

**MARZOCCHI POMPE S.P.A.**



**PROCEDURE FOR THE TREATMENT OF**  
**INSIDE INFORMATION AND FOR**  
**THE INSIDER REGISTRY INSTITUTION AND MAINTENANCE**

**Rev. 1**

Approved by the Board of Directors on March, 30<sup>th</sup> 2021

## 1. PREMISE

**1.1** In application of art. 31 First Part and art. 10 Second Part of the AIM Italia Issuers' Regulations (“**AIM Issuers' Regulation**”) and Regulation 596/2014/EU of the European Parliament and of the European Council (“**MAR**”) and its implementing Regulations including the Implementing Regulation (EU) 2016/347 of 10 March 2016 (“**Regulation 347**”) and the Implementing Regulation (EU) 2016/1055 of 26 June 2016, the present procedure (hereinafter the “**Procedure**”) regulates the internal management and external communication of information on facts occurring in the sphere of Marzocchi Pompe S.p.A. activity (hereinafter the “**Company**” or “**Marzocchi Pompe**” or the “**Issuer**”). In particular, this Procedure governs:

- a) the processing and circulation of Important Information and Inside Information (as defined below);
- b) the communication of Inside Information to the market and to third parties;
- c) the creation and maintenance of the register of persons who have access to Inside and Relevant Information.

**1.2** This Procedure comes into force from the date of commencement of trading of the Company's shares on AIM Italia, the multilateral trading system organized and managed by Borsa Italiana S.p.A. (hereinafter “**AIM Italia**”).

**1.3** For matters not explicitly provided for in this Procedure, the legal and regulatory provisions applicable to the Company as an issuer with securities admitted to trading on AIM Italia shall apply.

## 2. DEFINITIONS

In addition to the terms defined in other articles of this Procedure, the terms indicated with a capital letter, and not otherwise defined, shall have the meaning attributed to them in this article.

- a) **Subsidiaries**: the companies controlled by the Issuer pursuant to Article 2359 of the Italian Civil Code;
- b) **Marzocchi Group and/or Group**: it indicates the companies Marzocchi Pompe S.p.A., Marzocchi Pumps USA Corp., Marzocchi (Shanghai) Trading Co. Ltd.;
- c) **Inside Information**: it means any information having the characteristics set out in Appendix A of this Procedure. Inside Information, in accordance with the provisions of law and regulations, is subject to a general obligation to disclose it to the public as soon as possible, as provided for in this Procedure;
- d) **Relevant Information**: it indicates any information relating to the Company, its Subsidiaries and the Marzocchi Group that is suitable to become Inside Information but that does not yet have the sufficient precision required to be considered as such;
- e) **Information**: cumulatively, Relevant Information and Inside Information;
- f) **Investor Relator**: it denotes the person who performs the functions of Investor Relations of the Company;
- g) **Nomad**: it denotes the Company's Nominated Adviser.

- h) **Delegated Body:** it denotes each Marzocchi Pompe director with management powers;
- i) **Insider Register:** it indicates the register of persons having access to Inside Information pursuant to Article 18 of the MAR and defined in Article 12 of the Procedure;
- j) **Regulation 1055:** it refers to the European Commission Implementing Regulation No. 1055/2016/EU of 29 June 2016, and subsequent amendments and supplements to the same;
- k) **SDIR:** it denotes the "Service for the dissemination of regulated information" within the meaning of Consob regulations;
- l) **Financial Instruments:** it denotes collectively the financial instruments of the Company admitted to trading on AIM Italy, as defined in Article 4, paragraph I, point 15 of Directive 2014/65/EU;
- m) **TUF:** it indicates the Legislative Decree 58/1998 and subsequent amendments and additions;

## **SECTION I**

### **INSIDE INFORMATION HANDLING**

#### **3. ADDRESSEES**

**3.1** The following parties (jointly referred to as the "**Addressees**") are required to keep Important and Inside Information and the documents relating thereto and acquired in the course of the performance of their respective duties confidential and reserved, as well as to comply with the provisions of this Regulation:

- (i) members of the Issuer's administrative and control bodies;
- (ii) senior managers of the Company who, although not members of the bodies referred to in point (i) above, have access to Inside Information and/or Important Information;
- (iii) shareholders of the Company;
- (iv) employees of the Marzocchi Group who have access to Inside Information and/or Important Information;
- (v) all persons who, in the performance of their working and/or professional activities for the Issuer and/or the other companies of the Marzocchi Group, have access, on a regular or occasional basis, to the Price Sensitive and/or Inside Information of the Company or its Subsidiaries.

**3.2** The Addressees - if necessary for them and if permitted by the relative applicable regulations - as well as the subjects other than the Addressees who become aware of Important and/or Inside Information, must obligatorily stipulate an appropriate contract of confidentiality and privacy with the Company. This is without prejudice to the provisions of Article 8 below.

