

**SANLORENZO**

**PROCEDURE FOR INTERNAL MANAGEMENT  
AND PUBLIC DISCLOSURE  
OF INSIDE INFORMATION**

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Sanlorenzo S.p.A.

Updated as of 24 October 2019

**LEGAL NOTICE**

This document is an informal translation of the original Italian document. In case of inconsistency between this document and the original document in Italian, the latter will prevail.

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## 1. Introduction and annexes

1.1 The legislation and regulations on issuers' requirements to disclose to the public Inside Information directly concerning the issuer itself are contained in Article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, on market abuse (Market Abuse Regulation, "**MAR Regulation**").

The rules indicated in Article 17 of the MAR Regulation, the respective implementing regulation contained in Implementing Regulation (EU) of the European Commission of 29 June 2016 no. 1055 ("**Regulation 1055/2016**"), as well as Guidelines no. 1/2017 (on the Management of Inside Information adopted by CONSOB on 13 October 2017, the "**Guidelines**") aim, *inter alia*, at guaranteeing greater transparency to the market and adequate preventive measures against market abuse and against the abuse of Inside Information.

1.2 The provisions of this procedure (the "**Procedure**") aim at guaranteeing respect of existing laws and regulations in that regard, as well as guaranteeing respect of the utmost confidentiality and privacy of Inside Information (as defined below) and confidential information<sup>1</sup>.

1.3 The Procedure is adopted by Sanlorenzo S.p.A. (tax code 00142240464, with registered office in Ameglia (SP), Via Armezzone 3, the "**Company**") in implementation of the rules contained in Article 17 of the MAR Regulation and in Regulation 1055/2016 and it regulates the provisions and procedures on both the internal management and external disclosure of Inside Information and Confidential Information concerning the Company and the companies controlled by it in accordance with Article 93 of Italian Legislative Decree no. 58 of 24 February 1998<sup>2</sup> (the "**Consolidated Law on Finance**").

1.4 The Procedure will enter into force on the date of presentation at Borsa Italiana S.p.A. of the request for admission to trading of the Company's shares on the *Mercato Telematico Azionario* (Italian Screen-Based Stock Exchange) organised and managed by Borsa Italiana S.p.A.

1.5 Any further subsequent amendments and/or additions of the Procedure will enter into force on the day of publication of the Procedure on the Company's website, or on the day otherwise envisaged by legal or regulatory rules or by resolution of the Board of Directors, or, in urgent cases, by the Chairman of the Board of Directors or by the Executive Director.

1.6 The introduction and annexes to the Procedure form an integral and substantial part of the same.

## 2. Definitions

2.1 The terms used in the Procedure with initial upper case letter will have the meaning indicated in the respective definition (it being specified that terms defined in the singular will have the corresponding meaning in the plural and vice versa).

## 3. Recipients

3.1 The Procedure applies to the following persons, with different levels of responsibility:

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<sup>1</sup> "**Confidential Information**" means data and information concerning the Company or the Group (as defined below), which, despite not being classifiable as Inside Information, is not in the public domain and is confidential in nature.

<sup>2</sup> Article 93 of the Consolidated Law on Finance: "*1. In this part, in addition to the companies indicated in paragraphs 1 and 2 of the first paragraph of Article 2359 of the Civil Code, the following shall also be considered subsidiaries:*

*a) Italian and foreign companies over which a person has the right, by virtue of a contract or a clause in the instrument of incorporation, to exercise a dominant influence, where the applicable law permits such contracts or clauses,*

*b) Italian and foreign companies where a shareholder controls alone, on the basis of agreements with other shareholders, enough votes to exercise a dominant influence in the ordinary shareholders' meeting.*

*2. For the purposes of paragraph 1, rights held by subsidiaries or exercised through trustees or nominees shall be considered, those held on behalf of third parties shall not be considered".*

- a) the directors of the Company and of its subsidiaries in accordance with Article 93 of the Consolidated Law on Finance (the Company together with the subsidiaries, the "**Group**");
  - b) the auditors of the Company and the Group;
  - c) the general managers of the Company and the Group;
  - d) the managers of the Company and the Group;
  - e) the employees of the Company and the Group;
  - f) the external entities registered in the insider list having access to Inside Information regarding the Company and the Group;
- (jointly, the "**Recipients**").

