

# Procedure for Management of **INSIDE INFORMATION**

the Inside Information Register and  
the fulfilment of Insider Dealing  
obligations under EU Regulation  
no. 596/2014 - Market Abuse Regu-  
lation

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## 1. SCOPE

The purpose of this Procedure is:

- to ensure a correct treatment of the Privileged Information relating to the Company by the relevant persons;
- to regulate the notification obligations towards the market.

### 1.1 Reference regulatory framework

For the purposes of the preparation of this procedure (the Procedure) the following regulatory framework has been taken into account:

- Legislative Decree no. 58 of 24 February 1998 and subsequent amendments (TUF);
- Regulation adopted by CONSOB with resolution no. 11971 of May 14, 1999 and subsequent amendments (Issuer Regulations);
- CONSOB guidelines no. 1 of October 2017 for the management of Inside Information (Guidelines);
- Regulation (EU) no. 596/2014 of the European Parliament and the Council of the European Union of April 16, 2014 relating to market abuse (Market Abuse Regulation - hereinafter, the MAR Regulation);
- Implementing Regulation (EU) no. 1055/2016 of the European Commission of June 29, 2016 (Regulation 1055/2016);
- Directive (EU) no. 57/2014 of the European Parliament and the Council of the European Union of April 16, 2016 (MAD II Directive);
- Implementing Regulation (EU) no. 347/2016 of the European Commission of March 10, 2016 (Regulation 347/2016);
- Delegated Regulation (EU) no. 522/2016 of the European Commission of December 17, 2015 (Regulation 522/2016);
- Implementing Regulation (EU) no. 523/2016 of the European Commission of December 17, 2015 (Regulation 523/2016);
- Directive (EU) 65/2014 of the European Parliament and the Council of the European Union of May 15, 2014 on the financial instruments markets (MiFID II).

The latest version of this Procedure was approved and updated by the Board of Directors of Ansaldo Energia S.p.A. and is also published in the section called "corporate-governance/financial-statement" of the [ansaldoenergia.com](http://ansaldoenergia.com) website.

## 2. FIELD OF APPLICATION

This procedure shall apply to Ansaldo Energia Group.

## 3. REFERENCE

Transparency Directive

Directive 2013/50/EU on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market

## 4. ABBREVIATION, TERMS AND DEFINITIONS

The following Abbreviations, Terms and Definitions are used in the Process Description chapter and should be construed as references to this procedure.

### 4.1 Abbreviation

MAR	Market Abuse Regulation
GIP	Group Inside Information
MTF	Multilateral Trading Facility
OTF	Organized Trading Facility
FGIP	Inside Information Management Function
FOCIP	Issuer's competent organizational functions related to inside information
SDIR	System for the dissemination of information
CEO	Chief Executive Officer

### 4.2 Terms and Definitions

<b>Competent Authority</b>	the competent authority identified under the provisions of the MAR Regulation and Regulations 1055/2016, 347/2016, 522/2016 and 523/2016 (Regulations)
<b>CONSOB</b>	(National Commission for Joint-Stock-Companies and the Stock Exchange) the public authority responsible for regulating the Italian financial markets
<b>Issuer</b>	a legal entity governed by private or public law (for the purposes of this procedure Ansaldo Energia S.p.A.), which issues or proposes to issue financial instruments, the issuer being, in case of depository receipts representing financial instruments, the issuer of the financial instrument represented
<b>FGIP</b>	the Group of the Inside Information (GIP) composed by the Head of the Administration Finance and Control Function, the Head of Corporate and Legal Affairs Function and the Head the Compliance and Internal Auditing Function; for operational requirements, FGIP will be supported by the Compliance and Internal Auditing Function
<b>Group</b>	the group comprised of the companies that the Company directly or indirectly controls and the subjects that are part of one or more of them
<b>Material Information</b>	information that, if disclosed to the public, would probably have a significant effect on the prices of the Financial Instruments or Financial Derivative Instruments, and that a reasonable investor would probably use as one of the elements on which to base his investment decisions

## Inside Information

information that is understood to be:

- a) directly concerning the Company or the companies controlled by it;
- b) not disclosed to the public;
- c) so-called material information that, if made public, could have a significant effect on the prices of the Company's Financial Instruments or on the prices of related derivative Financial Instruments, that is, which a reasonable investor would probably use as one of the elements on which to base his investment decisions;
- d) having a precise character, that is, referring to a series of circumstances that exist or which can reasonably be expected to occur or to an event that has occurred or may reasonably be expected to occur; as well as being sufficiently specific to allow conclusions to be drawn about the possible effect of this set of circumstances or of said event on the prices of the Company's Financial Instruments, as defined in art. 7, paragraph 1, of the MAR Regulation and better specified in Section 4 of the Guidelines.

The intermediate stages of a prolonged process that is intended to bring about, or which determines, a particular circumstance or a particular event, from which Inside Information may arise, may also be considered Inside Information

## Relevant Information

information that the Issuer deems relevant, as it relates to data, events, projects or circumstances that, continuously, repetitively, periodically or intermittently, occasionally or unexpectedly, directly affects the Issuer and that may become inside information in the foreseeable future.

The monitoring of the information can be carried out keeping in mind the types of Inside Information that is usually made public:

- by the Issuer;
- by companies that are comparable to the Issuer in the European Union.

The following is a non-exhaustive list of types of Inside Information that could be of interest to an Issuer. Information pertaining, inter alia, to:

- ownership structures;
- 
- composition of the management;
- 
- management incentive plans;
- 
- activity of auditors;
- 
- capital raising transactions;
- 
- issue of Financial Instruments;

**Relevant Information**

- characteristics of the Financial Instruments issued;
- acquisitions, mergers, demergers, etc.;
- restructuring and reorganizations;
- transactions in Financial Instruments, buy-backs, and accelerated book-building;
- bankruptcy proceedings;
- legal disputes;
- revocation of bank credit lines;
- write downs/revaluations of assets or Financial Instruments in the portfolio;
- patents, licenses, rights, etc.;
- insolvencies of major debtors;
- destruction of or damage to uninsured assets;
- purchase or sale of assets;
- performance of the company;
- changes in expected accounting results (profit warning and earning surprise);
- receipt or cancellation of significant orders;
- entry into new (or exit from) markets;
- modification of investment plans;
- dividend distribution policy

**Relevant Transactions**

transactions involving the Issuer's Financial Instruments carried out by Relevant Persons or by Closely Associated Persons, respectively, directly or through intermediaries, trustees or subsidiaries

**Insider**

any person who has access to Inside Information and with whom a professional relationship exists, including on the basis of an employment contract or the like and who, in carrying out certain duties, has access to the Inside Information, such as, for example, advisors, accountants or credit rating agencies

**Closely Associated Persons**

these are persons related to Relevant Persons, better identified in paragraph 5.4.1 of this Procedure

<b>Process</b>	the organizational process of managing the obligations relating to the publication of Inside Information and to the Insiders List
<b>Insider List</b>	the list of persons having access to Inside Information pursuant to the provisions of Article 18 of the MAR Regulation, as illustrated in paragraphs 5.1.5.1 to 5.1.5.5 of this Procedure
<b>Trading Venue</b>	a trading venue as defined in Article 4, paragraph 1, point 24) of MiFID II
<b>Company</b>	Ansaldo Energia S.p.A
<b>Subsidiaries</b>	the companies over which the Issuer exercises direct or indirect control pursuant to Article 93 of the TUF. Therefore, for the purposes of this Procedure, the terms "control", "parent company", "subsidiary", "controls" and similar expressions indicate the relationships contemplated by Article 93 of the TUF
<b>Person in charge</b>	FGIP, person appointed to receive, manage and handle the dissemination of information to the market relating to Relevant Transactions; for operational requirements, FGIP will be supported by the Compliance and Internal Auditing Function
<b>Relevant Persons</b>	the subjects indicated in paragraph 5.4.1 of this Procedure
<b>Financial Instruments</b>	<p>the financial instruments defined in Article 4, paragraph 1, point 15 of MiFID II, as listed in Annex A and</p> <ul style="list-style-type: none"> <li>a. financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;</li> <li>b. traded on a multilateral trading facility (MTF), admitted to trading on an MTF or for which an application for admission to trading on an MTF has been made;</li> <li>c. financial instruments traded on an organized trading system (OTF); or</li> <li>d. financial instruments not covered by letters a), b) or c), the price or value of which depends on or has an effect on the price or value of a financial instrument referred to in those points, including, but not limited to, credit default swaps and contracts for difference</li> </ul>
<b>Issuer's Financial Instruments</b>	The Issuer's units or debt securities or the financial derivative instruments or the Issuer's financial instruments connected to them.

## 5. PROCESS DESCRIPTION

The process described in this procedure relates to the AE Group process "Compliance".

This Procedure - the Annexes of which form an integral and substantial part - is adopted by the Company in the implementation of the regulations contained:

- a. in article 17 and related articles of the MAR and Regulation 1055/2016 concerning the organizational measures that the issuers must implement for the internal management and external disclosure of Inside Information;
- b. in article 18 and related articles of the MAR and in Regulation 347/2016 regarding the establishment of the Insiders List;
- c. in article 19 and related articles of the MAR and in Regulations 522/2016 and 523/2016 concerning Insider Dealing and Closed Periods.

Regarding point a), the Procedure - also applicable to the Group's companies - regulates both the prodromal phases that lead the Issuer to identify and protect the Relevant Information, that is, that information likely to take on, later, an inside nature, and the final part of the management of the process, that is, the segregation, the possible delay - provided that certain conditions occur - of the disclosure and the publication of Inside Information. In particular, the activities defined in this Procedure are carried out according to the following Process:

1. identification of specific Relevant Information, starting from the mapping of the relevant information flows;
2. monitoring the circulation of that information, also on the basis of the path that the specific Relevant Information takes over time through the company's organizational units, as defined in the Procedure itself; monitoring, which also makes use of a list of that information (Relevant Information List);
3. identification of the moment in which the specific Relevant Information becomes inside information, followed by, nearly simultaneously, both the segregation of the Inside Information (and the involvement of the Insiders List) and the decision regarding disclosure or delay;
4. disclosure of Inside Information or, alternatively, the monitoring by the Issuer of the conditions that enable the disclosure to be delayed;
5. publication of the Inside Information when the monitoring of point 4) reveals that the conditions that enabled the delay no longer exist.

