

MONNALISA[®]

Monnalisa S.p.A.

-
- **PROCEDURE FOR OBTAINING PRIOR OPINION FROM THE NOMAD ON THE CANDIDATES FOR THE POSITION OF INDEPENDENT DIRECTOR**
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Arezzo (AR), April 30, 2021

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Introduction

- 1.1. Notice No. 17857 of July 6, 2020, Borsa Italiana S.p.A. ("**Borsa Italiana**") amended the AIM Italia Issuers' Regulation which came into effect on March 1, 2012, as subsequently amended and supplemented (the "**AIM Issuers' Regulation**").
- 1.2. The new Article 6-bis, Part I, of the AIM Issuers' Regulation stipulates that: "*The AIM Italia issuer must appoint and retain at least one Independent Director, chosen from among those candidates previously identified or positively assessed by the Nominated Adviser*".
- 1.3. Article 20 of the Monnalisa S.p.A. By-Laws (the "**Issuer**" and the "**By-Laws**") defines the independence requirements that Independent Directors must possess (the "**Independence Requirements**").
- 1.4. Article 20 of the By-Laws describes the slate voting mechanism used to appoint the Board of Directors.
- 1.5. This procedure (the "**Procedure**") is designed to govern the mechanism used by CFO SIM S.p.A. ("**Nomad**") to assess the existence of the Independence Requirements for candidates for the role of Independent Director at the Issuer. It also governs the process by which shareholders wishing to present a slate for the appointment of the Board of Directors (the "**Slate**") may obtain the prior opinion from the Nomad (the "**Prior Opinion**").

Policy Addressees

- 1.6. The Procedure is addressed to shareholders of the Issuer who, individually or jointly, are authorised as per Article 20 of the By-Laws to present Slates for the appointment of the Board of Directors (the "**Proposing Shareholders**").

Obtaining Prior Opinion

- 1.7. Proposing Shareholders wishing to obtain Prior Opinion regarding one or more candidates for the position of Director in possession of the Independence Requirements must first submit said candidates to the Nomad in writing (the "**Communication**"). The format for this letter can be found in Annex A, and must be received **between the [8]th and the [4]th day prior** to the deadline for the presentation of Slates as per Article 20 of the By-Laws.
- 1.8. The Proposing Shareholder may indicate a maximum of three candidates for the position of Independent Director and present them in decreasing order of priority using progressive numbering, which the Nomad must respect in its assessment.
- 1.9. Proposing Shareholders must attach to the Communication:
 - the certificate proving the shareholding necessary, as per Article 20 of the By-Laws, for the presentation of Slates; and
 - a questionnaire completed by the candidate(s) for the position of Independent Director in possession of the Independence Requirements in the form set out in Annex B (Questionnaire). This must include information on, among other things: (i) the joint-stock companies or partnerships in which the candidate holds or has held a position on the administrative, management or supervisory boards in the last five years; (ii) the joint-stock companies or partnerships in which the candidate has held shares in the last five years, and (iii) a CV;
 - a criminal record or a certificate of pending charges issued in the preceding six months.
- 1.10. The Nomad assumes no responsibility for failure to issue a Prior Opinion in the event that the Communication is received outside the timeframe indicated in Paragraph 1.7 and/or does not comply with the requirements set out in this Article. The Proposing Shareholder must safeguard Nomad and its representatives, Directors, Statutory Auditors, General Managers, employees and consultants (each one a "**Indemnified Party**") against any damage, cost, loss, claim, obligation, or expense deriving therefrom suffered by said party or that said party may suffer as a result of any initiative and/or action relating to the incompleteness, untruth or inaccuracy of the contents of the documentation submitted to the Nomad as per this Article.
- 1.11. It is also understood that, without prejudice to the documentation required as per Paragraph 1.9 above, the Nomad reserves the right to request, at its own discretion, that the Proposing Shareholder provide any further documents and information considered necessary or useful to carry out the assessment.
- 1.12. On the basis of the Communication and the documentation received, Nomad will assess the Independence Requirements of the candidate for the position of Independent Director and, **within [2] calendar days of receipt of the Communication**, will submit its Prior Opinion to the Proposing Shareholders at the PEC email address indicated in the Communication.
- 1.13. All communications to Nomad should be sent by certified e-mail to: cfosim@legalmail.it.

- 1.14. Should the Nomad determine the inexistence of the conditions for a positive assessment of the candidate for the position of Independent Director, it may request a meeting with the Proposing Shareholder via registered email. During this meeting, further candidates will be examined.

Publication and disclosure

- 1.15. The Procedure is published on the Issuer's website www.monnalisa.com in the "Investor Relations/Corporate Governance/Corporate Documents" section.
- 1.16. The terms referred to in Paragraph 1.7 of the Procedure and the means of locating this Procedure on the Issuer's website will be indicated in the Shareholders' Meeting call notice. The Agenda for the Meeting contains, among other things, the appointment of the Board of Directors.

