



# RELATED PARTIES TRANSACTIONS POLICY



# **RELATED PARTIES TRANSACTIONS POLICY**

Introduced by a resolution of the Board of Directors  
of Mediaset N.V. on 28 September 2021  
and amended by a resolution of the Board  
of Directors of MFE-MEDIAFOREUROPE N.V.  
(formerly named Mediaset N.V.) on 21 December 2021

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## 1. INTRODUCTION

**1.1** Transactions with Related Parties (as defined below) may cause prejudice to the Company (as defined below) and its shareholders, as they may give the Related Party the opportunity to appropriate value belonging to the Company. In the light of these provisions, the Company has adopted this policy on Related Party Transactions (as defined below).

**1.2** The purpose of this policy is to assist the Board of Directors in reviewing, approving and ratifying Related Party Transactions. This policy is intended to supplement, and not to supersede, the Company's other policies that may be applicable to or involve transactions with related parties.

**1.3** This policy is complementary to the conflict of interest provisions under Dutch law, the Dutch Civil Code (the DCC), the Dutch Corporate Governance Code, the articles of association of the Company and the regulations of the Board of Directors.

**1.4** This policy applies to each Related Party Transaction as well as any material changes to an existing Related Party Transaction, except for excluded transaction pursuant to article 5.

**1.5** Members of the Board of Directors and Key Personnel are under the obligation to follow the process outlined by this policy under the below circumstances.

## 2. SCOPE AND DEFINITIONS

**2.1.** This policy applies to any Related Party Transaction (as defined below), with the proviso that Excluded Transactions (as defined below) will not qualify as a Related Party Transaction.

**2.2.** In this policy, the following terms have the meaning described thereafter:

- (a) Board of Directors means the board of directors of the Company;
- (b) Close Family Member means any child, stepchild, parent, stepparent, spouse, sibling, step-sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the individual, and any person (other than a tenant or employee) sharing the household of the individual;

- (c) Company means MFE-MEDIAFOREUROPE N.V.;
- (d) Excluded Transactions means Transactions as referred to in Article 5 of this policy;
- (e) Key Personnel means any individual having authority and responsibility for planning, directing and controlling the activities of the Company.
- (f) Material Related Party Transaction means a Transaction with a Related Party whereby (i) the information about the Transaction is inside information as set out in Article 7 (1) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and (ii) the Transaction is not concluded in the ordinary course of business of the Company or not concluded on normal market terms;
- (g) Related Party means:
  - (i) a legal entity (or legal entities) or individual(s) who (jointly) legally or beneficially holds at least 10% of the shares and/or depositary receipts thereof in the issued share capital of the Company from time to time;
  - (ii) a member of the Board of Directors;
  - (iii) any Key Personnel;
  - (iv) any Close Family Member of (i) a member of the Board of Directors or (ii) a Key Personnel;
  - (v) any nominee for appointment as member of the Board of Directors and any Close Family Member of such nominee; and
  - (vi) other legal entities or individuals who are regarded as related parties in International Accounting Standards (IAS) 24 (as it reads from time to time - the provision as it reads on the day of establishment of this policy set out in Annex II for reference).
- (h) Related Parties Transactions means a Transaction with between the Company and a Related Party;
- (i) Related Parties Transactions Committee means the related parties transactions committee;
- (j) Subsidiary: a subsidiary within the meaning of section 2:24a of the Dutch Civil Code;

(k) Transaction: any legal relationship (*rechtsverhouding*) of any nature, including but not limited to financial transactions, arrangements of any series of recurring transactions, indebtedness, guarantees, employment agreements and consultancy agreements as well as the termination or waiver of rights under, or amendment to, any transaction, agreement or arrangement, all in the broadest sense.

**2.3** For the purposes of this policy a Related Party Transaction entered into by a Subsidiary of the Company shall be considered a Transaction entered into by the Company. The provisions of this policy are not applicable to the Transactions between Subsidiaries.

### 3. PROCEDURE

**3.1** In the event of a (potential) Material Related Party Transaction:

- (a) that Transaction must be submitted for prior approval by the Board of Directors; and
- (b) to the extent required by law or regulation, a public announcement must be made by the Company at the latest at the conclusion of the Transaction.

For the avoidance of doubt, this policy does not require Excluded Transactions to be submitted for approval by the Board of Directors.

**3.2.** It is the responsibility of each of the members of the Board of Directors and Key Personnel, whether or not involved in a proposed Related Party Transaction, and the internal function of the Company from time to time responsible for the transaction at stake, to promptly notify the Secretary of the Board of Directors upon becoming aware of any Material Related Party Transaction involving the Company and a Related Party.

