

nexi

POLICY

PP 028 - v.03

CONFLICT OF INTEREST POLICY

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COVER

Title	Conflict of interest policy
Classification	Policy
Document code	PP_028
Approved by	Nexi SpA Board of Directors
Approval date	12-05-2022
Date of entry into force	12-05-2022

UPDATES

Version	Date	Code	Updates
3	12-05-2022	PP 028 2022	update requested by the Bank of Italy
2	10-03-2022	PP 028 2022	Update for regulatory compliance
1	01-08-2019	PP 028 2019	First issue of the policy.

Title Identification Code: PP-028 V.03 | Date of entry into force: 12/05/2022
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1 GENERAL INFORMATION

1.1 PURPOSE AND SCOPE OF APPLICATION

This Policy for the regulation of conflict of interest (the "Policy") provides guidelines to be followed by Nexi S.p.A. ("Nexi" or the "Company") and by the companies directly or indirectly controlled by it (the "Group") in order to identify and manage conflict of interest situations of a material nature.

This Policy applies to all Nexi Group companies.

This Policy, together with the Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 of each Group company and the Group Regulation on Transactions with Related Parties, supersedes all existing policies and procedures within the Group companies that govern the identification and management of potential conflicts of interest and is the basis of any specific procedure to be adopted at Group level.

1.2 REFERENCE REGULATIONS

Internal reference regulations

- (1) Group Regulation no. 012 "Procedure for the governance of transactions with related parties"
- (2) 231 Model and Code of Ethics of the Group companies

External reference regulations:

- (3) Legislative Decree no. 231/2001 - Administrative Liability of Companies and Entities
- (4) Consob Regulation on Transactions with Related Parties - Resolution no. 17221 of 12/3/2010 as amended and supplemented.
- (5) Corporate Governance Code 2020 of listed companies approved by the Corporate Governance Committee in January 2020 (the "Corporate Governance Code")
- (6) *Supervisory Provisions for Payment Institutions and Electronic Money Institutions*, enforced by order of the Bank of Italy of 23 July 2019 (exclusively for Nexi Payments S.p.A. and SIAPay s.r.l).
- (7) Art. 2391 of the Italian Civil Code
- (8) Ministerial Decree n. 169 of 23 November 2020 (the "DM 169/2020")
- (9) New laws and regulations applicable in relevant jurisdictions where companies belonging to the Group are registered.

1.3 DEFINITIONS

Clients	"Clients" means any person to whom the Group companies provide one or more services.
Conflict of interest	"Interest" means any financial advantage or benefit, whether direct (in one's own favour) or indirect (in favour of third parties), but also of a political, social or other nature, which a party has reason to believe they may acquire through the conclusion or omission of a certain transaction, or through the conclusion of one of the several specified transactions.
Supervised entities	means electronic money institutions and/or payment institutions that carry out relevant payments activities (as defined by Ministerial Decree 169/2020).
Personnel	Personnel refers to employees of the Group companies and all persons who have any employment relationship with the Group companies, including temporary workers.

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Suppliers	Suppliers of goods and services, within the limits of their existing relations with the Group companies, including external consultants and professionals, as well as all collaborators who in any capacity act in the name of and/or on behalf of the Group companies.
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2 GENERAL CATEGORIES OF CONFLICTS OF INTEREST

Conflicts of interest relating to Clients are generally situations in which the Company, a Director or an employee:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the Customer;
- has an interest in the outcome of a service provided to the Customer or of a transaction carried out on behalf of a Customer which is distinct from the Customer's interest in that outcome;
- has a financial or other incentive to favour the interest of another Customer or group of Customers over the interest of the said Customer;
- carries out the same business as the Customer;
- receives or will receive from another other than the Customer, an inducement in relation to a service provided to the Customer in the form of a financial gain, goods or services – other than the standard fee or commission for that service;
- has a financial or other incentive to favour the sale to the Customer of a particular product or service that is not in the best interests of the Customer.

Conflicts of interest relating to the Company are generally situations in which:

- the interest of an employee in the outcome of a particular activity or project differs from that of the Company;
- an employee (or, where relevant, a family member or a person with whom the employee has a close personal relationship) receives by virtue of their position in the Company a significant financial or other benefit that is improper in nature;
- an employee is able to influence the granting of business by the Company or influence administrative or other relevant decisions of the Company in such a way as to obtain personal gain or advantage for themselves or a family member;
- a current financial or other interest, or a previous role in a project or activity, or a relationship with another person which compromises or may compromise an employee's judgment or objectivity in fulfilling their duties and responsibilities towards the Company;
- a Company's department favours its own interest over that of another department against the best interests of the Company, including the department's interest in relation to the selection of Suppliers;
- an actual or perceived conflict of interest arises in connection with a transaction or agreement signed between the Company and a relevant shareholder because of the close relationship between the parties;
- an actual or perceived conflict of interest arises in connection with a transaction or agreement between Group entities (intra-group transactions).