In addition, this Procedure also regulates the transactions on the Financial Instruments issued by the Issuer, on the Issuer's derivative instruments or on the Financial Instruments linked to them by certain subjects that hold top positions within the Company (Insider Dealing) as well as the scope of the prohibition to carry out transactions with these Financial Instruments by persons who perform administrative, control or management functions of the Group (Closed Period).

The applicable legislation also provides for serious administrative and criminal consequences for the natural persons responsible for offenses related to market abuse (e.g. abuse of Inside Information or market manipulation). In some cases such offenses may also be deemed as the liability of one or more companies of the Group pursuant to Legislative Decree no. 231/2001 (Legislative Decree 231/01) - on the administrative liability of institutions - if committed in their interest or to their advantage. In this sense, the Procedure is a fundamental component of the



Company's internal control and risk management system, as well as an integral part of the overall system for the prevention of offenses pursuant to Legislative Decree 231/01.

## **SECTION I - Inside Information**

### **5.1 Identification and management of inside information**

#### **5.1.1 Organization and Internal Information System**

In order to accomplish the objectives of the Process aimed at fulfilling the obligations set out in the MAR regarding the publication of inside information, the Issuer adopts organizational and procedural mechanisms consistent with its governance system and intended to be implemented in the more organizational functions or departments in charge of monitoring the disclosure of inside information.

##### **5.1.1.1 Management of Inside Information (FGIP)**

The Issuer identifies an organizational function FGIP which is responsible for the management and application of the Process and the Procedure.

The FGIP is invested with the authority, resources and expertise necessary for the full, timely, and effective performance of the following tasks regarding the management and publication of Inside Information. In particular, making use of FOCIP it:

- contributes to the definition and periodic evaluation of the Process and the Procedure;
- gives instructions to the FOCIP for the proper application of the same;
- provides for the mapping of Relevant Information;
- defines the criteria for the identification of specific Relevant Information;
- identifies the specific Relevant Information and monitors the Relevant Information List prepared by the Issuer;
- gives instructions for the proper management of the Relevant Information List;
- monitors the circulation of Relevant Information;
- identifies the moment in which the specific Relevant Information becomes inside information;
- gives instructions for the correct management of the Insiders List;
- decides when the Inside Information is disclosed;
- monitors the existence of conditions that delay the publication of Inside Information;
- monitors the circulation of Inside Information.

In addition, the FGIP offers its employees and the FOCIP solid technical support to facilitate the identification of the nature of the information they process and to clarify the critical issues related to the situation examined from time to time.

Finally, the FGIP uses a structured coordination tool, composed of the FOCIPs involved in the management of the Relevant Information or Inside Information, in particular for the performance of the aforementioned tasks.

### **5.1.1.2 Competent Organizational Functions related to Inside Information (FOCIP)**

The FOCIPs are the Issuer's functions involved for various reasons in the dynamic generation and management of information flows within the Group.

The FOCIPs comply with the instructions in the Procedure and respond quickly to the instructions given and to the requests made by the FGIP.

They assist and report to the FGIP if specific information in the Issuer's internal information flows has relevant characteristics. Furthermore, the FOCIPs inform the FGIP of the reasons for which they believe that this information is to be considered relevant.

## **5.1.2 Identification and management of Relevant Information**

### **5.1.2.1 Mapping of Relevant Information flows**

In order to fulfil the obligation to disclose inside information as soon as possible, the Issuer identifies and monitors the Relevant Information flows by means of specific mapping.

In this context, the Issuer, on the basis of the specific nature of its activities and in a manner consistent with the procedures aimed at ensuring the confidentiality and protection of information flows outlined in its governance system, identifies and monitors the types of Relevant Information, that is, those types of information that the Issuer deems relevant, as they relate to data, events, projects or circumstances that, continuously, repetitively, periodically, occasionally, or unexpectedly, directly affect the Issuer and which may become inside information in the foreseeable future.

The FGIP continuously evaluates the adequacy of the mapping of the types of Relevant Information, modifying it where necessary according to predefined methods, for example to include any new categories, where required.

The FGIP is informed by the FOCIPs regarding the existence and evolution of individual specific Relevant Information. The FOCIPs inform the FGIP of the reasons for which they believe that this specific information is relevant. The FGIP shall store the evidence regarding these reasons.

For an Issuer of only bonds, the mapping includes those types of information that usually affect the value of the bonds issued, such as, by way of a non-limiting example:

- the Issuer's rating;
- changes to the characteristics and terms and conditions of the Financial Instruments;
- the exercise of the options provided for by the terms and conditions of the Financial Instruments in question;
- buy-back transactions of the Financial Instruments in question;
- the Issuer's debt ratio;
- the issue of new Bonds.

### **5.1.2.2 Relevant Information List**

In order to monitor the circulation of specific Relevant Information, the Issuer, through the FGIP, establishes and periodically updates the Relevant Information List. The FGIP is responsible for the proper maintenance of the Relevant Information List, even outsourced to another of the Issuer's functions.

The Relevant Information List contains the list of the insiders who have access to each Relevant Information.

From time to time the FOCIPs report to the FGIP all persons not indicated in the mapping, pursuant to paragraph 5.1.2.1 above, who have access to the specific Relevant Information including due to self-disclosure. The FGIP shall promptly update the Relevant Information List.

With regard to the methods by which to establish, maintain, and update the Relevant Information List, refer to paragraphs 5.1.5.1 to 5.1.5.5 of this Procedure, since the same provisions envisaged for the Insiders List apply with the appropriate adaptations.

### **5.1.3 Identification of Inside Information**

#### **5.1.3.1 Characteristics of Inside Information**

In the definition provided by the MAR, information is made up of events and/or a series of circumstances that have occurred or will occur. In addition, in the case of a prolonged process that takes place in several stages, each intermediate stage of the process can, in turn, be made up of an event or by a series of circumstances that have occurred or will occur. Information relating to an event or a series of circumstances that constitute an intermediate stage in a prolonged process may include, for example:

- the status of contractual negotiations;
- the provisionally agreed upon contractual conditions;
- the possibility of placing Financial Instruments;
- the conditions under which these Financial Instruments are traded;
- the provisional conditions for the placement of Financial Instruments, or the possibility that a Financial Instrument may be included in a main index, or the exclusion of a Financial Instrument from such an index.

However, to establish the "inside" nature of information it is necessary to verify the existence of four conditions:

- it must directly concern the Issuer in question;
- it must not have been disclosed;
- it must have a precise nature;
- it must be Material Information.

The Issuer verifies the coexistence of the aforementioned conditions by means of specific criteria for each type of Relevant Information, briefly listed in the following paragraphs.

#### **5.1.3.2 Information concerning the Issuer directly**

The Issuer shall exclusively make public the information concerning it directly. Therefore, the Issuer shall not disseminate information to the public that, for example, while influencing the prices of the Financial Instruments issued by the Issuer, originates from external subjects (e.g., investment recommendations and suggestions on the value of the Financial Instruments; decisions of public authorities on taxation, sector regulation, or debt management).

On the contrary, the Issuer shall make public that information concerning the events referred to in paragraph 5.1.2.1, including, in a non-exhaustive manner:

- the Issuer's rating;
- the changes to the characteristics and terms and conditions of the Financial Instruments;
- the exercise of the options provided for by the terms and conditions of the Financial Instruments;
- buy-back transactions of the Financial Instruments;
- the Issuer's debt ratio;
- the issuance of new bonds.

Following the publication of information that indirectly concerns the Issuer, it is possible that Relevant Information that was not considered inside information by the Issuer may become such.

### **5.1.3.3 Information that has not been disclosed**

Information shall not be considered public domain until it is disclosed to the public personally by the Issuer with the specific procedures provided for by the MAR (see paragraph 5.3 of this Procedure for matters concerning compliance).

Typical exceptions to this principle may be those cases in which:

- the information has already been properly disclosed pursuant to the MAR by other issuers involved in the event underlying the transaction;
- the information has been disclosed by press agencies that assure with certainty that the source of information is the Issuer itself.

In any case, the Issuer must disclose the information in the manner and according to the schedule established by the applicable law.

### **5.1.3.4 Precise information**

Information - even incomplete - is deemed to be precise when two conditions occur simultaneously:

- a. if it refers to a series of circumstances that exist or that can reasonably be expected to occur or to an event that has occurred or may reasonably be expected to occur;
- b. if such information is sufficiently specific to allow conclusions to be drawn regarding the possible effect of that set of circumstances or of that event on the prices of the Financial Instruments or the related derivative financial instrument.

The condition referred to in point a) above concerns the future circumstances or events in relation to which, on the basis of an overall assessment of the elements already available, concrete prospects that they will come into existence or will happen appear. This regardless of the magnitude of the effects which that set of circumstances or event are likely to cause with regard to the price of the Financial Instruments in question: this last element relates, in fact, to the "materiality" of the information.

Given that the precise nature of the information is assessed on a case-by-case basis and depends on the information itself and the relative context in which it develops, some general points can be made. In determining whether a series of circumstances exists or an event has occurred, a key element is whether there is stable or objective evidence. The aforementioned circumstances or events to be considered shall not be rumours or mere conjectures without any concrete evidence.

In considering whether we can reasonably believe that the circumstances which the information refers to come to be or that the event to which the information refers will occur, a key issue is whether it is possible to delineate that conclusion on the basis of the information available at the time in which the assessment is made, that is, ex ante.

With regard to the condition listed in point b) above, the Issuer shall check whether the information:

- is such as to allow a reasonable investor (see paragraph 5.1.3.5 below) to make an investment decision without risk or with a very low risk,
- may be immediately exploited on the market (for example, when it is likely that market participants would operate on the basis of the information at the time of its disclosure).

The condition referred to in point b) to a certain extent ties the condition of the precise character to that of materiality and shows how the possible effect of the event on the prices of the Financial Instruments may also involve derivative Financial Instruments.

This implies that, for example, information about an event the precise impact of which on share prices is unclear while the impact of which on volatility is clear, could be deemed precise. In fact, the change in volatility has a direct impact on the price of derivative Financial Instruments.

In general, the condition referred to in point b), relating to the precise character of the information, is met whatever the variation of the price (increase or decrease): the condition does not require that it be possible to deduce with a sufficient degree of probability from the information, that the potential influence of the information on price will go in a particular direction.