**3.3.** The submission for approval as referred to under 3.1 above shall be made by way of the notice, attached to this policy as [Annex III](#), and shall include a complete description of the (potential) Material Related Party Transaction including:

- the name of the Related Party and the basis on which the person is a Related Party;
- the Related Party's interest in the Transaction with the Company, including the Related Party's position(s) or relationship(s) with, or ownership in, a firm, corporation, or other legal entity that is a party to, or has an interest in, the relevant Transaction;

- indication of the value of the amount involved in the relevant Transaction;
- indication of the value of the amount of the Related Party's interest in the Transaction, which shall be computed without regard to the amount of profit or loss; and
- any other information regarding the Transaction or the Related Party in the context of the relevant Transaction that could be material to investors in light of the circumstances of the particular Transaction.

## 4. APPROVAL RELATED PARTY TRANSACTIONS

**4.1** When reviewing the envisaged Material Related Party Transaction, the Board of Directors shall consider all relevant facts and circumstances, including without limitation the commercial reasonableness of the terms, the benefit and perceived benefit, or lack thereof, to the Company, opportunity costs of alternate transactions, the materiality and character of the Related Party's direct or indirect interest, and the actual or apparent conflict of interest of the Related Party. The Board of Directors may decide, upon review of all relevant information, that the Transaction does not constitute a Material Related Party Transaction, and thus no further review is required under this policy.

**4.2** The entering by the Company into a Material Related Party Transaction requires prior approval of the Board of Directors, which approval includes the affirmative vote of the majority of Directors.

**4.3** A member of the Related Parties Transactions Committee may not participate in deliberating or decision-making within the Related Parties Transactions Committee and the Board of Directors with respect to a Related Party Transaction where he or she qualifies as a Related Party.

**4.4** To the extent a Transaction qualifies as a Material Related Party Transaction, the Related Parties Transactions Committee shall provide the Board of Directors with a non-binding opinion, before such transaction is entered into, in order to allow the Board of Directors to take a decision on the transaction.

**4.5** All Related Party Transactions between the Company and individuals or legal entities who hold directly or indirectly at least (i) 10% of the issued and outstanding shares in the Company or (ii) 10% of the exercisable voting rights in the Company must be agreed on terms that are customary in the market.

## 5. EXCLUDED TRANSACTIONS

**5.1.** The procedural rules established by the provisions of this policy are not applicable to the following transactions:

- (a) Transactions between the Company and Subsidiaries;
- (b) Transactions which, taken separately but carried out with the same Related Party and homogeneous, over a period of twelve months, have a combined value of not more than (i) EUR 300,000.00 (three hundred thousand) if the counterpart is a single individual and (ii) EUR 500,000.00 (five hundred thousand) if the counterpart is a legal entity;
- (c) Transactions regarding the remuneration of directors or certain elements of their remuneration awarded or due in accordance with Article 135 DCC;
- (d) Transactions offered to all shareholders on the same terms, where the equal treatment of all shareholders and the protection of the interests of the Company and its related business are ensured.

**5.2** With respect to transactions under 5.1 (B) it should be noted that the Board of Directors has determined that the Transactions are deemed to be in ordinary course of business and concluded on normal market terms and thus are excluded from this policy.

**5.3** The Related Parties Transactions Committee will conduct a review of the Related Party Transactions entered into by the Company which do not qualify as Material Related Party Transactions on the basis of quarterly reports made available to the Related Parties Transactions Committee.

## 6. MISCELLANEOUS

**6.1** Any violation of this policy can lead to disciplinary action, up to and including termination of employment or function.

**6.2** The Company is entitled to report to the appropriate authorities any violations of this policy that involve illegal behaviour. Exceptions from this policy are not admissible.

**6.3** This policy is not intended to conflict with any applicable law, including any provisions of the DCC on (potential) conflicts of interest. If an applicable law conflicts with this policy or contains more stringent requirements, the Company and the relevant person shall comply with the law.





**6.4** Related Party Transactions shall be disclosed to the extent required under Dutch law, the Dutch Corporate Governance Code, applicable accounting standards or other applicable Dutch regulations. For the avoidance of doubt, the review or approval of a Transaction pursuant to this policy does not necessarily imply that such Transaction is required to be disclosed.

**6.5** The Related Parties Transactions Committee shall review and reassess the adequacy of this policy regularly and recommend any proposed changes to the Board of Directors for approval.