#### **4. Confidential Information**

- 4.1 The Recipients, in possession of Confidential Information, acquired in the conduct of their duties, are required to:
- a) keep the information acquired, along with the documents, strictly confidential;
  - b) use that information and those documents exclusively for the conduct of their duties;
  - c) respect the provisions of the Procedure if the information is considered Inside Information.
- 4.2 The Recipients are personally responsible for the custody and storage of the documentation in their possession in relation to Confidential Information.
- 4.3 If the documentation relating to the Confidential Information shall be sent to third parties, the Recipients shall ascertain that they are bound by a confidentiality obligation for the documents and information received.
- 4.4 The provisions indicated in this Article 4 also apply with reference to Inside Information if this is concretely required to guarantee the confidentiality of the information itself.

#### **5. Inside Information**

- 5.1 In accordance with the Procedure, "**Inside Information**" means the information identified by Article 7 of the MAR Regulation, which states "*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*"; in that case, this means information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

In that sense, the paragraph 2 of Article 7 of the MAR Regulation establishes that "*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*".

## 6. Management of Inside Information

6.1 The Company guarantees that the Inside Information will be communicated by methods suitable to guarantee dissemination free of charge and without discrimination, simultaneous throughout the European Union, allowing for rapid access by as wide an audience as possible.

The Company also undertakes to 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.

6.2 To establish if a piece of Inside Information shall be disclosed to the public, it shall be assessed if the following conditions are in place.

The Inside Information:

- a) shall directly concern the Company;
- b) shall not have been made public<sup>3</sup>;
- c) shall be of precise nature;
- d) shall be material (where made public, it could have a significant effect on the prices of financial instruments)<sup>4</sup>.

6.3 The Company shall assess the nature of the information and, therefore, consider the need or otherwise to disclose the same, as soon as possible, taking account of the characteristics of the information.

The Chairman of the Board of Directors or, in his/her absence, another managing director, must assess if the information has characteristics to be considered Inside Information, possibly delegating the assessment to the Board of Directors.

6.4 If it is decided that the information is Inside Information, the Company will proceed in respect of the contents of the Procedure.

In addition, the Chairman of the Board of Directors shall promptly inform the Person in Charge of keeping the insider list so that he/she may establish a specific individual section relating to the Inside Information and, consequently, register the persons having access to the information.

If, on the other hand, the Chairman of the Board of Directors or, in his/her absence, another managing director, or even the Board of Directors when the matter is delegated to it, identifies that the information is not inside information, the confidentiality of the same must be guaranteed.

6.5 As regards information that assumes the nature of inside information unexpectedly, the assessment carried out by the Company must occur as soon as possible, after ascertaining that nature of inside information.

6.6 The disclosure to the public of Inside Information shall occur as soon as possible, by dissemination of a specific press release prepared by the Company and, more specifically, the person in charge of the investor relations function.

The press release must be approved by the Chairman of the Board of Directors or, in the case of his/her impediment, by the managing director and, where the opportunity arises, by the Board of Directors. If the text has accounting connotations, a written declaration is required from the financial reporting officer certifying the correspondence of the documentary records.

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<sup>3</sup> The information that shall be made public is, in accordance with Article 17 of the MAR Regulation and Article 4.2.1 of the Guidelines, only that directly concerning the Company and, therefore, not also that concerning it indirectly such as, for example, that, which despite affecting the prices of financial instruments issued by the Company, originates from external parties.

The Guidelines provide a list, by way of example but without limitation, of types of Inside Information that may involve the issuer (Article 3.1.2); and types of information that indirectly concern the issuer (Article 4.2.1).

<sup>4</sup> Article 4.1.3 of the Guidelines.