#### **4. OBLIGATIONS AND PROHIBITIONS OF THE ADDRESSEES**

**4.1** The Addressees who, in the normal exercise of their employment, profession or office duties, are involved in activities relating to the management and dissemination of Important and/or Inside Information, are required to comply with the provisions of the law and existing regulations on the subject and the rules sanctioned by this Procedure.

In detail, they shall, to the extent of their competence:

- a) keep confidential the Relevant and/or Inside Information acquired in the performance of his or her working or professional activity, function or office and not disclose it or reveal it to anyone;
- b) to use the Relevant and/or Inside Information only in connection with their own work or professional activity, function or office, and therefore not to use it, for any reason or cause whatsoever, for their own personal ends;
- c) guarantee the utmost confidentiality and secrecy of Important and/or Inside Information, until such time as it is communicated to the public according to the procedures provided for in this Procedure;
- d) promptly inform the Delegated Body and the Information Referent - in relation to the information of their respective competence - of any act, fact or omission that may represent a violation of this Procedure.

**4.2** When in possession of Important and/or Inside Information, the Addressees are also forbidden to engage/collaborate/give rise to conduct that may fall within the types of offences considered by Legislative Decree 231/2001 and the unlawful conduct identified in the MAR and the TUF, as well as to:

- (i) Particular attention must be paid to the transmission to the members of the Board of Directors and the Board of Statutory Auditors of documents preparatory to the holding of board meetings and/or meetings of the various committees. In this respect, a transmission method must be used that guarantees the confidentiality of the relevant documents;
- (ii) similar caution shall be used, in the context of extraordinary operations, in the exchange of information and/or documentation with persons who act as external consultants or *advisors* of the Company or of the Addressees;
- (iii) Paper documents containing Important and/or Inside Information or information that is in any case confidential must be kept in archives located in locked cupboards or drawers; the permanence of documents outside the archives must be limited to the period necessary for their use; documents that are not in use must be put back in the archives; the storage of documents on tables and desks, especially if they are accessible to unauthorised persons, must be limited to the time that is strictly necessary;
- (iv) Similar precautions must also be observed in the case of travel and transfers. In particular, the documents in question must never be left unattended;
- (v) Appropriate measures must be taken to ensure that the distribution of mail received by the postal and/or courier service is carried out on a confidential basis;
- (vi) the "confidential" nature of paper and/or electronic documents must also be highlighted by marking them as "confidential" or similar, using appropriate envelopes or other closed containers for their circulation.

**4.3** When in possession of Important and/or Inside Information, the Addressees are also forbidden to

- (a) purchase, sell or engage in other transactions, directly or indirectly, for its own account or for the account of a third party, in Financial Instruments or related derivative financial instruments;
- (b) recommend or induce third parties, on the basis of Relevant and/or Inside Information in their possession, to carry out transactions on the Financial Instruments or related derivative financial instruments;

(c) communicating Important and/or Inside Information to third parties, outside the normal exercise of work, profession, function or office.

## 5. ASSESSMENT OF INFORMATION

### 5.1 *Persons required to assess the information*

**5.1.1** The heads of offices and directors of the Company and/or the Group must inform the Managing Body and the Investor Relator without delay of all information concerning the Company, the Subsidiaries and/or the Group that they consider potentially privileged, or Relevant Events (as defined in art. 5.2.2 below) of which they become aware by virtue of their working or professional activity, or by virtue of the functions performed. In the same way, the employees of the Company and of its Subsidiaries are required to report to their supervisor any information they consider potentially of a privileged nature, i.e. Relevant Events, of which they become aware by virtue of their working activity.

**5.1.2** The evaluation of the relevance of the information concerning the Issuer, its Subsidiaries and/or the Group is the responsibility of the Delegated Body, having consulted, where appropriate, the Nomad, except as otherwise provided below:

- (i) Information emerging in the course of meetings of collegiate bodies: the assessment remains with the collegiate body, while the management of external communication will be carried out by the Delegated Body in agreement with the Investor Relator, possibly in consultation with the Nomad if deemed appropriate;
- (ii) Information emerging during Shareholders' Meetings: the assessment is the responsibility of the Chairman of the Shareholders' Meeting, while the management of external communication will be the responsibility of the Delegated Body in agreement with the Investor Relator, having consulted, where appropriate, the Nomad.
- (iii) Accounting data and period data: this is the responsibility of the Chief Executive Board in agreement with the Chief Financial Officer of the Company and the Investor Relator, having consulted the Nomad where appropriate;
- (iv) Information relating to a company of the Marzocchi Group: the Subsidiaries, and in particular the individuals responsible by virtue of the internal organisation of each of them, are required to promptly inform the Managing Body of the occurrence of a set of circumstances or an event that constitutes or may constitute Important and/or Inside Information. The assessment of the relevance of information is in any case the responsibility of the Delegated Body in agreement with the Investor Relator and, where appropriate, after consulting the Nomad.