### **5.1.3.5 Materiality of information**

This is the kind of information which, if communicated to the public, would probably have a significant effect on the prices of the Financial Instruments and/or Derivative Financial Instruments, that is, "information that a reasonable investor would probably use as one of the elements on which to base his investment decisions".

The reasonable investor bases decisions on publicly available information and considers:

- the impact of information in light of the overall activity of the Issuer;
- the significance of the information with regard to the main determinants of the price of the Financial Instrument;
- the reliability of the source of information;
- any other market variable which, in the given situation, may affect the Financial Instrument in question (prices, returns, volatility, liquidity, correlations with other financial instruments, quantities traded, supply, demand, etc.).

To establish the existence of the "likely significant price effect" an ex ante analysis should be carried out. This involves estimating the degree of probability with which an effect on prices can reasonably be expected.

"Probable" means that, on one hand, the mere possibility that the information may have an effect on prices is not sufficient and, on the other, that a degree of probability close to certainty is not necessary.

In this regard, the Issuer analyses - taking into due consideration that the materiality varies according to a number of factors (e.g. size of the Issuer, recent developments, market sentiment regarding the Issuer and the sector in which it operates) - the probability and significance that the information produces on the prices of the Financial Instruments through the aid of a series of indicators, including, by way of example:

- the type of information in question has already had a significant effect on prices in the past;
- previous research or opinions of financial analysts indicate that the type of information is price sensitive;
- the Issuer has previously qualified similar information as inside information.

#### **5.1.4 Relations between the Issuer and the Group**

The companies of the Group shall promptly notify the Issuer's FGIP about any information relating to events occurring in their sphere of activity which may qualify as Inside Information.

#### **5.1.5 Segregation of Inside Information**

When Relevant Information is identified as Inside Information the Issuer shall record its decision on a technical tool able to guarantee its accessibility, legibility and durability over time. The information thus stored shall also include:

- date and time at which the information became inside information;
- date and time at which the Issuer decided to qualify the information as inside information;
- identity of the persons who made the decision or participated in the decision-making process.

The Issuer shall adopt a set of measures (barriers) to segregate the inside information, in order to avoid access to Inside Information by subjects (internal or external to the company) that should not access it in their normal work activities or office, that is, subjects who do not need to know the Inside Information.

One of these measures involves the creation and maintenance of an Insiders List.

##### **5.1.5.1 Establishment of the Insiders List**

The Insiders List includes all those who have a professional, employment, or similar relationship with the Issuer and who, in the performance of their duties, have access to Inside Information (e.g. consultants, accountants or credit rating agencies).

With reference to the insiders that are also Relevant Persons, the provisions contained in this article shall be deemed applicable cumulatively with the provisions on Insider Dealing contained in paragraphs 5.4 and 5.5 of this Procedure.

The Insiders List must also include those persons who have a professional relationship with a company in a control position and who also may have access to the Issuer's Inside Information. Subsidiaries are not bound by Article 18 of the MAR and therefore are not bound to draw up their own Insiders List.

Persons acting in the name or on behalf of the Issuer shall draw up their own Insiders List. It is possible, of course, for there to be differences with respect to the assessments between the Issuer and the persons acting in the name or on behalf of the Issuer regarding the inside nature

of the information. The responsibility regarding the preparation of the Insiders List falls separately on the two subjects.

When the Issuer becomes aware of the fact that a person acting in its name or on its behalf has its own Insiders List in relation to information that the Issuer does not have, in contrast, qualified as inside information, the Issuer takes this circumstance into account but is not obliged to deem this information as inside information and to add a special section in its Insiders List.

### **5.1.5.2 Management of the Insiders List**

The Issuer subdivides the Insiders List into separate sections, one for each Inside Information (Main Section). The FGIP identifies the subjects to be registered - or to be removed - in the Main Section of the Insiders List. Each Main Section contains only the information of insiders considered in the section in question.

If the information concerns a long process that takes place in several stages, the section of the Insiders List may refer to all stages of the process.

The Insiders List is drawn up, adding the date of the first drafting of the section, in an electronic format that at all times guarantees the confidentiality of the information contained therein, its accuracy, as well as access to and retrieval of previous versions. This electronic format conforms to Template 1 of Annex F of Regulation 347/2016 and is shown in Annex B to this Procedure. Each time new Inside Information is identified, a new and specific Main Section is added to the Insiders List.

The Insiders List shall include an additional section (Permanent Section), which shall include the information regarding insiders who have access to all Inside Information as a result of the function or position they hold within the Issuer's structure (Permanent Insiders and, together with the persons registered in the Main Section, the Registered Persons). This section is prepared in an electronic format conforming to Template 2 of Annex F of Regulation 347/2016 and is contained in Annex C to this Procedure. The information regarding Permanent Insiders indicated in the Permanent Section are not indicated in the Main Sections of the Insiders List.

The Main Section and the Permanent Section of the Insiders List shall contain at least:

- the identity of all Registered Persons;
- the reason why the Registered Persons have been included in the Insiders List;
- the date and time at which the registration took place;
- the date the list was drawn up.

For the purposes of this Procedure, the persons holding the positions or functions indicated below shall be registered in the Permanent Section where established by the Issuer:

- the Chief Executive Officer;
- the General Manager, where this position exists;
- the Chairman of the Board of Directors

Any additional subjects to be registered in the Main Section and in the Permanent Section, or to be removed from them, are identified by the FGIP with the support of the FOCIPs. The names of the subjects to be registered, or, depending on the case, to be removed, are communicated to the FGIP, which must promptly update the Insider List.

### 5.1.5.3 Obligations of Registered Persons

The Registered Persons shall in turn identify, to their knowledge:

- which additional persons, in their structure and/or corporate function within the Issuer or the Group corporate structure, may have access to Inside Information;
- third parties who have a collaborative relationship with the Issuer (for example, the auditing firm and/or legal/tax consultants, etc.) who
  - may have access to Inside Information and who therefore, are to be registered in a Main Section of the Insiders List, or
  - which have ceased to have access to Inside Information and who, therefore, are to be removed from a Main Section of the Insiders List.

In accordance with paragraph 5.1.5.4 below, the Registered Persons shall communicate the names of the subjects identified pursuant to the foregoing, to the FGIP. The latter shall duly and promptly update the Insiders List as established and indicated in paragraphs 5.1.5.4 and 5.1.5.5 of this Procedure.

The Subjects registered in the Permanent Section are not required to also be registered in the other main sections of the Insiders List.

### 5.1.5.4 Insiders List entries' content and related updates

Taking into account the sections the Insiders List is composed of (that is, Main Sections and possible Permanent Section), the FGIP records the following information in the Insiders List:

- the date and time the section was created, meaning the date and time when the Inside Information was identified;
- for each Registered Subject:
  - date and time of registration of the person in the Insiders List, meaning the date and time in which the Insider had access to the Inside Information;
  - identity of the person who has access to the Inside Information:
    - in the case of natural persons, the name, surname, telephone number, professional and private telephone number (home and personal mobile phone), date of birth, tax code, full private address (street, number, locality, postal code, country, etc.), e-mail address for communications relating to this Procedure;
    - in the case of a legal person, body or professional association the following information must be indicated: company name, registered office and VAT number, as well as the information referred to in letter (a) above relating to a contact person that is able to identify the persons (pertaining to the legal person, body or professional association or otherwise related to the same body) who have had access to Inside Information.
  - company and type of relationship with the Issuer;
  - reason for which the person is registered in the Insiders List;
  - update and reason for updating the information contained in the Insiders List;
  - date and time of each update of the information already entered in the Insiders List;



- elimination and reason for the elimination from the Insiders List;
- date and time of elimination of the person from the Insiders List, meaning the date and time when the Subject ceased to have access rights to the Inside Information in question.

#### **5.1.5.5 Keeping and Updating the Insiders List**

The FGIP shall keep the Insiders List and in agreement with the FOCIPs as and when required, shall provide for the new entries and related updates on the basis of the information received from the subjects indicated in paragraphs 4.5.2 and 4.5.3 above. In addition, the FGIP shall monitor the persons registered in each of the Main Sections of the Insiders List, verifying the appropriateness of the registrations related to the persons indicated in paragraph 4.5.3, which, by virtue of the provisions of the same paragraphs and according to the procedures and criteria indicated therein, are required to communicate to the FGIP the information relating to the persons to be registered in, or removed from, the Main Section of the Insiders List.

The Insiders List must be updated promptly, inter alia, upon occurrence of the following events:

- a change regarding the reason for the inclusion of a Registered Subject in the Insiders List;
- a new person has access to Inside Information and must therefore be recorded in the Insiders List;
- the Insider no longer has access rights to Inside Information.

Each update indicates the date and time when the change that made the update necessary occurred.

The data relating to the Subjects registered in the Insiders List are kept in an electronic format for at least five years after the circumstances that led to the registration or update no longer exist.

The communications relating to the registrations in, or the removal from, the Insiders List are sent in writing via e-mail to the address email [infoprivilegiate@ansaldoenergia.com](mailto:infoprivilegiate@ansaldoenergia.com) and must contain all the necessary information for the proper and complete registration and/or updating of the Insiders List pursuant to this Procedure. The FGIP shall enter the information received in the Insiders List. If the FGIP finds that information is missing, it shall contact the relevant Registered Subject, who shall promptly communicate the requested missing information.

Registration in the Insiders List and any subsequent updates (including removal) are communicated by the FGIP to the interested party promptly and in any case no later than 5 working days from the occurrence of the event. To this end, the FGIP sends a special communication via e-mail (Transmission Letter - Inside Information) to the Registered Persons with the information note regarding their registration in the Insiders List (or the updating of the same), and - when it is the first registration - the communication shall include the legal and regulatory obligations resulting from this Procedure and the penalties applicable for the infringement of its provisions. A copy of this Procedure shall be attached to the aforementioned Transmission Letter - Inside Information (prepared using the form sheet AE-FM-017 of this Procedure).

The Registered Persons, within 3 working days of the delivery or receipt of the Transmission Letter - Inside Information, are required to communicate in writing to the Person in Charge that they have received the information and fully accept its contents.

With respect to the first application of the Procedure, the deadlines established in the paragraph above for the FGIP's fulfilment of its obligations start from the date the Procedure enters into force, with reference to the subjects already registered in the Insiders List on that date. Where required, the Issuer shall forward the Insiders List to the Competent Authority.