The communication is sent within the terms necessary for drafting the press release so as to allow for the complete and correct assessment of the Inside Information by the public and for its subsequent transmission to the System for the Disclosure of Regulated Information (named "SDIR") or to the media.

In that sense, the press release is considered public as soon as the SDIR has generated the confirmation and this has been received by the Company.

Any internal organisational issues, such as the absence of replacements of persons who must make the decision or who must deal with the disclosure, may not justify the extension of that terms.

With the aim of allowing CONSOB and the market management company to exercise promptly their supervisory activities, the Company pre-warns CONSOB, even verbally and with appropriate prior notice, of the possibility that the Company itself may publish Inside Information of particular significance while the financial instruments are being traded. Similar prior warning is given to the market management company in conformity with market rules.

The Company guarantees the completeness, integrity and confidentiality of the Inside Information, promptly remedying any deficiency or dysfunction in its communication.

- 6.7 If the Company, or an entity acting on its behalf or on its account, discloses Inside Information to third parties in the normal exercise of an occupation, profession or role, it is obliged to give full and effective public disclosure of that information, simultaneously in the case of intentional disclosure and promptly in the case of unintentional disclosure. That provision does not apply if the person who receives the Inside Information is bound by a confidentiality obligation, irrespective of whether that obligation is of legislative, regulatory, statutory or contractual nature.
- 6.8 To protect equality of information between the different operators and without prejudice to existing legislative and regulatory obligations, the Company, when organising or attending meetings with financial analysts or market operators, shall:
- a) communicate in advance to CONSOB and to the market management company the date, location and main subjects of the meeting and send to the same the documentation made available to the participants at the meeting, at the latest at the same time as those meetings are held, via the SDIR or the alternative methods established by the competent authority;
  - b) open the participation at the meeting even to representatives of the economic press, or, if this is not possible, publish, by the methods envisaged by the Procedure, a press release illustrating the main subjects discussed.

During the aforementioned meetings, the Company shall not disclose to the participants Inside Information unless it has been disclosed to the public by the methods envisaged by the Procedure, simultaneously in the case of intentional communication and promptly in the case of unintentional communication.

- 6.9 In relation to the practice of considering, during meetings with the representatives of trade union organisations, data relating to the company prospects, for the purposes of correctly applying the regulations in that regard, if the organisation delegations have not accepted any confidentiality commitment, the Company will disclose to the public any Inside Information illustrated therein.
- 6.10 The Company shall also disclose promptly to the public the Inside Information relating to the companies forming part of the Group.

In that sense, the Group companies undertake to communicate promptly to the Company the information required in accordance with Article 114, paragraph 2 of the Consolidated Law on Finance.

## **7. Delay in disclosure of Inside Information and notification of delay**

- 7.1 The Company may delay, under its own liability, the public disclosure of Inside Information provided that all the following conditions are met:

- a) the immediate disclosure is likely to prejudice the legitimate interest of the Company;
- b) the delayed disclosure is not likely to have the effect of misleading the public; and
- c) the Company is able to guarantee the confidentiality of the Inside Information.

In the event of a prolonged delay, which occurs in phases and is aimed at achieving or involves a particular circumstance or a particular event, the Company may, under its own liability, delay the public disclosure of Inside Information relating to the process, subject to the conditions indicated in letters a), b) and c).

- 7.2 The assessment is made by the Chairman of the Board of Directors or, in his/her absence, by another managing director or, where the opportunity arises, by the Board of Directors.

In that sense, the Company shall assess the existence of the conditions indicated in Article 7.1, and, in affirmative case and also taking account of what is cited by the ESMA Guidelines, it shall complete the form contained in **Annex 1** (Sections B and C) and file it, together with the other documents useful for the assessment, at the Company's Finance and Investor Relations Office, located in Via Armezzone 3, Ameglia (SP).