**5.1.3** The Addressees, in all circumstances in which they come into possession of Important and/or Inside Information, are obliged, with binding effect, to:

- promptly communicate its content to the Delegated Body; and
- where the Sensitive and/or Inside Information relates to events or operations with a progressive formation, to inform the Delegated Body of the state of progress on a weekly basis or with the different frequency required by the nature of the event or operation.

### 5.2 *Assessment of Information*

**5.2.1** In order to evaluate and manage the Information and taking into account the nature of the Financial Instruments, data, circumstances and events relating to the Company and, in general, to the

Marzocchi Group, where potentially price sensitive with reference to the Financial Instruments, shall be monitored. In particular, in assessing and managing Relevant Information and Price Sensitive Information, the Company shall comply with the provisions of the MAR, the TUF, the AIM Issuers' Regulations, the Issuers' Regulations adopted by Consob with resolution no. 11971 of 1999, the Guidelines published by Consob in October 2017 (as updated from time to time) on the subject from case to case applicable.

**5.2.2** The following are some of the events that, purely by way of example and without limitation could constitute a relevant event or circumstance under the terms of this Procedure and which, therefore, could be evaluated as Inside Information (the "**Relevant Events**"):

- entry into, or withdrawal from, business sectors;
- resignation or appointment of members of the administrative and supervisory body;
- resignation from the auditing firm;
- purchase or sale of shareholdings, other assets or lines of business;
- capital transactions;
- issue of warrants, financial instruments, bonds or other debt securities;
- changes in the rights of Financial Instruments;
- losses likely to have a significant effect on shareholders' equity;
- mergers and demergers;
- conclusion, modification or termination of material contracts or agreements;
- conclusion of proceedings relating to intangible assets such as inventions, patents or licences;
- legal disputes;
- changes in the Company's strategic personnel;
- transactions involving treasury shares;
- submission of requests or issuance of orders to submit to bankruptcy proceedings;
- application for admission to bankruptcy proceedings;
- transactions with related parties (as defined in the regulation adopted by Consob with Resolution no. 17221 of 12 March 2010, as subsequently amended and supplemented, containing provisions on transactions with related parties);
- the issuance by the independent auditors of a qualified opinion, an adverse opinion or a declaration of the impossibility of expressing an opinion;
- accounting situations intended to be reported in the annual financial statements, in the consolidated financial statements and in the condensed half-yearly financial statements, as well as the information and accounting situations when they are intended to be reported in the interim management reports, when these situations are communicated to external parties, except in the case where external parties are bound by confidentiality obligations and the communication is made in application of regulatory obligations, or as soon as they have acquired a sufficient degree of certainty
- resolutions whereby the Board of Directors approves the draft financial statements, the proposal for the allocation of the result for the year, the distribution of the dividend, the consolidated financial statements, the interim financial statements and the interim management reports;
- all other types of information as indicated by Consob from case to case.

## **6. MANAGEMENT AND DISCLOSURE OF INSIDE INFORMATION**

**6.1** The Delegated Body is responsible for the processing and management of Inside Information concerning the Company and its Subsidiaries. He constantly manages the mapping of relevant information flows, so as to (i) identify, on a continuous and accurate basis, the persons who have

access to Inside Information, and (ii) prevent persons who, due to the functions they perform, do not come into possession of Inside Information they have no reason to know, thus jeopardising its privileged nature.

**6.2** When the information is assessed by the parties identified in Article 5.1 above as Inside Information, it must be made public without delay, in accordance with this Procedure and the laws and regulations in force at the time, unless the conditions for delay provided for in Article 7 of this Procedure are met.

**6.3** The Delegated Body, together with the Investor Relator, therefore prepares a draft press release.

**6.4** The press release must consist of an identification code, title, summary, text and company contact details.

**6.5** The headline shall contain an objective and concise description of the event and, where the release refers to several relevant events, it shall mention each event. The summary shall summarise the characteristic features of the event, also in the form of a table or list, so as to provide a non-misleading summary. The summary may be omitted if the title already contains an exhaustive description of the essential elements of the fact. The text should articulate the content of the news item, ensuring logical consistency in the presentation. The corporate contacts contain the names of the persons or structures of the Company to be contacted to obtain further information, the relevant telephone numbers and e-mail addresses, as well as the Issuer's *website*.

**6.6** Prior to its release to the public, the draft *communiqué* is sent to:

- (a) to the CFO of the Company, if the draft contains references to data concerning the economic, equity or financial situation of the Company and/or the Group;
- (b) to the chief executive officer of a Subsidiary, if the release relates to an event affecting that company; and
- (c) where deemed appropriate by the Delegated Body, to the Board of Directors;
- (d) to the Nomad for proper evaluation.