## **5.2 Delay in disclosure**

The Issuer may delay the publication of Inside Information, undertaking the responsibility therefore, even if this information has emerged during a long process, provided that all the following conditions are met:

- the immediate disclosure would probably undermine its legitimate interests;
- the delay of the disclosure probably would not have the effect of misleading the public;
- the Issuer is able to guarantee the confidentiality of the Inside Information.

### **5.2.1 Identification of conditions for delaying disclosure**

#### **5.2.1.1 Legitimate interests**

Typical situations in which the immediate disclosure would compromise the legitimate interests of the Issuer are.

- the development of a new product or invention,
- the purchase or sale of significant shareholdings in another entity, or
- the financial sustainability of the Issuer is in serious and imminent danger. On the contrary, by way of example, the failure to appoint a successor in the case of the CEO's resignation would not be a situation in which the immediate disclosure would compromise the legitimate interests of the Issuer.

The Issuer shall verify the circumstances in which the immediate disclosure would likely compromise its legitimate interests, also on the basis of the - non-exhaustive - list of situations provided in the ESMA Guidelines 2016/1478.

#### **5.2.1.2 Effect of misleading the public**

The delay of the disclosure shall not have the effect of misleading the public. In this context, the Issuer shall consider the following to be situations in which the delay of the disclosure would have the effect of misleading the public:

- the substantial difference between the Inside Information and the prior public release of information by the Issuer on the same subject,
- the failure to achieve the financial objectives where such objectives have previously been announced publicly, or
- the conflict between the Inside Information and the market expectations, if the expectations are based on messages that the Issuer has previously sent via appropriate means of disclosure.

### **5.2.1.3 Ensuring confidentiality**

The Issuer shall define a series of both internal and external protective measures (barriers) to prevent access to Inside Information by subjects other than those who need to access it for their normal work activities or office.

The Issuer shall ensure that all Inside Information remains confidential. In this context, external and internal organizational measures must be adopted, including the establishment of the Insiders List pursuant to paragraph 5.1.5.1 of this Procedure, suitable to segregate all Inside Information and prevent its improper internal and external circulation.

### **5.2.1.4 Registration of the decision to delay the disclosure of inside information**

The Issuer shall register the decision to delay the disclosure of Inside Information in an electronic format in which the following data must be included:

- date and time of the decision to delay the disclosure;
- estimate of the date and time of the probable disclosure of the Inside Information;
- identity of the persons who have made the decision to delay the disclosure and the decision establishing the date and time the delay period starts and the date and time it is expected to finish;
- identity of the persons who will deal with the monitoring of the conditions enabling the delay;
- evidence of the conditions enabling the delay, including:
  - both internal and external protective barriers to prevent access to Inside Information by subjects other than those who need to access it for their normal work activities or office;
  - the arrangements made to disclose Inside Information as soon as confidentiality is no longer guaranteed.

### **5.2.1.5 Monitoring of conditions that delay the disclosure of inside information**

The Issuer shall continuously monitor the conditions that enable a given disclosure to be delayed and, at the same time, shall prepare a draft of the disclosure itself to be disseminated to the public in the event that one of the aforementioned conditions is no longer valid.

If, during the monitoring, at least one condition enabling the delay is no longer valid, the Issuer shall disclose the Inside Information as soon as possible.

In addition, the Issuer shall disclose the Inside Information in the following cases:

- if a rumour that explicitly refers to the Inside Information is sufficiently accurate to indicate that the confidentiality of such information is no longer guaranteed;
- if the Issuer, or a person acting in its name or on its behalf, while carrying out its work activities, communicates, intentionally or unintentionally, the Inside Information in question to a third party who is not obliged to maintain confidentiality.

Immediately after the disclosure of the Inside Information which was the object of delay, the Issuer shall report to CONSOB that the information just disclosed was delayed and provide a written explanation regarding how the conditions for the delay were met together with the following data:

- identity of the Issuer (full company name);

- contact details of the notifier (professional e-mail address and telephone number);
- identification of the Inside Information affected by the delay of its publication (title of the press release, reference number, if assigned by the system used to publish Inside Information, date and time of the disclosure of the Inside Information to the public);
- date and time of the decision to delay the publication of the Inside Information;
- the identity of all those responsible for the decision to delay the disclosure in question.

The notification to CONSOB shall be addressed to [consob@pec.consob.it](mailto:consob@pec.consob.it) (if it is not possible to send a PEC or certified e-mail, to [protocollo@consob.it](mailto:protocollo@consob.it)), specifying the "Markets Division" as recipient and indicating the subject "MAR MAR Delayed disclosure" ("MAR Ritardo comunicazione") at the beginning.

## 5.3 Disclosing inside information

### 5.3.1 Disclosure methods

The Issuer shall disclose Inside Information so as to enable its quick access and in order to facilitate its complete, correct, and timely assessment by the public.

To this end, the Issuer admitted to trading on a regulated market uses a system for the dissemination of information (SDIR) or proceeds with the disclosure of the information in a suitable manner that ensures compliance with the provisions of the Transparency Directive.

The SDIR is run by some companies that carry out the dissemination of information on behalf of the Issuer.

Alternatively to the use of an SDIR, the Issuer shall disseminate Inside Information with tools able to:

- disseminate information:
  - without discrimination to as broad an audience as possible,
  - free of charge,
  - simultaneously through out the European Union;
- disclose information, directly or through third parties, to the media which the public reasonably trusts to disseminate such information. The disclosure shall be carried out through electronic means that are able to preserve the completeness, integrity and confidentiality of the information being transmitted and clearly indicates:
  - the inside nature of the information communicated;
  - the identity of the issuer: full business name;
  - the identity of the notifier: name, surname, position at the issuer;
  - the subject of the inside information;
  - the date and time of the disclosure to the media.

If an SDIR is not used, the issuer shall disseminate the inside information by transmitting it to an appropriate number of media outlets, at least three, two of which must have national circulation by inserting the term "informazione privilegiata" ("Inside information").

The Issuer sends the press release to the media through a PEC (certified e-mail) or alternatively, in the event a PEC is not possible, via e-mail in such a way as to preserve the completeness, integrity, and confidentiality of the information transmitted.

The Issuer shall disclose and maintain the Inside Information that it has made known to the public on its website <http://www.ansaldoenergia.com> for at least five years. The Inside Information published shall include the date and time of disclosure and shall be displayed in chronological order.

### **5.3.2 Verification of the publication**

Where no SDIR has been used, the Issuer shall continuously monitor the actual dissemination of the Inside Information transmitted, urging the disclosure channels used to publish it where they have not.

## **SECTION II - Insider Dealing**

### **5.4 Regulation of insider dealing**

The regulation of insider dealing - that is, the regulation of the transparency of transactions involving financial instruments made by company representatives of the companies themselves and by persons closely associated with them - is contained in Article 19 of the MAR, as well as in the related implementing provisions contained in Regulation 522/2016 and Regulation 523/2016.

With reference to Relevant Subjects who have knowledge of Inside Information, the provisions contained in this Section II shall be applied cumulatively to the provisions concerning the processing of Inside Information contained in Section I of this Procedure.

#### **5.4.1 Identification of Relevant Persons**

Pursuant to the MAR, Relevant Persons and Closely Associated Persons are required to report their Relevant Transactions to the Competent Authority and to the Issuer.

Relevant Persons for the purposes of this Procedure are:

- a. the members of Board of Directors and Statutory Auditors of the Issuer;
- b. senior managers who, although not members of the bodies referred to in letter a) above, have regular access to Inside Information directly or indirectly concerning the Issuer and hold the power to adopt management decisions that may affect the evolution and future prospects of the Issuer.

Closely Associated Persons for the effects of this Procedure are:

- c. the spouse or partner equivalent to a spouse under national law, dependent children under national law, and, any person cohabitating for at least one year on the date of a Relevant Transaction, the relatives of the Relevant Persons (collectively, the Relevant Family Members);
- d. a legal person, trust or partnership the management responsibilities of which are held by a person who performs administrative, supervisory or management functions or by a person referred to in point (c), either directly or indirectly controlled by that person, or that has been established for his benefit, or whose economic interests are substantially equivalent to the interests of that person.

With reference to Relevant Persons who are also Insiders, the provisions contained in this paragraph and paragraph 5.5 below shall be deemed applicable cumulatively with the provisions in paragraph 5.2 of this Procedure.

#### **5.4.2 Person in Charge**

The Person in Charge is responsible for receiving, and managing the dissemination of information to the market relating to Relevant Transactions on behalf of the Issuer.

The following functions are assigned to the Person in Charge:

- drafting and updating the list of the Relevant Persons who have undertaken to comply with the Procedure, keeping a copy of the relevant declarations of awareness and acceptance
- drafting and updating the list of names of the Closely Associated Persons whom the Relevant Persons have notified with regard to the disclosure obligations for the Relevant Transactions to which they are entitled, keeping a copy of the relevant disclosure information note sent by each Relevant Person to his identified Closely Associated Persons;
- reception of information transmitted by the Relevant Persons pursuant to the Procedure;
- management of the information sent by the Relevant Persons: this management includes its storage in a specific archive, also in an electronic format, received or transmitted according to the Procedure, as well as the verification and selection of the Relevant Transactions communicated by the Relevant Persons necessary for the proper fulfilment of the disclosure obligations to the public and to the Competent Authority referred to in the specific paragraph of this Procedure;
- transmission of information to the public and to the Competent Authority and making it available on the Company's website;
- carrying out the additional functions established in the Procedure;
- disclosure to the Board of Directors of all those matters pertaining to the implementation of the Procedure, where it is deemed appropriate or necessary, also in order to propose amendments and/or additions to the Procedure pursuant to paragraph 5.6 of this Procedure.

The Person in Charge has the right to request, by e-mail with acknowledgment of receipt, that each Relevant Person provide any information, clarification and/or supplementation, including related to Closely Associated Persons, necessary and/or useful for the implementation of this Procedure. The Relevant Person to whom the request is made must reply to the Person in Charge, by e-mail with acknowledgement of receipt, within 15 working days from the date the request was received. The deadline within which the Relevant Person is required to respond to the Person in Charge is reduced to 2 working days in the case of urgency duly indicated by the Person in Charge.

The Person in Charge is required to fulfil the obligations set forth in this Procedure with the diligence in line with the function covered.

#### **5.4.3 Identification of transactions subject to reporting obligations**

Relevant Persons and Closely Associated Persons must communicate and report all Relevant Transactions in accordance with the terms and conditions referred to in paragraph 5.4.5 of this Procedure.