- 7.3 To delay the public disclosure of Inside Information, the Company shall use a suitable technical instrument to guarantee the accessibility, legibility and storage on a durable medium of the following information:

- a) The date and time:
  - (i) of the first existence of the Inside Information at the Company;
  - (ii) of making the decision to delay the disclosure of Inside Information;
  - (iii) of the likely disclosure of the Inside Information by the Company.
- b) The identity of the persons responsible at the Company:
  - (i) for making the decision to delay the disclosure and the decision that establishes the start of the delay period and its likely end;
  - (ii) for the continuous monitoring of the conditions that permit the delay;
  - (iii) for making the decision to disclose to the public the Inside Information;
  - (iv) for the communication to the competent authority of the information required on the delay and the written explanation.
- c) Proof of the initial satisfaction of the conditions indicated in Article 7.1, including:
  - (i) protective barriers of the information erected both internally and externally to prevent access to Inside Information by other persons as well as those who, at the Company, must access it in the normal exercise of their professional activity or role;
  - (ii) methods established for disclosing the Inside Information as soon as possible when the confidentiality is no longer guaranteed.

The Company will adopt (i) every measure suitable to ensure that the delayed Inside Information can maintain its level of confidentiality; and (ii) barriers aimed at segregating the Inside Information, or avoiding persons, internal or external to the Company, having access to the same who do not have to access it in the normal exercise of their professional activity or their role and, therefore, do not need to know it.

- 7.4 The Company must constantly monitor, by way of its Chairman of the Board of Directors or, in his absence, by the managing director, the continuing presence of the conditions indicated in Article 7.1 and, at the same time, the confidentiality of the Inside Information.

In any case, the Company prepares a draft public disclosure to be disseminated in the circumstance where the monitoring reveals that one of the indicated conditions is no longer in place.

7.5 If one of the delay conditions is no longer in place, the Inside Information must be promptly disclosed to the public.

If the confidentiality of the Inside Information is no longer guaranteed, the Company discloses that information to the public as soon as possible<sup>5</sup>.

7.6 The Company undertakes to notify<sup>6</sup> the competent authority<sup>7</sup>, immediately after the information has been disclosed to the public and by the methods established by that authority, of the delay that characterised the dissemination of the Inside Information, providing in writing an explanation of the methods by which the required conditions were met.

The competent public authority publishes on its website the name of the specific contact point established internally or designated by it and the indication of the electronic means for the notification, so that the transmission does not prejudice the completeness, integrity and confidentiality of the information.

The delay notification must include the following information:

- a) identification of the Company: full company name;
- b) identification of the person making the notification: first name(s), surname(s), position at the company;
- c) contact details of the person making the notification: professional email address and telephone number;
- d) identification of the Inside Information affected by the delayed disclosure: title of the disclosure statement; reference number, if assigned by the system used to disclose the Inside Information; date and time of the public disclosure of Inside Information;
- e) date and time of the decision to delay disclosure of Inside Information;
- f) identity of all persons responsible for the decision to delay the public disclosure of Inside Information.

The notification is not due to the competent authority, if, after the decision to delay the publication, the information is not disclosed to the public as it has lost its nature as inside information.

## **8. Disclosure by way of the website**

8.1 The Company publishes and stores on its website for a period of at least five years the Inside Information that it has disclosed to the public.

8.2 The website allows users to access the Inside Information published on that website, without discrimination and free of charge, in an easily identifiable section. The published Inside Information indicates the date and time of the disclosure and is presented in chronological order.

8.3 In order to guarantee correct information to investors, the Company takes account of the following criteria in using its website:

- a) it indicates the information and data according to adequate editorial criteria, in particular, to pursue promotional purposes;
- b) it clearly indicates, on each page of its website, the date and time of the data update;

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<sup>5</sup> The confidentiality of Inside Information is considered not to be in place even where there is one item that refers explicitly to that information, where that item is sufficiently accurate to indicate that the confidentiality is no longer guaranteed.

<sup>6</sup> By sending the specific form in accordance with **Annex 1** Sections A and C and, where expressly requested by the competent authority, Section B.