**6.7** For the purposes of preparing the draft of the press release, the Delegated Body may - after hearing the Nomad and through the same - carry out prior consultation with Borsa Italiana S.p.A. or Consob.

**6.8** The Delegated Body shall ensure that the Inside Information disclosed is not misleading, false or deceptive and shall not omit anything that might affect the relevance of such information. In the event of significant changes to Inside Information already disclosed to the public, the Delegated Body shall proceed with their disclosure without delay.

**6.9** Inside Information is made available to the public by means of SDIR. Such Information shall also be published on the Company's *website* in the "*investor relations*" section and shall be kept there for a period of not less than 5 (five) years from the date of publication.

**6.10** The Inside Information must not be published elsewhere before being communicated through SDIR; to this end, the Inside Information must be managed by adopting all necessary precautions so that the relative circulation within the company context is carried out without any prejudice to the Company and/or the companies of the Group until such time as the same Inside Information is communicated to the public in compliance with the above-mentioned requirements.

**6.11** If Inside Information is to be disclosed on the open market, the Delegated Body, in agreement with the Investor Relator, shall assess - with reference to the relevance of the information to be disclosed - whether it is advisable to give Borsa Italiana S.p.A. advance notice by telephone of the disclosure of Inside Information, in order to allow it to assess the impact that such information, once disclosed, could have on the regular course of trading.

**6.12** Disclosure to the public of Inside Information relating to other Group companies is in any case the responsibility of the Company. The Subsidiaries must therefore refrain from independently disclosing to the public their own Inside Information.

**6.13** It is forbidden for the Addressees and all persons who become aware of Inside Information due to the office held within the Company, to disclose, release and communicate such information in any way to persons other than those to whom disclosure is necessary to allow them to perform their duties within the Company.

**6.14** If the press release refers to a transaction concluded, also through Subsidiaries, with a related party of the Company (identified pursuant to and for the purposes of the Procedure for transactions with related parties adopted by the Company, hereinafter the "**Related Parties Procedure**"), the press release shall contain, in addition to the information required under this Procedure, the following information:

- (a) an indication that the counterparty to the transaction is a Related Party and a description of the nature of the relationship;
- (b) the denomination or name of the Related Party;
- (c) whether or not the transaction exceeds the materiality thresholds identified in Appendix 2 of the provisions on related parties issued by Borsa Italiana and an indication of whether or not an information document has been published subsequently pursuant to the Related Parties Procedure;
- (d) the procedure that has been or will be followed for the approval of the transaction and, in particular, whether the Company has made use of a case of exclusion provided for by the Related Parties Procedure;
- (e) whether the transaction has been approved despite the contrary opinion of the Committee set up in accordance with the Related Parties Procedure.

**6.15** If there are reasonable doubts about the actual suitability of Inside Information to influence the prices of Financial Instruments - in the presence of the other elements characterising Inside Information - the Delegated Body, having consulted the Nomad, shall proceed to disclose the information to the public, in order to avoid jeopardising the interests of investors and the market.

## **7. DELAY IN DISCLOSURE OF INSIDE INFORMATION**

**7.1** The Company may decide to delay, under its own responsibility, the public disclosure of Inside Information when, in conjunction with:

- (a) immediate disclosure could jeopardise the legitimate interests of the Company,
- (b) the delay in disclosure would not have the effect of misleading the public, and
- (c) the Company is able to guarantee the confidentiality of such Inside Information.

**7.2** Without affecting the application of Article 7.1 above, where the Inside Information relates to events or operations with progressive formation that involve particular events or situations, the Company may, under its own responsibility, delay the disclosure of such Inside Information.



**7.3** The Company may decide to delay the disclosure of Inside Information even when such disclosure may compromise the execution of an operation by the Issuer or of one or more of its Subsidiaries, or may, for reasons inherent in the inadequate definition of events and circumstances, give rise to an incomplete assessment by the public.

**7.4** When delaying the disclosure of Inside Information, the Issuer shall use technical means to ensure that the following information is accessible, legible and can be stored on a durable medium:

- (a) date and time of (i) the first existence of Inside Information at the Issuer, (ii) the decision to delay disclosure of Inside Information and (iii) the timing of likely disclosure of Inside Information by the Issuer;
- (b) Identity of the persons responsible for (i) taking the decision to delay disclosure and defining the duration of the delay, (ii) continuously monitoring the conditions of the delay, (iii) taking the decision to disclose the Inside Information to the public and (iv) providing Consob with the requested information on the delay and the written explanation;
- (c) Evidence of the initial fulfilment of the conditions referred to in Article 7.1 above, including (i) the barriers erected to protect the Inside Information subject to delayed disclosure, both externally and internally, and to prevent access to such information by unauthorised persons and (ii) the procedures put in place for immediate disclosure in cases where the confidentiality of the Inside Information subject to delay is breached.