By way of example, the MAR and Regulation 522/2016 identify the types of Relevant Transactions as indicated in the following table.

## **EXAMPLES OF RELEVANT TRANSACTIONS**

Acquisition, assignment, short selling, underwriting or exchange.

The acceptance or the exercise of an option right, including an option right granted to persons conducting administrative, control or management functions or to employees as part of the remuneration due to them, and the sale of shares resulting from the exercise of option rights.

Adherence to exchange contracts connected to equity indices or the implementation of such contracts.

Transactions in derivative instruments or connected to them, including transactions with cash settlement.

Adherence to a contract for difference related to a financial instrument of the Issuer in question.

The acquisition, sale, or exercise of rights, including put and call options, as well as warrants.

The subscription of a capital increase or the issue of debt securities.

Transactions in derivative instruments and financial instruments linked to a credit instrument of the Issuer in question, including credit default swaps.

Conditional transactions subject to certain conditions and the effective conduction of the transactions.

Automatic or non-automatic conversion of a financial instrument into another financial instrument, including the exchange of convertible bonds into shares.

Grants and donations made or received as well as inheritances.

Transactions in products, baskets and index-linked derivatives.

Transactions in shares or quotas of investment funds, including alternative investment funds (AIFs) referred to in Article 1 of Directive 2011/61/EU of the European Parliament and of the European Council.

Transactions carried out by the administrator of an AIF in which a Relevant Person or a Person Closely Associated with a Relevant Person has invested.

Transactions carried out by third parties in the context of a mandate for the management of assets or individual portfolios on behalf or for the benefit of a Relevant Person or a Person Closely Associated with a Relevant Person.

The lending, borrowing, or collateralization of the issuer's shares or debt securities or derivative instruments or other financial instruments connected to them.

Transactions carried out in the context of a life insurance policy, defined in accordance with Directive 2009/138/EC of the European Parliament and the Council, where: i) the policyholder is a Relevant Person or a Person Closely Associated with a Relevant Person; ii) the investment risk is borne by the policyholder; and (iii) the policyholder has the power or discretion to make investment decisions in relation to specific instruments

covered by the life insurance in question, or to perform transactions relating to the instruments specific to the life insurance itself.

The collateral assignment or loan of financial instruments by or on behalf of a Relevant Person or a Person Closely Associated with a Relevant Person.

All Relevant Transactions attributable to each Relevant Person are subject to disclosure when the total amount of the overall transactions is equal or greater than Euros 20,000 (twenty thousand) over the course of a calendar year<sup>1</sup>.

The counter value of the aforementioned amount is calculated by adding all the Relevant Transactions without compensation and adding the Transactions carried out on behalf of each Relevant Person and the Relevant Transactions carried out on behalf of Persons Closely Associated with each Relevant Person.

#### **5.4.4 Acknowledgement and acceptance of the Procedure by Relevant Persons**

The Issuer, through the Person in Charge, shall inform the Relevant Persons about the binding provisions of the Procedure also pursuant to the current legislation in force in the manner provided for in this paragraph.

The Person in Charge is required to deliver to the Relevant Persons, respectively at the acceptance of the appointment as per paragraph 5.4.1(a), or at the hiring or appointment as senior manager as per paragraph 5.4.1.(b), or by e-mail, within 15 working days of the appointment, a communication (Letter of Transmission - Insider Dealing), prepared using the form sheet AE- FM-018 of this Procedure, which must inform the Relevant Persons in question about the binding provisions of this Procedure, as well as the legal and regulatory obligations resulting from this Procedure and the penalties for the infringement of its provisions.

A copy of this Procedure shall be attached to the Letter of Transmission - Insider Dealing, which must be signed on each page for acceptance by the recipient.

The Relevant Persons, within 3 working days of the delivery or receipt of the Transmission Letter, are required to provide the Person in Charge a duly signed Letter of Acceptance (drawn up using the form sheet AE-FM-019 of this Procedure).

Together with the Letter of Acceptance, the Relevant Person shall indicate the names of the Persons Closely Associated with him.

This documentation will be stored by the Person in Charge in the archive referred to in paragraph 5.4.2(d) of this Procedure.

The terms established by this paragraph regarding the obligations of the Person in Charge shall take effect from the effective date of the Procedure the first time it is applied, with reference to those Relevant Persons already in office or in service on that date.

<sup>1</sup>According to the MAR Regulation, the threshold is €5,000 but Italy has raised this threshold to €20,000 by virtue of the power attributed to the Member States in the MAR Regulation itself.



## 5.4.5 Obligation to disclose and report Relevant Transactions

Relevant Persons and Closely Associated Persons are required to disclose to the Competent Authority and to the Company the following information concerning Relevant Transactions carried out by Relevant Persons and/or by Closely Associated Persons:

- the name of the person;
- the reason for the notification;
- the name of the Issuer;
- the description and identification of the Financial Instrument;
- the nature of the transaction or transactions (for example, purchase or sale), indicating whether they are linked to the use of stock option plans or (i) the pledging or lending of Financial Instruments carried out on behalf of a Relevant Person or a Closely Associated Person, (ii) transactions carried out by those who prepare or carry out transactions on a professional basis, or by anyone else on behalf of a Relevant Person or a Closely Associated Person;
- the date and venue of the transaction or transactions; as well as
- the price and volume of the transaction or transactions. In the case of a collateral assignment which provides for a change in value, this change shall be made public together with the value at the date the collateral assignment is made.

In order to allow the Company to promptly fulfil its obligation to inform the market, Relevant Persons and Closely Associated Persons are required to disclose all Relevant Transactions to the Company by the end of the business day following the day the transaction took place.

Communications to the Person in Charge pursuant to and by effect of this Procedure are carried out as follows:

- by registered mail with acknowledgment of receipt to the address: Ansaldo Energia S.p.A. – Via Nicola Lorenzi 8, 16152 Genoa (GE), to the attention of FGIP;
- by e-mail at the address: [infoprivilegiate@ansaldoenergia.com](mailto:infoprivilegiate@ansaldoenergia.com).

Within three working days from the date of the transaction, the Issuer, through the Person in Charge, is required to disclose that information to the public in such a way as to allow rapid access to the information on a non-discriminatory basis.

The disclosures of the Relevant Transactions to the Issuer, the Competent Authority or the market are carried out by electronic means using the notifications template pursuant to Regulation 523/2016 attached to this Procedure under Annex D.

## 5.5 Closed period

### 5.5.1 Prohibition to carry out transactions

Relevant Persons shall not carry out transactions relating to the Issuer's Financial Instruments, on their own account or on behalf of third parties, directly or indirectly, within the 30 calendar days preceding the announcement of the annual financial report, mid-year financial report, or interim management reports (or other similar accounting reports) that the Issuer is obliged to or has decided to make public according to:

- the rules of the Trading Office in which the Issuer's shares are admitted for trading, or

· Italian law (so-called Closed Period).

### 5.5.2 Exemptions from the prohibition to carry out transactions

Notwithstanding the provisions of paragraph 5.5.1 above, the Issuer may allow Relevant Persons to complete transactions (as indicated below) concerning the Issuer's Financial Instruments, on their own account or on behalf of third parties, directly or indirectly, during the Closed Period in the following cases:

- a. on the basis of a case-by-case evaluation, in the presence of exceptional conditions, such as serious financial difficulties requiring the immediate sale of the shares;
- b. by virtue of the trading characteristics in the case of transactions carried out simultaneously with or in relation to an employee shareholding plan or an employee savings program, a bond or right on shares, or Relevant Transactions where the value of the bond in question is not subject to change as explained in Annex E to this Procedure.

In cases (a) and (b) above the Relevant Person is, in any case, required to demonstrate that the specific Relevant Transaction can only be carried out during the Closed Period as set out below.

In the cases referred to in letter (a) of the list above, before carrying out the transaction during the Closed Period, the Relevant Person shall request that the Issuer authorize the immediate sale of the shares held by means of a specific written request to be sent to FGIP with a copy sent to the Person in Charge. The Relevant Person's request contains at least:

- i. the description of the transaction in question;
- ii. an explanation of why the sale of the shares is the only reasonable way to obtain the necessary financing; and
- iii. objective evidence (including documents) relating to the cases referred to in points (i) and (ii).

Upon receipt of the communication referred to in this paragraph, the Issuer carries out a case-by-case evaluation of the request submitted by the Relevant Person and authorizes the immediate sale of the shares only if the circumstances of the transaction can be considered exceptional. "Exceptional circumstances" means extremely urgent, unforeseen, and contingent situations that are not attributable to the Relevant Person and are beyond his control. The evaluation of the exceptional nature of the circumstances described in the request for authorization shall in any case be carried out also taking into account whether and to what extent the Relevant Person:

- at the time the request is submitted must fulfil a legally enforceable financial obligation or satisfy a claim;
- must fulfil or be in a situation created before the start of the Closed Period that requires the payment of a given amount to third parties, including tax obligations, and the Relevant Person cannot reasonably fulfil the financial obligation or satisfy a claim without the immediate sale of the shares in question.

· In the cases referred to in letter b) of the above list, the Relevant Person shall request the Issuer's authorization to carry out the transaction in a timely manner (and, in any case, by the dates and in the manner indicated in Annex E to this Procedure where provided for in the cases considered in Annex E itself) by means of a specific written request to be sent to the attention of FGIP with a copy sent to the Person in Charge, containing objective evidence (including documents) relating to the existence of the conditions set forth in the

aforementioned Annex E with reference to each of the cases contemplated therein. Once the communication is received, the Company shall carry out a case by case evaluation of the request made by the Relevant Person.

The evaluation of the possibility of granting the Relevant Person the authorization to carry out transactions with the Issuer's Financial instruments are forwarded to the FGIP who, for this purpose has the support of the Person in Charge. The FGIP shall report the outcome of the evaluation carried out to the Board of Directors during the subsequent meeting. In any case, it is understood that:

- the FGIP where deemed necessary or appropriate, has the right to refer the evaluation to the company's Board of Directors; and
- any evaluation relative to and/or pertaining to Relevant Transactions to be conducted by the Relevant Person who is also the FGIP or by Persons Closely Associated with the same, remains the exclusive competence of the Board of Directors.