<sup>7</sup> The notification to CONSOB is sent to consob@pec.consob.it or, if certified email is unavailable, to protocollo@consob.it, specifying as the recipient "Markets Division" and indicating at the start of the subject "MAR Delay Notification".

- c) notwithstanding that the Italian version remains the text of reference and will prevail in the event of a discrepancy, it guarantees that the content of the documents prepared in English is the same as the documents prepared in Italian, otherwise highlighting any differences;
- d) it disseminates, as soon as possible, an amended text which highlights the corrections made, in the case of errors contained in the information published on its website;
- e) it cites the sources of the information when publishing data and information developed by third parties;
- f) it informs in the press release of any publication on its website of documents relating to the events reported in that press release;
- g) it makes the documents available to the public via its website, preferably in full version, or it guarantees that any summary faithfully reflects the informative context of the original document;
- h) it indicates, with regard to documents published on its internet website, if it is the full version, or an extract or summary, illustrating in any case the methods for obtaining the documents in original form;
- i) it makes any references to other websites based upon principles of correctness and neutrality so as to allow the user easily to ascertain the other website on which it is found;
- j) it indicates the source as well as the effective time of identifying any reported data on prices and on traded quantities of financial instruments;
- k) it facilitates the free consultation of its website, avoiding, even where the pages are managed by third parties, conditioning their access upon the prior communication of data and information by investors and website users;
- l) in discussion forums with investors, it observes the utmost prudence in the interventions so as not to alter the informative equality.

8.4 Insofar as they are compatible, those principles illustrated in this article apply to the websites of companies forming part of the Group.

## **9. Amendments and additions**

- 9.1 The Company's Board of Directors may make to the Procedure the amendments, updates or additions that become necessary or opportune also in view of applicable legal and regulatory provisions, the guidelines of the supervisory authority, as well as application experience and market practices gained in that regard.
- 9.2 The amendments, additions or corrections will enter into force in accordance with the provisions of Article 1.5 above.

## Annex 1 – Form for notification of delay in disclosure

### DEFINITIONS

**Conditions for the Delay:** the conditions for the Delay indicated in Article 17, paragraph 4 of the MAR and Article 7 of the Procedure.

**Inside Information:** information that is classifiable as inside information in accordance with Article 7 of the MAR and Article 5 of the Procedure.

**ITS 1055:** Implementing Regulation (EU) 2016/1055 of the European Commission of 29 June 2016.

**MAR:** Regulation (EU) no. 596/2014 of the European Parliament and of the Council of the European Union of 16 April 2014 on market abuse (Market Abuse Regulation).

**Procedure:** the procedure entitled “Procedure for internal management and public disclosure of Inside Information” adopted by the Company.

**Delay:** the delay in public disclosure of Inside Information in accordance with the provisions of Article 17, paragraph 4, of the MAR and Article 7 of the Procedure.