**7.5** During the delay, the Delegated Body shall monitor on a case-by-case basis the permanence of the requirements justifying the delay as indicated above and the confidentiality of the Inside Information whose disclosure has been delayed. In the event it is established that even one of the above conditions is no longer met, the Inside Information must be disclosed in accordance with this Procedure and, immediately after disclosure to the public, disclosure must be made in accordance with Article 7.7 below.

**7.6** In accordance with the provisions of Article 17 of the MAR, if the Issuer or a person acting in its name or on its behalf discloses Inside Information to third parties in the normal exercise of their professional activity or function, the Company is under the obligation to make full and effective public disclosure of such information, at the same time in the case of intentional disclosure or promptly in the case of unintentional disclosure, unless the person receiving the Inside Information is bound by an obligation of confidentiality, regardless of whether such obligation is of a legislative, regulatory, statutory or contractual nature.

**7.7** When the Company has delayed the disclosure of Inside Information, it must - only if explicitly requested by Consob - notify the latter of such delay, providing a written explanation of how the conditions set out in this Article are met. Moreover, as long as the Issuer is able to explain its decision to delay the disclosure of Inside Information, it shall not be required to keep a record of such explanation. In all cases notification to Consob is not required if, after the decision to delay publication, the information is not disclosed to the public because it has lost its privileged nature.

**7.8** The notification of delay to Consob must include, in addition to an explanation of the manner in which the conditions for delay were met, the information required by Regulation 1055, as amended and supplemented, such as, in particular:

- (a) identity of the Issuer and its company name;
- (b) identity of the notifier: name, surname, position within the Issuer;
- (c) Contact details of the notifier: e-mail address and professional telephone number;

- (d) identification of the Inside Information subject to delay (title of the disclosure announcement - reference number, if assigned by the system used for disclosure - date and time of public disclosure);
- (e) date and time of the decision to delay disclosure of the Inside Information; and
- (f) identity of all persons responsible for the decision to delay disclosure of the Inside Information.

**7.9** The notification must be sent to Consob by certified e-mail to the address: consob@pec.consob.it, indicating "Markets Division" as the addressee and "MAR Delayed Communication" as the subject.

## **8. DISCLOSURE OF INSIDE INFORMATION TO CERTAIN CATEGORIES OF ADDRESSEES**

**8.1** The Company may disclose Inside Information confidentially to the following categories of recipients:

- (a) advisers to the Company and advisers to any other person involved or likely to be involved in the developments or matters in question;
- (b) parties with whom the Company is negotiating, or intends to negotiate, any commercial, financial or investment transactions (including prospective underwriters or placers of its Financial Instruments);
- (c) banks, in the context of granting credit facilities;
- (d) rating agencies;
- (e) employees' representatives or trade unions representing them;
- (f) any government office, the Bank of Italy, the Antitrust Authority and any other institutional or regulatory body or authority.

**8.2** By purely illustrative and non-exhaustive way, the communication of accounting situations and data, before they have acquired "a sufficient degree of certainty", may be communicated to the auditing company for the performance of its task as well as to the consultants involved in the drafting of the same documents. Similarly, the transmission of reports (monthly and quarterly) and of any other information relating to the management of the Company to directors without delegated powers constitutes a conduct that is functional to the requirements of information and to the exercise of the duties of supervision and intervention in the presence of any specific prejudicial acts; it is therefore possible to communicate management reports to non-delegated directors without simultaneously notifying the public.

**8.3** The Company, through the Delegated Body, must ensure that the recipients of Inside Information are aware that they cannot trade its Financial Instruments before the Inside Information has been made available to the public. To this end, the Delegated Body must first inform the recipients of the information in writing and conclude appropriate confidentiality agreements before making the information available to them.

**8.4** However, if the Delegated Body has reason to believe that the confidentiality bond has been breached or is likely to be breached, and/or, in any case, if the matter is such that knowledge thereof would be likely to lead to a substantial movement in the price of the Financial Instruments, it shall coordinate with the Investor Relator and the Nomad so that such Inside Information is published without delay.

## **9. PROMPTLY RELEASE IN CASE OF DISCLOSURE**

**9.1** If Inside Information has been disclosed to the public in a manner that does not comply with this Procedure, the Company must disclose - through the Investor Relator, in agreement with the Delegated Body, by sending a notice through the SDIR - such Inside Information simultaneously (on the same day) in the case of intentional disclosure and without delay (on the same day on which the Delegated Body and/or the Investor Relator became aware of the disclosure) in the case of non-intentional disclosure.

## **10. DISCLOSURE OF FORECAST DATA, QUANTITATIVE TARGETS AND ACCOUNTING DATA FOR THE PERIOD**

**10.1** The Delegated Body may decide to publish press releases containing forward-looking information (forecast data and quantitative targets). In this case, the press release shall be prepared in the manner set out in this Procedure. The principle of fairness in the preparation of such press releases requires it to be clearly specified, at the time of publication of the forward-looking data, whether they are genuine *budget* forecasts or strategic objectives set in the context of corporate planning.