The Issuer, through the Person in Charge, is obliged to respond to the Relevant Person regarding the results of said evaluation within 7 days of receiving the interested party's request, including the information and documentation required by this Procedure and in any case suitable to enable a complete evaluation of the relevant circumstances. Nonetheless, the FGIP or the Board of Directors, depending on the case, shall have the right to request the interested party to provide additional information and/or documents to supplement the authorization request within the aforementioned period of 7 days from the date the request is received. In this case, the Company, through the Person in Charge, shall provide an adequate reply to the Relevant Person within 5 days of the date the supplementary documentation is received.

## **5.6 Modifications and additions**

The provisions of this Procedure may be updated and/or supplemented by the Issuer's Board of Directors, considering any applicable legal or regulatory provisions, as well as its experience and developments in market practice.

If it is necessary to update and/or supplement individual provisions of this Procedure as a result of changes in the applicable laws or regulations, or specific requests from supervisory authorities, as well as in cases of proven urgency, this Procedure may be amended and/or supplemented by the Chairman of the Board of Directors, or the FGIP, with the subsequent ratification of the amendments and/or additions by the Board of Directors in the first subsequent meeting.

The amendments and/or additions to the provisions of this Procedure pursuant to this article shall be communicated to the Relevant Persons in the manner indicated in paragraph 5.5.4 of this Procedure. This communication shall also include the date of entry into force of the new or amended provisions.

## **5.7 Preservation and access to documentation**

All documentation resulting from the application of this Procedure shall be preserved by the competent units.

The places and/or methods of preservation of the aforesaid documentation must be suitable to guarantee its integrity, availability, and accessibility by the company's competent departments and/or authorized third parties.

## **6. FORMS AND TEMPLATES**

AE-FM-017 Transmission Letter – Insider List omissis AE-FM-018 Transmission Letter – Insider Dealing omissis AE-FM-019 Letter of Acceptance – Insider Dealing omissis

### **ANNEXES**

Annex A – AE-PR-047 - List of financial Instruments omissis

Annex B – AE-PR-047 - Template of Insider List omissis

Annex C – AE-PR-047 - Template of the permanent insiders section of the insider list omissis

Annex D – AE-PR-047 - Template for notification and public disclosure of transactions omissis

Annex E – AE-PR-047 – Permission for trading during closed periods omissis

Annex F – AE-PR-047 – Regulation annex

## ANNEX F - REGULATION ANNEX

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Regulation (EU) no. 596/2014 of the European Parliament and of the Council of the European Union of 16 April 2014 on market abuse (MAR)  
Implementing Regulation (EU) no. 347/2016 of the European Commission of 10 March 2016 (Regulation 347/2016);  
Delegated Regulation (EU) no. 522/2016 of the European Commission of 17 December 2015 (Regulation 522/2016)  
Legislative Decree of 24 February 1998, no. 58, as amended (TUF)

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## PROCESSING OF INSIDE INFORMATION

### Article 7, Market Abuse Regulation (MAR)

#### Inside Information

1. For the purposes of this Regulation, inside information shall comprise the following types of information:

- (a) information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to 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 or on the price of related derivative financial instruments;
- (b) in relation to commodity derivatives, information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant effect on the prices of such derivatives or related spot commodity contracts, and where this is information which is reasonably expected to be disclosed or is required to be disclosed in accordance with legal or regulatory provisions at the Union or national level, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets;
- (c) in relation to emission allowances or auctioned products based thereon, information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more such instruments, and which, if it were made public, would be likely to have a significant effect on the prices of such instruments or on the prices of related derivative financial instruments;
- (d) for persons charged with the execution of orders concerning financial instruments, it also means information conveyed by a client and relating to the client's pending orders in financial instruments, which is of a precise nature, relating, directly or indirectly, to one or more issuers or to 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, the price of related spot commodity contracts, or on the price of related derivative financial instruments.

2. For the purposes of paragraph 1, information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it 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 the related derivative

financial instrument, the related spot commodity contracts, or the auctioned products based on the emission allowances. In this respect in the case of a protracted process that is intended to bring about, or that results in, particular circumstances or a particular event, those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information.

3. An intermediate step in a protracted process shall be deemed to be inside information if, by itself, it satisfies the criteria of inside information as referred to in this Article.

4. For the purposes of paragraph 1, information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments, derivative financial instruments, related spot commodity contracts, or auctioned products based on emission allowances shall mean information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

In the case of participants in the emission allowance market with aggregate emissions or rated thermal input at or below the threshold set in accordance with the second subparagraph of Article 17(2), information about their physical operations shall be deemed not to have a significant effect on the price of emission allowances, of auctioned products based thereon, or of derivative financial instruments.

5. ESMA shall issue guidelines to establish a non-exhaustive indicative list of information which is reasonably expected or is required to be disclosed in accordance with legal or regulatory provisions in Union or national law, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets as referred to in point (b) of paragraph 1. ESMA shall duly take into account specificities of those markets.

#### **Article 17, paragraph 1, MAR Public disclosure of inside information**

1. An issuer shall inform the public as soon as possible of inside information which directly concerns that issuer.

The issuer shall ensure that the inside information is made public in a manner which enables fast access and complete, correct and timely assessment of the information by the public and, where applicable, in the officially appointed mechanism referred to in Article 21 of Directive 2004/109/EC of the European Parliament and of the Council. The issuer shall not combine the disclosure of inside information to the public with the marketing of its activities. The issuer shall post and maintain on its website for a period of at least five years, all inside information it is required to disclose publicly.

This Article shall apply to issuers who have requested or approved admission of their financial instruments to trading on a regulated market in a Member State or, in the case of instruments only traded on an MTF or on an OTF, issuers who have approved trading of their financial instruments on an MTF or an OTF or have requested admission to trading of their financial instruments on an MTF in a Member State.

INSIDER LISTS  
Article 18, MAR  
Insider lists

1. Issuers or any person acting on their behalf or on their account, shall:

- (a) draw up a list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies (insider list);
- (b) promptly update the insider list in accordance with paragraph 4; and
- (c) provide the insider list to the competent authority as soon as possible upon its request.

2. Issuers or any person acting on their behalf or on their account, shall take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

Where another person acting on behalf or on the account of the issuer assumes the task of drawing up and updating the insider list, the issuer remains fully responsible for complying with this Article. The issuer shall always retain a right of access to the insider list.

3. The insider list shall include at least:

- (a) the identity of any person having access to inside information;
- (b) the reason for including that person in the insider list;
- (c) the date and time at which that person obtained access to inside information; and
- (d) the date on which the insider list was drawn up.

4. Issuers or any person acting on their behalf or on their account shall update the insider list promptly, including the date of the update, in the following circumstances:

- (a) where there is a change in the reason for including a person already on the insider list;
- (b) where there is a new person who has access to inside information and needs, therefore, to be added to the insider list; and
- (c) where a person ceases to have access to inside information.

Each update shall specify the date and time when the change triggering the update occurred.

5. Issuers or any person acting on their behalf or on their account shall retain the insider list for a period of at least five years after it is drawn up or updated.

6. Issuers whose financial instruments are admitted to trading on an SME growth market shall be exempt from drawing up an insider list, provided that the following conditions are met:

- (a) the issuer takes all reasonable steps to ensure that any person with access to inside information acknowledges the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information; and
- (b) the issuer is able to provide the competent authority, upon request, with an insider list.

7. This Article shall apply to issuers who have requested or approved admission of their financial instruments to trading on a regulated market in a Member State or, in the case of an instrument only traded on an MTF or an OTF, have approved trading of their financial instruments on an MTF or an OTF or have requested admission to trading of their financial instruments on an MTF in a Member State.

## Article 2 of the COMMISSION IMPLEMENTING REGULATION (EU) 2016/347

### Format for drawing up and updating the insider list

1. Issuers, emission allowance market participants, auction platforms, auctioneers and auction monitor, or any person acting on their behalf or on their account, shall ensure that their insider list is divided into separate sections relating to different inside information. New sections shall be added to the insider list upon the identification of new inside information, as defined in Article 7 of Regulation (EU) No 596/2014.

Each section of the insider list shall only include details of individuals having access to the inside information relevant to that section.

2. The persons referred to in paragraph 1 may insert a supplementary section into their insider list with the details of individuals who have access at all times to all inside information ('permanent insiders').

The details of permanent insiders included in the supplementary section referred to in the first subparagraph shall not be included in the other sections of the insider list referred to in paragraph 1.

3. The persons referred to in paragraph 1 shall draw up and keep the insider list up to date in an electronic format in accordance with Template 1 of Annex I.

Where the insider list contains the supplementary section referred to in paragraph 2, the persons referred to in paragraph 1 shall draw up and keep that section updated in an electronic format in accordance with Template 2 of Annex I.

4. The electronic formats referred to in paragraph 3 shall at all times ensure:

- (a) the confidentiality of the information included by ensuring that access to the insider list is restricted to clearly identified persons from within the issuer, emission allowance market participant, auction platform, auctioneer and auction monitor, or any person acting on their behalf or on their account that need that access due to the nature of their function or position;
- (b) the accuracy of the information contained in the insider list;
- (c) the access to and the retrieval of previous versions of the insider list.

5. The insider list referred to in paragraph 3 shall be submitted using the electronic means specified by the competent authority. Competent authorities shall publish on their website the electronic means to be used. Those electronic means shall ensure that completeness, integrity and confidentiality of the information are maintained during the transmission..

## INSIDER DEALING

### Article 19, MAR

#### Manager's transactions

1. Persons discharging managerial responsibilities, as well as persons closely associated with them, shall notify the issuer or the emission allowance market participant and the competent authority referred to in the second subparagraph of paragraph 2:

- (a) in respect of issuers, of every transaction conducted on their own account relating to the shares or debt instruments of that issuer or to derivatives or other financial instruments linked thereto;



(b) in respect of emission allowance market participants, of every transaction conducted on their own account relating to emission allowances, to auction products based thereon or to derivatives relating thereto. Such notifications shall be made promptly and no later than three business days after the date of the transaction. The first subparagraph applies once the total amount of transactions has reached the threshold set out in paragraph 8 or 9, as applicable, within a calendar year.