## Annex 1

### SECTIONS 2:167 UP TO AND INCLUDING 2:170 DCC

#### Article 2:167 DCC

1. This Section applies to companies whose shares or depositary receipts issued for its shares with the cooperation of such company are admitted to trading on a regulated market as referred to in Article 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*).
2. In this Section related party has the same meaning as in the standards which have been adopted by the International Accounting Standards Board and approved by the European Commission.
3. A transaction shall be deemed material, if:
  - (a) the information qualifies as inside information as referred to in Article 7 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse; and
  - (b) it was entered into between the company and a related party, including in any event:
    - (i) one or more shareholders who alone or together represent at least one-tenth of the issued share capital;
    - (ii) a director of the company; or
    - (iii) a supervisory board member of the company.
4. Non-material transactions with the same related party that have been concluded in the same financial year are aggregated for the purposes of Article 169(1) to (4), inclusive.

#### Article 2:168 DCC

For transactions entered into in the ordinary course of business and concluded on normal market terms the supervisory board or, if Article 129a applies, the board shall establish an internal procedure to periodically assess whether these conditions are fulfilled.

#### Article 2:169 DCC

1. No later than the time of the conclusion of the transaction a company shall publicly announce any material transaction with a related party which is not entered into in the ordinary course of business and not concluded on normal market terms.

2. The announcement shall contain at least information on:
  - (a) the nature of the related party relationship;
  - (b) the name of the related party;
  - (c) the date of the transaction;
  - (d) the value of the transaction; and
  - (e) other information necessary to assess whether or not the transaction is fair and reasonable from the perspective of the company and of the shareholders who are not related parties.
3. Material transactions with a related party which are not entered into in the ordinary course of business and concluded on normal market terms, must be approved by the supervisory board or, if Article 129a applies, by the board. If the company has no supervisory board or Article 129a does not apply, the transactions must be approved by the general meeting.
4. A director, supervisory board member or shareholder who is involved in a transaction with a related party shall not participate in the decision-making. Article 129(6), second and third sentence, and Article 140(5), second sentence, apply mutatis mutandis.
5. This article does not apply to transactions:
  - (a) between the company and a subsidiary;
  - (b) regarding the remuneration of directors and supervisory board members or certain elements of their remuneration awarded or due in accordance with Articles 135 or 145;
  - (c) entered into by credit institutions as referred to in Article 398(7)
    - (b) on the basis of measures, aiming at safeguarding their stability, adopted by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or the European Central Bank, if the latter is the competent authority in charge of the supervision pursuant to Articles 4 and 6 of the Regulation on prudential supervision of credit institutions as referred to in Article 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*);
  - (d) offered to all shareholders on the same terms, where the equal treatment of all shareholders and the protection of the interests of the company and its related business is ensured.

#### **Article 2:170 DCC**

Articles 168 and 169(1), (2) and (5) also apply where a material transaction is entered into by a subsidiary of the company with a party which is a related party of the company.

## Annex II

### RELATED PARTIES UNDER INTERNATIONAL ACCOUNTING STANDARDS (IAS) 24

#### IAS 24.9

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the 'reporting entity')

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity 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 ventures 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 the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting 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 a member of the key management personnel of the entity (or of a parent of the entity).

- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

#### **IAS 24.11**

The following are deemed not to be related:

- two entities simply because they have a director or key manager in common
- two venturers who share joint control over a joint venture
- providers of finance, trade unions, public utilities, and departments and agencies of a government that does not control, jointly control or significantly influence the reporting entity, simply by virtue of their normal dealings with an entity (even though they may affect the freedom of action of an entity or participate in its decision-making process)
- a single customer, supplier, franchiser, distributor, or general agent with whom an entity transacts a significant volume of business merely by virtue of the resulting economic dependence

## Annex III

### NOTICE OF RELATED PARTY TRANSACTION

1. Name of the Related Party;
2. Basis on which the person is a Related Party;
3. The Related Party's interest in the Related Party Transaction with the Company, including the Related Party's position(s) or relationship(s) with, or ownership in, a firm, corporation, or other entity that is a party to, or has an interest in, the Transaction;
4. Indication of the value of the amount involved in the relevant Transaction;
5. Indication of the value of the amount of the Related Party's interest in the Transaction, which shall be computed without regard to the amount of profit or loss;
6. Any other information regarding the Transaction or the Related Party in the context of the relevant Transaction that could be material to investors in light of the circumstances of the particular Transaction.