The following is a non-exhaustive list of specific examples of possible transactions and activities within the Group that give rise to conflicts of interest and which require appropriate management, mitigation or prevention:

- when hiring and assessing employees - during the course of the relationship -, the assessing party has relations with the concerning party that influences their decision making;
- in the context of a litigation process, there is an interest to settle an existing dispute amicably with a "counterparty" who forms part of a personal relationship;
- a family member of an employee and/or a person with whom the employee has a close personal relationship has an interest in a transaction or activity in which a Customer or a Group company also has an interest, and the employee favours the family member and/or the person with whom the employee has a close personal relationship;
- excessive or very generous gifts or invitations to events received by an employee which detrimentally influence their judgement or lead to misconduct;
- the Group hires a resource as an employee or in another role in exchange for forbidden barter agreements of any kind
- an employee recommends a Supplier with which they have a relationship without disclosing such

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relationship;

- a conflict between Group companies, a Customer or an employee, where the customer suggests not complying with applicable regulations or policies, including tax evasion, fraud or other offences

3 CONFLICTS OF INTEREST INVOLVING DIRECTORS

Conflicts of interest involving directors are governed by Art. 2391 of the Italian Civil Code:

"Director must inform the other directors and the board of statutory auditors of any interest they have, personally or on behalf of third parties, in a specific company transaction, specifying the nature, terms, origin and relevance thereof.

In case of Managing director, must, furthermore, abstain from carrying out the transaction and inform the management body of such circumstances; sole directors must likewise provide information also at the next shareholders' meeting.

In the cases provided for in the preceding paragraph, the resolution of the Board of Directors shall adequately state the reasons for the transaction and the proper economic advantage ("convenienza") for the company.

In the event of non-compliance with the provisions of paragraphs 1 and 2 above, or in the event of resolutions of the board or of the executive committee adopted with the casting vote of the director concerned, such resolutions, if they are likely to cause damage to the company, may be challenged by the directors and the board of statutory auditors within ninety days of their adoption; challenges may not be lodged by parties who consented with their vote to the resolution, provided that the disclosure obligations set out in the first paragraph were fulfilled. In any event, rights acquired in good faith by third parties on the basis of acts performed in order to implement the resolution shall not be affected.

Director shall be liable for damage caused to the company by their action or omission. Director shall also be liable for any damage caused to the company as a result of the use of data, information or business opportunities acquired during the performance of their duties for their own benefit or for the benefit of third parties."

The existence of a conflict of interest does not exclude directors from voting on the decision regarding the transaction they have an interest in, because:

- The Board of Directors, having become aware of the conflict of interest, may pass a resolution on the transaction under its own responsibility, specifying the reasons and the economic advantage for the company of the transaction
- If the Director has disclosed their conflict of interest, the resolution may not be challenged. It can only be challenged if the resolution was adopted with the casting vote of the director concerned
- If the resolution was adopted with the casting vote of the Director, it can be challenged within 90 days, only if it may cause damage to the company
- The challenge of the resolution cannot be brought by those who consented with their favorable vote to the resolution, if all the disclosure obligations have been fulfilled
- The resolution, even if challenged, does not affect the rights of third parties acquired in good faith.

Regarding disclosure to the other directors and the board of statutory auditors, Article 2391 of the Italian Civil Code focuses on "any interest", i.e. any advantage, both for the natural person holding the office of director as well as for the company, which may be in conflict with the company's interest.

4 INDEPENDENCE OF JUDGMENT

Ministerial Decree 169/2020 contains the rules concerning eligibility requirements to be appointed as representatives of, among other things, Supervised Entities (e.g., Nexi Payments S.p.A. and SIApay S.r.l.).

Among the requirements and criteria provided therein, art. 15 of Ministerial Decree 169/2020 states the criteria of independence of judgment of the companies representative.

With regard to this criteria, the relevant corporate body of the Supervised Entities is required to assess whether all representatives meet, among other things, the following requirements

- the behavioral skills; and
- the absence and/or management of conflicts of interest that would prevent them to perform their tasks in

an independent and objective manner.