**10.2** Where forward-looking information is contained in a press release with miscellaneous or complex content, separate evidence of the forward-looking information must be provided, devoting a specific section of the release to it, which must contain an indication of its forward-looking nature, a specification of whether it is a *budget* forecast or a target forecast.

**10.3** The Delegated Body and the Investor Relator, in the event of the publication of such press releases, shall monitor the actual performance of the company in order to detect any deviations from the forecasts and quantitative targets disclosed to the market, with a view to informing the public without delay of any significant deviations and the reasons thereof.

## **SECTION II** **INSIDER REGISTER**

### **11. INSIDER REGISTER**

**11.1** The Company establishes, in accordance with Article 18 of the MAR, the Insider Register consisting of a register of persons, both inside and outside the Company, who have access to Inside and Important Information, the establishment of which is the responsibility of the person appointed for this purpose (the "**Appointed Party**").

**11.2** The Insider Register is managed by the Company also on behalf of its Subsidiaries, which must, through the adoption of adequate internal policies, permit the Company to punctually fulfil the obligations deriving from the application of this Procedure, identifying and communicating to the Company the persons for the purpose of entering them in the Insider Register.

**11.3** The Company, through the Delegated Body, may decide to appoint a company external to the Group as the Person Responsible for setting up and maintaining the Insider Register. In the absence of this, the Appointed Party will be the Delegated Body.

## 12. CHARACTERISTICS AND CONTENTS OF THE INSIDER REGISTER

**12.1** Regulation 347 implementing MAR establishes specific technical rules concerning the format of the sections of the Insider Register, their characteristics, content and updating.

**12.2** In specific terms, persons who (i) have access on a regular or sporadic basis to Inside Information must be entered in the Insider Register, when (ii) such access occurs by reason of their work or professional activity or by reason of the functions performed on behalf of the person obliged to maintain the Register. With regard to requirement (i) above, it is specified that access to Inside Information represents the circumstance that gives rise to the obligation to register in the Insider Register and the legitimacy of such registration, even if such access is only sporadic.

**12.3** The Insider Register must be kept in electronic format, comply with the model provided by Regulation 347 in Annex B of this Procedure and must be structured in two distinct sections: (a) a section for each item of Inside Information (with the effect that a new section must be created each time a new item of Inside Information or Important Information is identified/surveyed), which must contain the list and data of the persons who have access to the specific Inside Information or Important Information (a) a new section (with the effect that a new section must be created each time a new Inside Information or Important Information is identified/surfaced), which must contain the list and details of the persons who have access to the specific Inside Information or Important Information (so-called "**Occasional Section**"), and (b) an additional section containing the details of the persons who always have access to all Inside Information or Important Information (so-called "**Permanent Section**").

**12.4** The information that must be reported in the Occasional Sections of the Insider Register is as follows:

- date and time of creation of the Occasional Section or when the Inside Information was identified;
- date and time of the last update of the Occasional Section;
- date of transmission to the Competent Authority;
- Name and surname of the person who has access to the Inside Information. Where applicable, birth surname of the person having access (if different from surname);
- business telephone numbers (landline and cell phone);
- name and address of the company;
- function and reason for access to Inside Information;
- date and time at which the holder obtained access to the Inside Information;
- date and time at which the holder ceased to have access to Inside Information;
- date of birth, national identification number (tax code or, for foreign countries, similar reference, where available) of the person registered;
- private telephone numbers (home and personal cellphone) of the registered person;
- complete private address (street, number, town, postcode, state) of the registered person.

The information on persons to be reported in the Permanent Insider Register Section is as follows:

- date and time of creation of the Permanent Insider Section;
- date and time of the last update of the section;
- date of transmission to the competent authority;
- name and surname of the person having access to the Information. Where applicable, birth surname of the person having access (if different from surname);
- business telephone numbers (direct business telephone landline and cellphone);
- name and address of the company;

- function and reason for access to Inside Information;
- date and time when the holder was entered in the Permanent Section;
- date of birth, national identification number (tax code or, for foreign countries, similar reference, where available) of the person entered;
- private telephone numbers (home and personal cellphone) of the registered person;
- the full private address (street, number, town, postcode, country) of the registered person.

In accordance with the law, data relating to persons entered in the Insider Register will be kept for at least 5 years after the circumstances giving rise to the entry or update cease to exist, unless otherwise provided by law.

