transactions

1. Legal system

Principle Inasmuch as the Company’s shares are admitted for trading on the Bucharest Stock Exchange and the Company has as its Home Member State the Republic of Cyprus, the provisions of both the Romanian criminal law and of the regulations laid down by the Romanian financial supervisory authority („FCA”), as well as the provisions of the Cypriot criminal law and of the regulations of the Cypriot financial regulatory authority („CySEC”), in particular those relating to insider dealing, public disclosure of inside information, and managers’ transactions, apply to the Company. The Company and its officers will also comply with and observe the relevant provisions of the EU Market Abuse Regulation, Regulation (EU) No 596/2014.

Definition of privileged information

Privileged information is information which:

• has not been made public;
• directly or indirectly concerns the Company or one or more of its financial instruments;
• is precise, namely is information (i) referring to a set of circumstances or an event which has occurred or which is likely to occur and (ii) from which it is possible to draw a conclusion with regard to the possible effect of these circumstances or this event on the listed price of the Company’s financial instruments (or the financial instruments linked to them, such as derivatives); and
• if it were made public, would be liable to have a notable impact on the listed price of the Company’s financial instruments (or of financial instruments linked to them), i.e., information that a reasonable investor would be liable to use as a basis for his investment decisions.
In general, these regulations cover, for example, information relating to the prospects or situation of the Company or the prospect of change of a financial instrument of the Company, information relating to the issuance by the Company of publicly traded securities in Romania or other countries, external growth transactions or significant disposals, significant changes in the financial situation or results of operations, the signature of major new contracts or the launch of new products or services or a change in dividend distribution policy. Both favourable and unfavourable information may be considered material inasmuch as it may result in an increase or decrease in the price of securities or influence the decision by an investor to purchase or sell securities.

In case of doubt with regard to the privileged nature of information or the completion of a transaction, the person concerned should contact the Group’s Compliance Officer or the person who he shall appoint for this purpose.

Nature of prohibited transactions involving the Company’s securities

It is prohibited to carry out one or more transactions on the basis of privileged information at all times. It is prohibited for any employee or Corporate Officer of the Company at all times:

- to use privileged information that he holds, relating to the Company or any other entity (including the subsidiaries of the Company, its competitors, suppliers, customers or persons with whom the Company or subsidiaries maintain a business relationship), by purchasing or selling, directly or indirectly, on his own behalf or on behalf of a third party, financial instruments to which this information relates (or financial instruments to which such instruments are linked);
- to disclose privileged information to any other person outside the normal scope of his employment, his profession or his duties or for purposes other than those for which it was provided to such person;
- to recommend to another person to purchase or sell, or have another person purchase or sell, on the basis of privileged information, the financial instruments to which this information relates (or financial instruments to which such instruments are linked).

By way of exception, this prohibition does not apply to transactions carried out pursuant to an agreement entered into before the privileged information was held.

The absence of profit derived from carrying out transactions prohibited by this Code will not have any impact on the classification of these transactions as prohibited transactions and the applicable sanctions.

It is prohibited to carry out any above-mentioned transaction during the period between the date on which the Corporate Officer becomes aware of privileged information and the date on which this information is made public by means of an official press release by the Company or a financial opinion published in the press at the initiative of persons who have been duly empowered to make a statement in the name of the Company.

2. Policy of the Company

The Company has adopted this Code of Conduct which sets forth recommendations enabling its Corporate Officers to comply with the applicable regulations.

Unauthorised periods

Even when they do not hold any privileged information, Corporate Officers may not carry out transactions involving the Company’s financial instruments during unauthorised periods.

Unauthorised periods run:
- from 30 calendar days prior to publication of the annual and interim consolidated financial statements through and including the date of publication,
- from 15 calendar days prior to publication of the quarterly financial information through and including the date of publication.

Outside unauthorised periods, Corporate Officers are still prohibited from carrying out transactions involving the Company’s financial instruments as long as they hold privileged information.

**Entities whose securities are concerned**

This Code applies to any transaction relating to the securities of the Company and any subsidiary of the Company whose shares or other securities are admitted for trading on Bucharest Stock Exchange or any other securities market, if such transaction is based on privileged information acquired by a Corporate Officer within the scope of his duties.

**Confidentiality**

The unauthorised disclosure of privileged information, even to family members, is strictly prohibited. Such disclosures of information are liable to lead to reprehensible transactions involving the Company’s securities, and may also have a negative impact on the Company’s situation. Any disclosure to the financial community, including to the press, must have received the prior authorisation of the Chairman of the Company or have been carried out through the intermediary of the managers who they have appointed for this purpose.

**II. Reporting of transactions carried out by Corporate Officers, High-Level Managers and their close relations involving the Company’s securities**

**Persons concerned**

The following persons are concerned by the rules set out below:

- the members of the Board of Directors,
- persons who, at the Company, (i) have the power to take management decisions concerning the development and strategy of the Company, and (ii) have regular access to privileged information directly or indirectly concerning the Company („High-Level Managers”), and
- persons who are closely related to them, namely:
  1° the spouse (where they are not legally separated), or the partner under a civil partnership of the Corporate Officer or High-Level Manager concerned;
  2° children with regard to whom the Corporate Officer or High-Level Manager concerned exercises parental authority or living at such person’s home on a habitual or shared custody basis, or for whom such person has effective, permanent responsibility;
  3° any other family member or family member by marriage who has lived at the Corporate Officer’s or High-Level Manager’s home for at least one year at the time of the transaction;
  4° any legal entity or company incorporated on the basis of Romanian law or a foreign law, and:
    a) of which the administration or management is carried out by one of the above-mentioned persons and acting in the interest of any of these persons; or
    b) which is directly or indirectly controlled by one of the above-mentioned persons; or
    c) which has been set up for the benefit of one of the above-mentioned persons; or
    d) for which one of the above-mentioned persons receives at least the majority of the economic benefits.

**Transactions concerned by the reporting obligation**

The reporting obligation applies to any purchase, sale, subscription or exchange of Securities (the „Transactions”). However, certain transactions are excluded from the scope of the
reporting obligation, such as:
- donations, partitions and successions. However, sales, purchases, subscriptions or exchanges carried out with a view to a donation or partition must be reported;
- bonus share awards (however, the sale of such shares at the end of the lock-up period must be reported).

**Reporting of Transactions to the FCA**

Corporate Officers, High-Level Managers and persons closely related to them are obliged to report Transactions to the FCA within a period established according to law.

**Provision of information to the General Shareholder’s Meeting**

The management report prepared by the Company’s Board of Directors and presented to the General Shareholder's Meeting includes a statement summarising the Transactions carried out during the past fiscal year by the Directors, High-Level Managers and the persons closely related to them.

**Registration**

Corporate Officers, their dependent minor children and spouses (where they are not legally separated) are obliged to register in their names all the shares in the Company that they hold.

**III. List of insiders**

The List of Insiders is provided in writing by the Company to the FCA when the FCA so requests.

The Company must inform the persons concerned of their inclusion on the List of Insiders. Furthermore, the Company has the duty to inform the persons included on the List of Insiders of the rules applying to the holding, disclosure and use of privileged information and the sanctions that may be incurred in the event of any breach of these rules. This information is issued through this Code, which is circulated to the persons concerned.