Amendments to this Procedure

- 1.17. Following the positive opinion of the Nomad, [the Issuer's Chief Executive Officer] will propose amendments to the Board of Directors whenever necessary to remain compliant with applicable regulation for issuers with shares listed on the AIM Italia and/or when required by changes in market practice and/or where requested by the Nomad and/or Borsa Italiana.

Final provisions

- 1.18. For matters not expressly addressed in this Policy, the legal and regulatory provisions applicable to the Issuer are those deriving from its status as an issuer with shares listed on the AIM Italia.

Adoption and entry into force of the Procedure

- 1.19. This Procedure was adopted by the Issuer's Board of Directors on April 30, 2021 [and will enter into force from the date it is published on the Issuer's website].

Annex A

To:
CFO SIM S.p.A.

by PEC to the address cfosim@legalmail.it.

[Place], [Date]

SUBJECT: COMMUNICATION TO NOMAD TO OBTAIN PRIOR OPINION PURSUANT TO ARTICLE 6-BIS OF THE AIM ISSUERS' REGULATION

Dear Sir/Madam,

Given that

- i. with the call notice published on [●], the Issuer's Shareholders' Meeting has been called for [●] to resolve, among other matters, on the appointment of the new Board of Directors of the Issuer;
- ii. Article 20 of the Issuer's By-Laws illustrates the slate voting mechanism used to appoint the Board of Directors, and the same Article 20 also defines the Independence Requirements for Independent Directors (the "**Independence Requirements**");
- iii. the Issuer has adopted a Procedure (the "**Procedure**") which describes the process by which Proposing Shareholders may obtain Prior Opinion from Nomad pursuant to Article 6-bis, Part I, of the AIM Issuers' Regulation (the "**Prior Opinion**");
- iv. where not otherwise defined, terms in this communication beginning with a capital letter shall have the same meaning as that assigned to them in the Procedure;
- v. the undersigned shareholder of the Issuer (the "**Proposing Shareholder**") [Note: to be completed separately for each Proposing Shareholder]
 - Name and Surname / Company Name: _____
 - Date and place of birth (legal persons) _____
 - Address / Registered Office _____
 - Tax / VAT No: _____

holding shares representing _____% of the Issuer's share capital subscribed as of today's date, intends to present a slate for the election of the members of the Board of Directors of the Issuer, which includes, among others, the following candidate(s) for the position of Independent Director:

[REPEAT FOR EACH CANDIDATE]¹

CANDIDATE 1

- NAME AND SURNAME: _____
- DATE AND PLACE OF BIRTH: _____
- TAX CODE: _____
- RESIDENT AT: _____

Considering the above, the Proposing Shareholder or Shareholders hereby

REQUESTS

pursuant to the Procedure and Article 6-*bis* of the AIM Issuers' Regulation, your Prior Opinion as Nominated Adviser of the Issuer, regarding the possession of the Independence Requirements of said candidates for the position of Independent Director of the Issuer.

The communication from Nomad should be sent to the Proposing Shareholder at the following address: Registered Email
_____.

The following are annexed:

- the certificate proving the shareholding necessary, as per Article 20 of the By-Laws, for the presentation of Slates; and
- the questionnaire completed by the candidate(s) for the position of Independent Director in possession of the Independence Requirements, including information on, among other things: (i) the joint-stock companies or partnerships in which the candidate holds or has held a position on the administrative, management or supervisory boards in the last five years; (ii) the joint-stock companies or partnerships in which the candidate has held shares in the last five years, and (iii) a CV;
- a criminal record or a certificate of pending charges issued in the preceding six months.

Kind regards,

¹ Candidates must be presented in decreasing order of priority using progressive numbering.

Annex B
Questionnaire

The undersigned (name and surname) _____

born on _____ (date) in _____ (place), tax number _____

domiciled for office in _____ (city) _____ (street address)

DECLARES THAT IN THE LAST FIVE YEARS

she has not been associated, as member of the administrative, management or supervisory boards of other companies, in receiverships, insolvencies, voluntary creditors' agreements, bankruptcies, administration procedures, non-voluntary liquidations, collective creditor actions or renegotiations with creditors;

or

she has been associated, as member of the administrative, management or supervisory boards, in receiverships, insolvencies, voluntary creditors' agreements, bankruptcies, administration procedures, non-voluntary liquidations, collective creditor actions or renegotiations with creditors concerning the following companies and the following events:

HE/SHE ALSO DECLARES

that he/she does not meet any of the criteria for ineligibility or removal from office set out in Article 2382 of the Civil Code

or

that he/she meets one of the criteria for ineligibility or removal from office set out in Article 2382 of the Civil Code;

Specifically:

a) indicate if the candidate is disqualified, unauthorised, bankrupt or has been sentenced to a penalty that prevents him/her from holding, even temporarily, a public office or if he/she is unable to hold executive office

YES

NO

If yes, specify the relevant circumstances:

INDEPENDENCE REQUIREMENTS

that he/she is in possession of the Independence Requirements pursuant to Article 148, paragraph 3 of Legislative Decree No. 58/1998, as referred to in Article 147-ter, paragraph 4 of the CFA (text of the regulation attached in Annex 1)

or

if he/she is not in possession of the Independence Requirements pursuant to Article 148, paragraph 3 of Legislative Decree No. 58/1998, as referred to in Article 147-ter, paragraph 4 of the CFA (text of the regulation attached in Annex 1)

Give details of any fact or circumstance that could impinge upon the candidate's suitability for the position of Independent Director of the Company.