**Company:** Sanlorenzo S.p.A., with registered office in Ameglia (SP), Via Armezzone 3 (tax code 00142240464).

### Section A

#### ASSESSMENTS REGARDING THE DELAY

<b>Inside Information subject to the Delay:</b>	<i>[Note: to be completed indicating the Inside Information subject to the Delay (e.g. company contract/project/event or financial-accounting data/announcement of profits under expectations, etc.).]</i>
<b>Date and time of Inside Information:</b>	<i>[Note: to be completed indicating the date and time of first existence of the Inside Information at the Company.]</i>
<b>Date and time of making the decision to delay disclosure of Inside Information:</b>	<i>[Note: to be completed indicating the date and time of making the decision to activate the procedure for the Delay.]</i>
<b>Date and time of likely disclosure of Inside Information:</b>	<i>[Note: to be completed indicating the date and time of the likely public disclosure of the Inside Information by the Company.]</i>
<b>Person responsible for making the decision (i) to delay the disclosure and (ii) who establishes the start of the Delay period and its likely end:</b>	<i>[Note: to be completed indicating the identity and role covered by the person responsible for making the decision to delay the disclosure and the decision that establishes the start of the Delay period and its likely end, in accordance with the provisions of the Procedure (e.g. the Chairman of the Board of Directors, Massimo Perotti).]</i>
<b>Person responsible for the continuous monitoring of the Delay Conditions:</b>	<i>[Note: to be completed indicating the identity and role covered by the person responsible for the continuous monitoring, during the Delay period, of the Delay Conditions.]</i>
<b>Person responsible for making the decision to disclose to the public the Inside Information:</b>	<i>[Note: to be completed indicating, as appropriate, the body or the identity and role of the person responsible for making the decision to disclose to the public the Inside Information subject to the Delay.]</i>
<b>Person responsible for the communication to CONSOB of the information required for the Delay and the written explanation:</b>	Name(s): [●] Surname(s): [●] Position: [●] Telephone number: [●] Email address: [●] <i>[Note: to be completed indicating the name(s), surname(s) and position covered at the Company of the person responsible, in accordance with the Procedure, for disseminating the Inside Information, who will be asked to (i) disclose to CONSOB the information required for the Delay by ITS 1055; and (ii) provide to</i>

	<i>CONSOB the written explanation relating to the Delay of Inside Information.]</i>
<b>Methods of communicating the Delay to CONSOB:</b>	<i>Immediately after the Inside Information subject to this Delay Procedure has been disclosed to the public, the Delay will be notified to CONSOB by the methods indicated by CONSOB Communication no. 0061330 of 1 July 2016, namely by notification by certified email to the address consob@pec.consob.it, specifying as the Recipient the "Markets Division" and indicating at the start of the subject "MAR Delay Notification".</i>

\_\_\_\_\_, \_\_\_\_\_  
 [Place and date of assessment]

\_\_\_\_\_  
 [Signature of person who carried out the assessment and indication of the role covered by the same]

## **Section B**

### **PROOF OF MEETING DELAY CONDITIONS**

<b>Proof of meeting Delay Conditions:</b>	<p><i>[Note: to be completed indicating the proof of initially meeting the Delay Conditions (cited below) and any change in that regard occurring during the Delay period.</i></p> <p><i>Delay Conditions:</i></p> <p><i>(a) the immediate disclosure would be likely to prejudice the Company's legitimate interests;</i></p> <p><i>(b) the Delay in disclosure is not likely to have the effect of misleading the public;</i></p> <p><i>(c) the Company is able to guarantee the confidentiality of that information.</i></p> <p><i>With reference to point (c) above, reference may be made, for example, to the adoption by the Issuer of the Procedure, also indicating the:</i></p> <p><i>(i) protective barriers of information erected both internally and externally to prevent access to the Inside Information by other persons as well as those who, at the Issuer, shall access it in the normal exercise of their professional activity or role;</i></p> <p><i>(ii) methods arranged for disclosing the Inside Information as soon as possible when its confidentiality is no longer guaranteed.]</i></p>
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\_\_\_\_\_, \_\_\_\_\_  
 [Place and date of assessment]

\_\_\_\_\_  
 [Signature of person who carried out the assessment and indication of the role covered by the same]

### Section C

#### IDENTIFICATION OF INSIDE INFORMATION AFFECTED BY THE DELAY

<b>Title of press release:</b>	<i>[Note: to be completed identifying the full title of the press release with which the Inside Information subject to the Delay is disclosed to the public.]</i>
<b>Reference number:</b>	<i>[Note: to be completed indicating the identification code of the Inside Information subject to the press release envisaged by the SDIR system in accordance with the provisions of the Annex, Section B of Delegated Regulation (EU) no. 1437/2016.]</i>
<b>Date and time of public disclosure of Inside Information:</b>	<i>[Note: to be completed indicating the date and time of the public disclosure of Inside Information, thereby meaning the time of dissemination via the SDIR system.]</i>

\_\_\_\_\_, \_\_\_\_\_  
[Place and date of assessment]

\_\_\_\_\_  
[Signature of person who carried out the assessment and indication of the role covered by the same]