**12.5** The Delegated Body shall identify, for the purposes of entry in the Permanent Section of the Insider Register, the persons who, by reason of their work or profession or the functions they perform, always have access to Inside Information and the reasons for such entry. The data of those who are entered in the Permanent Section are not included in the Occasional Sections. These persons - who are usually identified, by way of example but not limited to, as (i) the Chief Executive Officer and executive directors, (ii) the General Manager, (iii) the CFO and (iv) any other person identified by the Chief Executive Officer in accordance with the foregoing - are obliged to communicate from time to time to the Person Responsible the names of their secretarial support staff and any other names of collaborators who are in a position to have access to Inside and/or Important Information, for the purposes of including such persons in the Permanent Section of the Insider Register.

**12.6** The identification of persons to be entered in the Insider Register in the Occasional Section is carried out by the Delegated Body.

**12.7** The Insider Register consists of a system accessible via the Internet or Intranet protected by adequate security systems and access filters and credentials. The Company shall ensure:

- (i) the confidentiality of the information contained therein, ensuring that access to the list is limited to clearly identified persons who must have access to it by reason of their function and/or position within the Company;
- (ii) the accuracy of the information contained in the Insider Register;
- (iii) access to and retrieval of previous versions of the Insider Register within the legal limits of data retention.

**12.8** According to the applicable legislation, the Insider Register must be updated without delay, adding the date of the update, in the following cases:

- (a) change in the reasons for which a person is registered;
- (b) registration of new persons; and
- (c) termination of access to Inside Information by persons registered (in the Permanent or Occasional Sections).

The update must indicate the date and time when the change occurred that made the update necessary. Updating shall be carried out by the Appointed Party.

When the Inside information ceases to be privileged, the Company shall indicate this circumstance in the Insider Register and inform the persons indicated.

**12.9** The Company shall promptly take all reasonable steps to ensure that all persons entered in the Insider Register acknowledge, in written form:

- (i) their entry in the Insider Register, removal from it and updates of the information contained therein;
- (ii) the obligations deriving from having access to Inside Information and the sanctions established in the event of violation of the aforementioned obligations or in the event of unauthorised disclosure of Inside Information.

**12.10** The Delegated Body has the right to access the Insider Register at any time.

**12.11** The proper keeping and timely updating of the Insider Register in accordance with this Procedure and the applicable laws and regulations is the responsibility of the Company, despite the appointment of an Appointed Party.

**12.12** The Appointed Party shall promptly transmit to Consob the Insider Register or portions thereof whenever it receives an express request to do so, by the electronic medium indicated on the latter's website.

### **SECTION III** **COMMON REGULATIONS**

#### **13. DISSEMINATION OF THE PROCEDURE**

**13.1** The Procedure shall be brought to the attention of all Addressees by the Delegated Body, transmitting a copy of it, as well as to all persons entered in the Insider Register at the time of its entry.

**13.2** The Subsidiaries, through the persons responsible for the internal management of the entity, undertake to take note of this Procedure and to transmit a copy thereof to their Addressees.

#### **14. INFRINGEMENT OF PROCEDURE AND SANCTIONS**

**14.1** It should be noted that the abuse of Inside Information and market manipulation constitute offences subject to criminal and administrative sanctions against those who have committed such offences and may also give rise to situations entailing the administrative liability of the Company.

**14.2** Violation of the obligations established by the Procedure, even where it does not result in conduct directly sanctioned by the judicial authorities, constitutes serious damage for the Company, also in terms of image, with important economic and financial consequences. The violation also implies the possibility of claiming compensation from the author for the damages suffered by the Company and/or the Group.

**14.3** In the event of any violation of the provisions of the Procedure, the Company and other companies of the Group - each within their respective spheres of competence - shall proceed, with regard to the persons responsible, to adopt the measures provided for by the employment contract regulations (in the case of executives or employees) and by the provisions of the Civil Code, as well as, in general, to exercise the rights provided for or, in any event, deriving from the agreements entered into with said persons.

**14.4** Failure to comply with the Procedure may result in the author of the infringement being requested to pay compensation for all damages suffered by the Company, as well as the adoption of the most appropriate measures provided for and permitted by law.

**14.5** Without prejudice to the provisions of this Article 14, the provisions of Articles 180 et seq. of the Consolidated Law on Financial Intermediation, as well as the MAR and any other legal or regulatory provision in force from time to time, shall apply.

## **15. MISCELLANY**

**15.1** This Procedure, which was approved by the Board of Directors on 5-9 July 2019, shall come into force with effect from the date of commencement of trading of the Company's Financial Instruments on AIM Italy.

**15.2** Any amendments that may become necessary as a result of changes in the laws and regulations applicable to issuers with securities admitted to trading on AIM Italy shall be approved by the Board of Directors of the Company on the basis of a reasoned proposal by the Delegated Body.

## ANNEX A – INSIDE INFORMATION

“Inside information” shall mean any information of a precise nature which has not been made public relating directly to the Company, its Subsidiaries or one or more Financial Instruments and which, if it were made public, would be likely to have a significant effect on the prices of those Financial Instruments.