1 bis. The notification requirement referred to in paragraph 1 shall not apply to transactions relating to financial instruments linked to the issuer's shares or debt instruments referred to in that paragraph if, at the time the transaction is executed, one of the following conditions is satisfied:

a) the financial instrument consists of a unit or share of a collective investment scheme in which the exposure to the issuer's shares or debt instruments does not exceed 20% of the assets held by the collective investment scheme;

b) the financial instrument provides exposure to a portfolio of assets in which the exposure to the issuer's shares or debt instruments does not exceed 20% of the portfolio assets; or

c) the financial instrument consists of a percentage or share of a collective investment scheme or provides exposure to a portfolio of assets and the person holding managerial responsibilities or the person closely associated with him does not know, nor could he know, the composition of the investments or the exposure of that collective investment scheme or portfolio of assets in relation to the issuer's shares or debt instruments, and furthermore there are no reasons for this person to believe that the shares or debt instruments of the issuer exceed the thresholds referred to in point (a) or (b).

Where information concerning the composition of the investments of the collective investment undertaking or the exposure to the portfolio of assets is available, the person holding managerial responsibilities or the person closely associated with him shall make every reasonable effort to make use of this information.

2. For the purposes of paragraph 1, and without prejudice to the right of Member States to provide for notification obligations other than those referred to in this Article, all transactions conducted on the own account of the persons referred to in paragraph 1, shall be notified by those persons to the competent authorities.

The rules applicable to notifications, with which persons referred to in paragraph 1 must comply, shall be those of the Member State where the issuer or emission allowance market participant is registered. Notifications shall be made within three working days of the transaction date to the competent authority of that Member State. Where the issuer is not registered in a Member State, the notification shall be made to the competent authority of the home Member State in accordance with point (i) of Article 2(1) of Directive 2004/109/EC or, in the absence thereof, to the competent authority of the trading venue.

3. The issuer or emission allowance market participant shall ensure that the information that is notified in accordance with paragraph 1 is made public promptly and no later than three business days after the transaction in a manner which enables fast access to this information on a non-discriminatory basis in accordance with the implementing technical standards referred to in point (a) of Article 17(10).

The issuer or emission allowance market participant shall use such media as may reasonably be relied upon for the effective dissemination of information to the public throughout the Union,

and, where applicable, it shall use the officially appointed mechanism referred to in Article 21 of Directive 2004/109/EC.

Alternatively, national law may provide that a competent authority may itself make public the information.

4. This Article shall apply to issuers who:

(a) have requested or approved admission of their financial instruments to trading on a regulated market; or

(b) in the case of an instrument only traded on an MTF or an OTF, have approved trading of their financial instruments on an MTF or an OTF or have requested admission to trading of their financial instruments on an MTF.

5. Issuers and emission allowance market participants shall notify the person discharging managerial responsibilities of their obligations under this Article in writing. Issuers and emission allowance market participants shall draw up a list of all persons discharging managerial responsibilities and persons closely associated with them.

Persons discharging managerial responsibilities shall notify the persons closely associated with them of their obligations under this Article in writing and shall keep a copy of this notification.

6. A notification of transactions referred to in paragraph 1 shall contain the following information:

(a) the name of the person;

(b) the reason for the notification;

(c) the name of the relevant issuer or emission allowance market participant;

(d) a description and the identifier of the financial instrument;

(e) the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the use of share option programmes or to the specific examples set out in paragraph 7;

(f) the date and place of the transaction(s); and

(g) the price and volume of the transaction(s). In the case of a pledge whose terms provide for its value to change, this should be disclosed together with its value at the date of the pledge.

7. For the purposes of paragraph 1, transactions that must be notified shall also include:

(a) the pledging or lending of financial instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1;

(b) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1, including where discretion is exercised;

(c) transactions made under a life insurance policy, defined in accordance with Directive 2009/138/EC of the European Parliament and of the Council (26), where:

(i) the policyholder is a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1,

(ii) the investment risk is borne by the policyholder, and

(iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

For the purposes of point (a), a pledge, or a similar security interest, of financial instruments in connection with the depositing of the financial instruments in a custody account does not need to be notified, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility. Pursuant to point (b), transactions executed on an issuer's shares or debt instruments or on derivative products or other financial instruments linked to them by the managers of a collective investment scheme in which the person exercising managerial responsibilities or the person closely associated with him has invested, are not subject to the obligation of notification if the manager of the collective investment scheme is acting in a completely discretionary manner, which excludes the possibility of receiving instructions or suggestions of any kind on the composition of the portfolio, directly or indirectly, by the investors of this collective investment scheme.

Insofar as a policyholder of an insurance contract is required to notify transactions according to this paragraph, an obligation to notify is not incumbent on the insurance company.

8. Paragraph 1 shall apply to any subsequent transaction once a total amount of EUR 5 000 has been reached within a calendar year. The threshold of EUR 5 000 shall be calculated by adding without netting all transactions referred to in paragraph 1.

9. A competent authority may decide to increase the threshold set out in paragraph 8 to EUR 20 000 and shall inform ESMA of its decision and the justification for its decision, with specific reference to market conditions, to adopt the higher threshold prior to its application. ESMA shall publish on its website the list of thresholds that apply in accordance with this Article and the justifications provided by competent authorities for such thresholds.

10. This Article shall also apply to transactions by persons discharging managerial responsibilities within any auction platform, auctioneer and auction monitor involved in the auctions held under Regulation (EU) No 1031/2010 and to persons closely associated with such persons in so far as their transactions involve emission allowances, derivatives thereof or auctioned products based thereon. Those persons shall notify their transactions to the auction platforms, auctioneers and auction monitor, as applicable, and to the competent authority where the auction platform, auctioneer or auction monitor, as applicable, is registered. The information that is so notified shall be made public by the auction platforms, auctioneers, auction monitor or competent authority in accordance with paragraph 3.

11. Without prejudice to Articles 14 and 15, a person discharging managerial responsibilities within an issuer shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is obliged to make public according to:

- (a) the rules of the trading venue where the issuer's shares are admitted to trading; or
- (b) national law.

12. Without prejudice to Articles 14 and 15, an issuer may allow a person discharging managerial responsibilities within it to trade on its own account or for the account of a third party during a closed period as referred to in paragraph 11 either:

- (a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or

(b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

13. The Commission shall be empowered to adopt delegated acts in accordance with Article 35 specifying the circumstances under which trading during a closed period may be permitted by the issuer, as referred to in paragraph 12, including the circumstances that would be considered as exceptional and the types of transaction that would justify the permission for trading.

14. The Commission shall be empowered to adopt delegated acts in accordance with Article 35, specifying types of transactions that would trigger the requirement referred to in paragraph 1.

15. In order to ensure uniform application of paragraph 1, ESMA shall develop draft implementing technical standards concerning the format and template in which the information referred to in paragraph 1 is to be notified and made public.

ESMA shall submit those draft implementing technical standards to the Commission by 3 July 2015.

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.

## **Article 10 of the COMMISSION DELEGATED REGULATION (EU) 2016/522**

### **Notifiable transactions**

1. Pursuant to Article 19 of Regulation (EU) No 596/2014 and in addition to transactions referred to in Article 19(7) of that Regulation, persons discharging managerial responsibilities within an issuer or an emission allowance market participant and persons closely associated with them shall notify the issuer or the emission allowance market participant and the competent authority of their transactions.

Those notified transactions shall include all transactions conducted by persons discharging managerial responsibilities on their own account relating, in respect of the issuers, to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked thereto, and in respect of emission allowance market participants, to emission allowances, to auction products based thereon or to derivatives relating thereto.

2. Those notified transactions shall include the following:

(a) acquisition, disposal, short sale, subscription or exchange;

(b) acceptance or exercise of a stock option, including of a stock option granted to managers or employees as part of their remuneration package, and the disposal of shares stemming from the exercise of a stock option;

(c) entering into or exercise of equity swaps;

(d) transactions in or related to derivatives, including cash-settled transaction;

(e) entering into a contract for difference on a financial instrument of the concerned issuer or on emission allowances or auction products based thereon;

(f) acquisition, disposal or exercise of rights, including put and call options, and warrants;

(g) subscription to a capital increase or debt instrument issuance;

- (h) transactions in derivatives and financial instruments linked to a debt instrument of the concerned issuer, including credit default swaps;
- (i) conditional transactions upon the occurrence of the conditions and actual execution of the transactions;
- (j) automatic or non-automatic conversion of a financial instrument into another financial instrument, including the exchange of convertible bonds to shares;
- (k) gifts and donations made or received, and inheritance received;
- (l) transactions executed in index-related products, baskets and derivatives, insofar as required by Article 19 of Regulation (EU) No 596/2014;
- (m) transactions executed in shares or units of investment funds, including alternative investment funds (AIFs) referred to in Article 1 of Directive 2011/61/EU of the European Parliament and of the Council (4), insofar as required by Article 19 of Regulation (EU) No 596/2014;
- (n) transactions executed by manager of an AIF in which the person discharging managerial responsibilities or a person closely associated with such a person has invested, insofar as required by Article 19 of Regulation (EU) No 596/2014;
- (o) transactions executed by a third party under an individual portfolio or asset management mandate on behalf or for the benefit of a person discharging managerial responsibilities or a person closely associated with such a person;
- (p) borrowing or lending of shares or debt instruments of the issuer or derivatives or other financial instruments linked thereto.

## **CLOSED PERIOD**

### **Article 19, MAR**

#### **Manager's transactions**

11. Without prejudice to Articles 14 and 15, a person discharging managerial responsibilities within an issuer shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is obliged to make public according to:

- (a) the rules of the trading venue where the issuer's shares are admitted to trading; or
- (b) national law.

12. Without prejudice to Articles 14 and 15, an issuer may allow a person discharging managerial responsibilities within it to trade on its own account or for the account of a third party during a closed period as referred to in paragraph 11 either:

- (a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or
- (b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

## **Article 7 of the COMMISSION DELEGATED REGULATION (EU) 2016/522**

### Trading during the closed period

1. A person discharging managerial responsibilities within an issuer shall have the right to conduct trading during a closed period as defined under Article 19(11) of Regulation (EU) No 596/2014 provided that the following conditions are met:

- (a) one of the circumstances referred to in Article 19(12) of Regulation (EU) No 596/2014 is met;
- (b) the person discharging managerial responsibilities is able to demonstrate that the particular transaction cannot be executed at another moment in time than during the closed period.

2. In the circumstances set out in Article 19(12)(a) of Regulation (EU) No 596/2014, prior to any trading during the closed period, a person discharging managerial responsibilities shall provide a reasoned written request to the issuer for obtaining the issuer's permission to proceed with immediate sale of shares of that issuer during a closed period. The written request shall describe the envisaged transaction and provide an explanation of why the sale of shares is the only reasonable alternative to obtain the necessary financing.