Art. 15 of Ministerial Decree 169/2020 identifies the circumstances that are in abstract suitable to compromise the independence of judgment referring to some of which, according to art. 13 of Ministerial Decree 169/2020, affect the independence of the representatives, when required pursuant to legal or regulatory provisions. To clarify, it should be noted that the independence requirement pursuant to art. 13 of Ministerial Decree 169/2020 is not applicable to representatives of Supervised Entities.

The existence of such circumstances does not necessarily means that the appointed representative cannot be considered suitable. This occurs if the conflict of interest implies a significant risk and where it is not possible to prevent, mitigate or adequately manage the conflict of interest on the basis of the policies implemented by the Group and / or by the Supervised Entity.

In particular as to the chairman of the board of directors of a Supervised Entities, art. 15 of the Ministerial Decree 169/2020 includes among the circumstances in abstract suitable to compromise the independence of judgment the fact that the latter "held or [has] held in the last two years in companies [belonging to the Supervised Entities] or companies controlled by [this] office as chairman of the board of directors, executive positions or supervisory or executive officer, or [has] held, for more than nine years in the past twelve, positions as member of the board of directors, supervisory or management boards as well as executive positions in companies belonging [to] the Supervised Entities] or companies controlled by [this] ".

Without prejudice to the foregoing, it is deemed that the offices held by the representatives of the Group do not threaten the independence of judgment taking into account the measures provided by the current Policy.

5 CONFLICTS OF INTEREST INVOLVING PERSONNEL

If there is a conflict of interest, even if only potential, the Personnel adopting the final procedures or subordinate procedures must:

- Firstly, refrain from participating in the decision or interacting in any other way with the activity;
- report, immediately and in writing, the actual or potential conflict of interest, or the reason for the suspected undue benefit, to their immediate superior, who will assess whether the existing safeguards are sufficient to protect the transaction or whether it is necessary to replace the person in the course of the negotiation.

Personnel are responsible for identifying and managing conflicts of interest on an ongoing basis, and the Company requires them to:

- comply with this policy and the applicable rules and procedures relating to the identification, escalation and management of conflicts of interest;
- act with integrity and apply good judgement and common sense in line with the values of the Company;
- act with the necessary degree of independence and objectivity in fulfilling their responsibilities towards the Company;
- avoid, where possible, situations that may give rise to conflicts of interest, and not allow:
 - personal or financial interests or relationships;
 - family members or Parties with whom they have a close personal relationship
 - past, present or future involvement in an activity or project;
 - various roles and responsibilities within the Company

to compromise or call into question their judgement, their ability to act objectively or to adequately fulfil their obligations and responsibilities towards the Company and/or Customers; or to entail the risk of reputational damage to the Company, including the risk of suspected non-compliance with respect to the manner in which business is commissioned to or by the Company, resulting in the Company obtaining undue advantages or benefits;

- if participating in decision-making councils, immediately disclose conflicts of interest to the person chairing the meeting;
- not assume a supervisory, subordinate or controlling relationship (influencing employment conditions) with close relatives, including family members or parties with whom they have a close personal relationship;
- not make improper use of information obtained during the performance of their duties for the Company;

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- manage work-related information on the basis of the Company's 'Need to Know' principle (specific need to access certain information), while respecting any limitations on information exchange and confidentiality obligations;

In addition, Personnel acting as supervisors are required to:

- determine the best course of action to resolve, manage or avoid the conflict of interest, including, if necessary, further escalation to higher levels of management or removal of the employee involved from supervision of a specific matter or activity.

6 ORGANISATIONAL MEASURES FOR THE MANAGEMENT OF CONFLICTS OF INTEREST

The Group maintains and manages organisational, procedural and administrative measures for the identification and management of actual or potential conflicts of interest. Specifically, the following measures should be noted:

1) Principles of Internal Governance

The Group is committed to maintaining an Internal Governance model in line with international standards and the recommendations contained in the Corporate Governance Code.

In addition, each Group Company has adopted the Code of Ethics, pursuant to Legislative Decree 231/2001, which sets out the ethical values and principles of conduct which the Company upholds in all its activities with respect to all stakeholders.

2) Segregation of functions

The Group implements a clear structural segregation of infrastructure divisions and functions, in such a way that allows them to be managed independently.

In particular, organisational arrangements have been enacted to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of conflict of interest, where the exchange of such information may harm the interests of one or more customers.