More specifically

Information is considered to be of a **precise nature** if it:

- a) it refers to a set of circumstances which exists or may reasonably be expected to come into existence or an event which has occurred or may reasonably be expected to occur;
- b) whether such information is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the Financial Instruments or related Derivative Financial Instruments. In this respect, in the case of a protracted process which is intended to bring about, or which determines, a particular circumstance or event, that future circumstance or event, as well as the **Intermediate Steps** in that process which are related to the bringing about or determination of the future circumstance or event, may be regarded as information of a precise nature.

An Intermediate Step in a protracted process is considered inside information if it meets the criteria set out in the MAR with regard to inside information (*precise nature, non-disclosure to the public and possibility of significantly influencing the prices of Financial Instruments*).

An Intermediate Step in a protracted process may be a set of circumstances or an event that exists or will, from a realistic perspective based on an overall assessment of the factors existing at the relevant time, exist or occur. However, this notion should not be interpreted as requiring consideration of the magnitude of the effect of that set of circumstances or event on the prices of the financial instruments in question. Information about an event or set of circumstances constituting an intermediate step in a protracted process may relate, for example, to the *status of contract negotiations, provisionally agreed contractual terms, the possibility of placing Financial Instruments, the terms on which such Instruments are sold, provisional terms for the placement of Financial Instruments, or the possibility of a Financial Instrument being included in a main index or the removal of a Financial Instrument from such an index.*

Information that, if disclosed to the public, would be likely to have a **significant effect on the prices** of Financial Instruments refers to information that a reasonable investor would be likely to use as one of the elements on which to base his investment decisions.

***In the assessment and internal management of Important and Inside Information and in identifying when a piece of Inside Information may be considered as such, the Company shall comply with the provisions of these Regulations, of the MAR and its implementing regulations, of the TUF, of the AIM Italia Regulations and of the Communications and Recommendations of ESMA and CONSOB (in particular, the "Operating Guide - Management of Inside Information" of CONSOB available on the website [www.consob.it](http://www.consob.it)) on the subject from time to time applicable (collectively, the "Guidelines").***



**ANNEX B**

**Annex 1 of Regulation 347**

Template 1

**List of persons with access to inside information - Section on [indicate contract-specific or event-related inside information]**

**Date and time (of creation of this section of the list or when the inside information was identified):** [yyyy-mm-dd, hh:mm UTC (Coordinated Universal Time)]

**Date and time (last update):** [yyyy-mm-dd, hh:mm UTC (Coordinated Universal Time)]

**Date of transmission to the competent authority:** [yyyy-mm-dd]

<b>Name of the access holder</b>	<b>Surname of the access holder</b>	<b>Birth Surname of the access holder</b>	<b>Business telephone numbers (business direct landline and cellphone)</b>	<b>Name and address of company</b>	<b>Purpose and reason for access to inside information</b>	<b>Entered (date and time at which the holder obtained access to inside information)</b>	<b>Ceased (date and time when the holder ceased to have access to inside information)</b>	<b>Date of birth</b>	<b>National identification number (if applicable)</b>	<b>Private telephone numbers (home and personal cellphone)</b>	<b>Full private address (street, number, town, postcode, country)</b>
[text]	[text]	[text]	[numbers (without spaces)]	[address of the issuer or third party access holder]	[description of the role, function or reason for being on the list]	[yyyy-mm-dd, hh:mm UTC]	[yyyy-mm-dd, hh:mm UTC]	[yyyy-mm-dd]	[number and/or text]	[numbers (without spaces)]	[the full private address of the holder of the access (street name and number, town, postcode, country)]

Template 2

**Permanent access section of the list of persons with access to inside information**

**Date and time (of creation of the permanent access section):** [yyyy-mm-dd, hh:mm UTC (Coordinated Universal Time)]

**Date and time (last update):** [yyyy-mm-dd, hh:mm UTC (Coordinated Universal Time)]

**Date of transmission to the competent authority:** [yyyy-mm-dd]

<b>Name of the access holder</b>	<b>Surname of the access holder</b>	<b>Birth Surname of the access holder</b>	<b>Business telephone numbers (business direct landline and cellphone)</b>	<b>Name and address of company</b>	<b>Purpose and reason for access to inside information</b>	<b>Entered (date and time at which the holder obtained access to inside information)</b>	<b>Date of birth</b>	<b>National identification number (if applicable)</b>	<b>Private telephone numbers (home and personal cellphone)</b>	<b>Full private address (street, number, town, postcode, country)</b>
[text]	[text]	[text]	[numbers (without spaces)]	[address of the issuer or third party access holder]	[description of the role, function or reason for being on the list]	[yyyy-mm-dd, hh:mm UTC]	[yyyy-mm-dd]	[number and/or text]	[numbers (without spaces)]	[the full private address of the holder of the access (street name and number, town, postcode, country)]