## Article of the COMMISSION DELEGATED REGULATION (EU) 2016/522

### Exceptional circumstances

1. When deciding whether to grant permission to proceed with immediate sale of its shares during a closed period, an issuer shall make a case-by-case assessment of a written request referred to in Article 7(2) by the person discharging managerial responsibilities. The issuer shall have the right to permit the immediate sale of shares only when the circumstances for such transactions may be deemed exceptional.

2. Circumstances referred to in paragraph 1 shall be considered to be exceptional when they are extremely urgent, unforeseen and compelling and where their cause is external to the person discharging managerial responsibilities and the person discharging managerial responsibilities has no control over them.

3. When examining whether the circumstances described in the written request referred to in Article 7(2) are exceptional, the issuer shall take into account, among other indicators, whether and to the extent to which the person discharging managerial responsibilities:

- (a) is at the moment of submitting its request facing a legally enforceable financial commitment or claim;
- (b) has to fulfil or is in a situation entered into before the beginning of the closed period and requiring the payment of sum to a third party, including tax liability, and cannot reasonably satisfy a financial commitment or claim by means other than immediate sale of shares.

## **PENALTY SYSTEM**

## **PENAL SANCTIONS**

### **Article 184 of the TUF (Consolidated Law on Finance)**

#### **Insider trading**

1. Imprisonment for between one and six years and a fine of between twenty thousand and three million euro shall be imposed on any person who, possessing inside information by virtue of his membership of the administrative, management or supervisory bodies of an issuer, his holding in the capital of an issuer or the exercise of his employment, profession, duties, including public duties, or position:

- a) buys, sells or carries out other transactions involving, directly or indirectly, for his own account or for the account of a third party, financial instruments using such information;
- b) discloses such information to others outside the normal exercise of his employment, profession, duties or position;
- c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in paragraph a).

2. The punishment referred to in paragraph 1 shall apply to any person who, possessing inside information by virtue of the preparation or execution of criminal activities, carries out any of the actions referred to in paragraph 1.

3. Courts may increase the fine up to three times or up to the larger amount of ten times the product of the crime or the profit therefrom when, in view of the particular seriousness of the offence, the personal situation of the guilty party or the magnitude of the product of the crime or the profit therefrom, the fine appears inadequate even if the maximum is applied.

3-bis. With regard to financial instrument transactions pursuant to Article 180, paragraph 1, paragraph a), point 2), the judicial sanction shall involve infliction of a fine of up to one hundred and three thousand two hundred and ninety-one euro and up to three-years' imprisonment.

4. For the purposes of this article, financial instruments shall also mean financial instruments referred to in Article 1(2) whose value depends on a financial instrument referred to in Article 180(1)(a).

### **Article 185 of the TUF (Consolidated Law on Finance) Market manipulation**

1. Imprisonment for between one and six years and a fine of between twenty thousand and three million euro shall be imposed on any person who disseminates false information or sets up sham transactions or employs other devices concretely likely to produce a significant alteration in the price of financial instruments.

2. Courts may increase the fine up to three times or up to the larger amount of ten times the product of the crime or the profit therefrom when, in view of the particular seriousness of the offence, the personal situation of the guilty party or the magnitude of the product of the crime or the profit therefrom, the fine appears inadequate even if the maximum is applied.

2-bis. With regard to financial instrument transactions pursuant to Article 180, paragraph 1, paragraph a), point 2), the judicial sanction shall involve infliction of a fine of up to one hundred and three thousand two hundred and ninety-one euro and up to three-years' imprisonment.

## **Article 186 of the TUF (Consolidated Law on Finance) Accessory penalties**

1. Conviction for any of the offences referred to in this chapter shall entail the application of the accessory penalties referred to in Articles 28, 30, 32-bis and 32-ter of the Penal Code for a period of not less than six months and not more than two years and the publication of the judgement in at least two daily newspapers having national circulation of which one shall be a financial newspaper.

## **Article 187 of the TUF (Consolidated Law on Finance) Confiscation**

1. In the event of conviction for one of the crimes referred to in this chapter the product of the crime or the profit therefrom and the property used to commit it shall be confiscated.

2. If it is not possible to execute the confiscation pursuant to paragraph 1, a sum of money or property of equivalent value may be confiscated.

3. For matters not provided for in paragraphs 1 and 2, Article 240 of the Penal Code shall apply.

## **ADMINISTRATIVE SANCTIONS**

### **Article 187-bis of the TUF (Consolidated Law on Finance)**

#### **Insider trading**

1. Without prejudice to the penal sanctions applicable when the action constitutes a criminal offence, a pecuniary administrative sanction of between twenty thousand euro and three million euro shall be imposed on any person who, possessing inside information by virtue of his membership of the administrative, management or supervisory bodies of an issuer, his holding in the capital of an issuer or the exercise of his employment, profession, duties, including public duties, or position:

- a) buys, sells or carries out other transactions involving, directly or indirectly, for his own account or for the account of a third party, financial instruments using such information;
- b) discloses such information to others outside the normal exercise of his employment, profession, duties or position;
- c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in paragraph a)

2. The sanction referred to in paragraph 1 shall apply to any person who, possessing inside information by virtue of the preparation or execution of criminal activities, carries out any of the actions referred to in paragraph 1.

3. For the purposes of this article, financial instruments shall also mean financial instruments referred to in Article 1(2) whose value depends on a financial instrument referred to in Article 180(1)(a).

4. The sanction referred to in paragraph 1 shall also apply to any person who, possessing inside information and knowing or capable of knowing through ordinary diligence its inside nature, carries out any of the actions referred to therein.

5. Pecuniary administrative sanctions referred to in paragraphs 1, 2 and 4 shall be increased up to three times or up to the larger amount of ten times the product of the offence or the profit therefrom when, in view of the personal situation of the guilty party or the magnitude of the



product of the offence or the profit therefrom, they appear inadequate even if the maximum is applied.

6. For the cases referred to in this article, attempted violations shall be treated as completed violations.

#### Article 187-ter of the TUF (Consolidated Law on Finance)

##### Market manipulation

1. Without prejudice to the penal sanctions applicable when the action constitutes a criminal offence, a pecuniary administrative sanction of between twenty thousand euro and five million euro shall be imposed on any person who, through the media, including the Internet, or by any other means, disseminates information, rumours or false or misleading news that give or are likely to give false or misleading signals as to financial instruments.

2. In respect of journalists when they act in their professional capacity the dissemination of information is to be assessed taking into account the rules of conduct governing their profession, unless they derive, directly or indirectly, an advantage or profits from the dissemination of the information in question.

3. Without prejudice to the penal sanctions applicable when the action constitutes a criminal offence, the pecuniary administrative sanction referred to in paragraph 1 shall be imposed on any person who:

a) carries out buy or sell transactions or places orders to buy or sell which give, or are likely to give, false or misleading signals as to the supply of, demand for or price of financial instruments;

b) carries out buy or sell transactions or places orders to buy or sell which secure, by a person or persons acting in collaboration, the price of one or several financial instruments at an abnormal or artificial level;

c) carries out buy or sell transactions or places orders to buy or sell which employ fictitious devices or any other form of deception or contrivance;

d) employs other fictitious devices likely to give false or misleading signals as to the supply of, demand for or price of financial instruments.

4. For offences referred to in paragraphs 3a) and 3b), administrative sanctions may not be imposed on persons who demonstrate that they acted for legitimate reasons and in accordance with accepted market practices on the market concerned.

5. Pecuniary administrative sanctions referred to in the preceding paragraphs shall be increased up to three times or up to the larger amount of ten times the product of the offence or the profit therefrom when, in view of the personal situation of the guilty party, the magnitude of the product of the offence or the profit therefrom or the effects produced on the market, they appear inadequate even if the maximum amount is applied.

6. The Ministry of the Economy and Finance, after consulting CONSOB or acting on a proposal therefrom, shall specify, in a regulation conforming with the implementing measures of Directive 2003/6/EC adopted by the Commission using the procedure referred to in Article

17(2) of the same directive, the cases, possibly in addition to those referred to in the preceding paragraphs, relevant for purposes of applying this article.

7. CONSOB shall make known, in measures it adopts, the elements and circumstances to be taken into consideration in assessing behaviour likely to constitute market manipulation according to Directive 2003/6/EC and the implementing measures thereof.

#### Article 187-quater of the TUF (Consolidated Law on Finance)

##### Accessory administrative sanctions

1. Application of pecuniary administrative sanctions referred to in this chapter shall imply the temporary non-fulfilment of the integrity requirements for corporate officers and shareholders of authorised intermediaries, stock exchange companies, auditors and financial advisors authorised to make off-premises offers and, for corporate officers of listed companies, temporary disqualification from taking up administrative, management or supervisory positions in listed companies or companies belonging to the same group as listed companies.

2. Accessory administrative sanctions referred to in paragraph 1 shall have a duration of not less than two months and not more than three years.

3. In the measure imposing pecuniary administrative sanctions referred to in this chapter, CONSOB, taking into account the seriousness of the violation and the degree of fault, may order authorised intermediaries, stock exchange companies, listed issuers and auditing firms not to use the offender in the exercise of their activities for a period of not more than three years and ask the competent professional associations to suspend the registrant from practice of the profession.

#### Article 187-quinquies of the TUF (Consolidated Law on Finance)

##### Liability of the entity

1. Entities shall be liable for payment of a sum equal to the amount of the administrative sanction imposed for offences referred to in this chapter committed in their interest or to their advantage:

a) by persons performing representative, administrative or management functions in the entity or one of its organisational units having financial and functional autonomy and by persons who, de facto or otherwise, manage and control the entity.

b) persons subject to the direction or supervision of a person referred to in paragraph a).

2. If, following the perpetration of offences referred to in paragraph 1, the product thereof or the profit therefrom accruing to the entity is very large, the sanction shall be increased up to ten times such product or profit.

3. Entities shall not be liable if they demonstrate that the persons specified in paragraph 1 acted exclusively in their own interest or in the interest of third parties.

4. Articles 6, 7, 8 and 12 of Legislative Decree 231/2001 shall apply, insofar as they are compatible, to offences referred to in paragraph 1. The Ministry of Justice, after consulting CONSOB, shall formulate the observations referred to in Article 6 of Legislative Decree 231/2001 with regard to offences referred to in this chapter.