POTENTIAL CONFLICTS OF INTERESTS

Please specify the existence of any potential conflicts between the candidate's private interests and/or obligations and those of the Company, its main shareholders, customers, suppliers (and/or subsidiaries, parent companies, companies under joint control).

YES

NO

If yes, describe the relevant circumstances:

GOOD STANDING REQUIREMENTS

that he/she is in possession of the good standing requirements pursuant to Article 147-quinquies of the CFA and Ministerial Decree No. 162 of March 30, 2000 ((text of the regulation attached in Annex 1)

or

that he/she is not in possession of the good standing requirements pursuant to Article 147-quinquies of the CFA and Ministerial Decree No. 162 of March 30, 2000 ((text of the regulation attached in Annex 1)

Specifically:

a) indicate if he/she has been subject to prevention measures imposed by legal authorities in accordance with Law No. 1423 of December 27, 1956 or Law No. 575 of May 31, 1965 and subsequent amendments and supplements, except where discharged;

YES

NO

If yes, specify the relevant circumstances:

b) indicate whether he/she has been convicted with an irrevocable sentence or at his/her request (and in the latter case without prejudice to the extinction of the offence), subject to the effects of rehabilitation, to:

- i. imprisonment for one of the offences under the rules governing banking, financial and insurance activities and the rules covering markets and financial instruments, tax affairs and payment instruments;
- ii. imprisonment for one of the offences under section No. XI of book V of the Civil Code and Royal Decree No. 267 of March 16, 1942;
- iii. imprisonment for a period of not less than six months for an offence against the public sector, public confidence, heritage, public order or public finances;
- iv. imprisonment for a period of not less than one year for any offence with criminal intent.

YES

NO

If yes, specify the relevant circumstances:

(c) indicate whether any of the penalties provided for in subsection (b)(1), (2), (3), and (4) above have been imposed at the request of the party, except in the event of the cancellation of the offence.

YES

NO

If yes, specify the relevant circumstances:

List the candidate's shareholdings in joint-stock companies and partnerships in the last five years, and indicate the size at today's date of said shareholdings.

Company	Holding (%)	Investment status ²

² Currently held/no longer held

List the joint-stock companies or partnerships in which the candidate holds or has held a position on the administrative, management or oversight/supervisory boards in the last five years and indicate the office held and the current status of said office.

Company	Office ⁽²⁾	Office status ³

Curriculum vitae (providing in particular evidence of (i) educational qualifications, including dates and awarding institution; (ii) academic titles and (iii) overview of relevant work and professional experience, positions assumed and periods for which they were held)

*** **

The undersigned declares that the information provided herein and any further communication concerning the issues contained in this questionnaire may be used by the Issuer and Nomad in order to assess their candidacy pursuant to Article 6-bis of the AIM Italia Issuers' Regulation.

To the best of the undersigned's knowledge, the answers provided in this questionnaire are true, accurate, and not misleading. The undersigned consents to the use of the information contained in this questionnaire and undertakes to communicate in writing any changes to the information given in the answers above.

Place and date _____

The declarant _____

³ Director/Statutory Auditor/liquidator/etc.

Annex 1

Legislative Decree No. 58 of February 24, 1998

Article 147-ter, paragraph 4 of the CFA.

[...] at least one of the members of the Board of Directors, or two where the Board of Directors comprises more than seven members, must meet the independence requirements established for Statutory Auditors in Article 148, paragraph 3, and, where the By-Laws so provide, the additional requirements set out in codes of conduct drawn up by companies managing regulated markets or by trade associations. [...]

Article 147-quinquies of the CFA

1. Individuals executing management and control duties must fulfil the good standing requirements established for members of corporate boards by the regulation issued by the Ministry for Justice in accordance with Article 148, paragraph 4.
2. The non-fulfilment of such requisites will result in the relinquishment of office.

Article 148, paragraph 3 of the CFA

[...] The following may not be elected Statutory Auditors, and if elected relinquish their office:

- a) candidates meeting the conditions set out in Article 2382 of the Civil Code;
- b) the spouses, relatives or relatives by marriage to the fourth degree of the Directors of the Company; Directors, spouses, relatives or relatives by marriage to the fourth degree of the Directors of the subsidiaries of the Company, of the companies that control it or are subject to common control;
- c) anyone related by independent or subordinated employment (or any other monetary or professional relationship which may compromise their independence) to the Company or any subsidiaries or companies that control the Company or are subject to any common control, or to the Directors of the company or any of the parties described at letter b) above.