In addition, the Group's internal control system consists of three lines of defence: line controls, risk management and regulatory compliance controls (so-called second level controls), internal audit (Audit Function), in order to achieve the corporate strategies and the objectives of effectiveness and efficiency of business processes, safeguarding the value of assets and protecting against losses, reliability and integrity of accounting and management information, compliance of transactions with the law, supervisory and oversight regulations on the payment system as well as with policies, plans, regulations and internal procedures.

To this end, the recipients to whom this Policy applies should abstain from voting, in the internal committees and/or in the Nexi's Board of Directors, to the extent that, based on a factual analysis from time to time conducted, participation in the decision-making process may prejudice independence of judgment and / or could imply a conflict of interest situation, even if potential.

3) Management of inside information

The Nexi Group has adopted specific regulations for the management of inside information in order to avoid unlawful conduct, in line with current legislation on market abuse, and a specific internal regulation governing internal dealing carried out on a personal basis by Insiders.

4) Governance of Committees

The Group has internal committees, whose members are obliged to disclose potential conflicts of interest to the chairperson at all times, whereupon the chairperson must take appropriate action to resolve such conflicts. All committee members and participants are obliged to respect the mandates of the committees in which they participate and to promptly disclose any conflicts of interest.

7 SYSTEMS, CONTROLS, POLICIES AND PROCEDURES

The Group has adopted a series of systems, controls, policies and procedures to manage conflicts of interest, which in turn are based on other internal regulations. A summary of the key requirements and controls is given

below. Personnel are required to be familiar with the internal regulations and to comply fully with the requirements set forth therein.

Remuneration practices: the Group recognises remuneration as a factor that can influence the conduct of Personnel, therefore remuneration policies have been adopted to prevent the adoption of remuneration structures that may encourage Personnel to act against their responsibilities, regulatory requirements or the Code of Ethics.

In line with regulatory requirements, a Group remuneration policy has been developed to ensure that the connections between remuneration practices and the Group's business and risk strategies are clear and clearly understood by all Personnel.

The Board of Directors has established a Nomination and Remuneration Committee to support the definition of remuneration policies, which acts in the absence of conflicts of interest and adopting all the measures necessary in order to guarantee independence of judgment.

Transactions with Related Parties: a conflict of interest may also arise in relation to a Related Party (as defined in accordance with the relevant procedure), i.e. in relation to offices or activities undertaken outside their role, in particular with reference to senior management of the Group.

The Nexi Group has adopted policies and procedures aimed at identifying and managing conflicts of interest in such activities, which are governed by the regulations on Transactions with Related Parties.

Gifts, entertainment and business events: a conflict of interest may arise if an employee receives or offers a gift or invitation to an event that constitutes an improper incentive for an employee, relevant party, Customer or Supplier to act in a certain way. The Group does not permit the offering or acceptance of gifts or invitations to events by an employee, unless they are considered reasonable and proportionate in nature or related to a legitimate business goal.

Where applicable, the Personnel concerned must obtain pre-approval for gifts and invitations to events from their Company, which shall not approve the offer if it could potentially cause a conflict of interest or it is considered to be of an improper nature or could violate the Group's regulations on gifts and gratuities.

Suppliers: the Group adopts various systems, controls, policies and procedures to manage the interaction of any Group companies with Suppliers or other Group companies, performing a due diligence process based on objective and independent criteria.

Group procurement regulations govern the correct management of relations with Suppliers or other Group Companies, and all Personnel are required to comply with them.

Intra-group relations: the Group adopts contracts governing the provision of intra-group services/sales, in which the methods of providing services/sales and the fees thereof are established.

Whistleblowing: the Group provides appropriate channels for notifying/reporting conflicts of interest within the Group itself, for cases in which the employee considers such channels the most appropriate way to bring a problem to the attention of senior management.

The internal whistleblowing regulation sets out the procedures available to Personnel to report concerns or possible suspected violations of laws, rules or regulations or Group policies, standards or procedures.

Controls and Risk Assessment: it is the responsibility of the second and third level control functions to ensure that the controls implemented in the Group are adequate.

Training: the Group provides periodic training courses on topics related to conflicts of interest in order to allow for adequate awareness and knowledge of conflicts and how to properly manage them.

The Group encourages a range of conducts, policies and procedures aimed at fostering a risk culture, including awareness of possible conflict of interest situations.

8 VIOLATIONS

If employees are found to be violating this Policy, disciplinary action will be taken against them in accordance with the law, the applicable employment contract and the applicable disciplinary code. Furthermore, where applicable, the malus and claw-back clauses envisaged by the remuneration and / or incentive plans in place from time to time may be applicable in compliance with the Group's internal regulations.

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