

## **INTERNAL PROCEDURE FOR THE MANAGEMENT AND EXTERNAL DISCLOSURE OF INSIDE INFORMATION**

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**Date of last BOD approval:** 28 March 2018

**Approval of formal CEO amendment:** 23 January 2020

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This Procedure falls under the company's documental category of Regulations

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**ARTICOLO 1 – Preliminary Provisions**

**1.1** This Procedure is adopted by the Board of Directors of the Bank in accordance with the regime in the matter of corporate disclosure, and in compliance with what provided for in article 1.C.1 (j) of the Corporate Governance Code.

**1.2** This Procedure – in compliance with the legal and regulatory provisions laid down in the matter of market abuse (see MAR, Execution Regulation EU no. 1055/2016, art. 114 TUF and the Issuers Regulation) – governs the identification, management and handling process of Relevant Information and Inside Information as well as the processes and practices to be complied with for the disclosure, both internally and externally, of Inside Information.

**1.3** The Procedure further aims at ensuring confidentiality and secrecy of Relevant Information and Inside Information, for the purpose of avoiding the dissemination of documents and information concerning the Bank and/or the Group to take place on a selective basis (and, accordingly, released in advance to certain persons, such as, without limitation, shareholders, journalists or analysts) or in an untimely, incomplete or inadequate manner or, in any case, in such a way to give rise to disclosure asymmetries.

**1.4** The management of advertising or commercial information, in case it does not contain Inside Information, does not fall within the scope of this Procedure and said information is accordingly disseminated with modalities other than those governed in this document.

**1.5** The Procedure forms part of the Group’s internal control and risk management system, as well as integral part of the overall offence prevention system under Legislative Decree No. 231/2001.

**1.6** Second level Implementing Measures approved by the Company’s Board of Directors, as updated from time to time pursuant to subsequent ARTICOLO 18 (“*Amendments and Supplements*”) of the Procedure form an integral part of this Procedure and the Lists Procedure.

**1.7** This Procedure takes into account the guidelines and indications, even interpretations, provided from time to time in the matter of market abuse by Consob (among which, without limitation, the Guidelines) and, at EU level, by ESMA (e.g. ESMA Qs&As).

**1.8** The Bank identified the Chief Executive Officer as “Inside Information Management Function” (IIMF) as per the Guidelines, entrusting to the competence thereof the management and implementation of his Procedure and the Lists Procedure.

## **ARTICOLO 2 – DEFINITIONS AND INTERPRETATIONS**

### **2.1 Definitions**

<b>Chief Executive Officer:</b>	the “ <i>body with management functions</i> ” of the Parent Company, i.e. the member of the Board of Directors of the Parent Company to whom ordinary management duties, namely the execution of the guidelines resolved in the exercise of the strategic supervision function, are delegated by the Board of Directors of the Parent Company.
<b>Shareholders’ Meeting:</b>	the shareholders’ meeting of the Bank.
<b>Bank or Parent Company or Company:</b>	Banca Farmafactoring S.p.A., parent company of the Banca Farmafactoring Banking Group.
<b>Borsa:</b>	Borsa Italiana S.p.A..
<b>Corporate Governance Code:</b>	the Corporate Governance Code of listed companies drawn up by the Corporate Governance Committee set up by Borsa.
<b>Board of Statutory Auditors:</b>	the Parent Company’s Body with “ <i>control functions</i> ” which monitors compliance with legal, regulatory and statutory provisions, correct administration and adequacy of the Bank’s organisational and accounting structure, even at Group level.
<b>Board of Directors:</b>	the Parent Company’s Body with “ <i>strategic supervision functions</i> ” which is entrusted with management guidance functions of the Bank, through, <i>inter alia</i> , the review of and resolution upon business or financial plans and strategic transactions.
<b>Consob:</b>	the <i>Commissione Nazionale per le Società e la Borsa</i> .

<p><b><i>IIMF (Inside Information Management Function):</i></b></p>	<p>the Chief Executive Officer, in his role as individual in charge of managing and implementing this Procedure and the Lists Procedure and, in particular, of the organizational process for managing publication duties of Inside Information as well as the Insider List. With specific reference to the activities under this Procedure, in carrying them out, the IIMF avails itself of the support of the persons specified - in relation to each of the aforementioned activities – in <u>Annex 1</u> (“<i>Activities falling under the competence of the IIMF</i>”) to this Procedure.</p>
<p><b><i>IICOF (Inside Information Competent Organisational Function):</i></b></p>	<p>each corporate structure or function specifically identified pursuant to the Implementing Measures in relation to each Type of Relevant Information as well as, more in general, each corporate structure or function – although not specifically identified in the Implementing Measures – responsible, at Company or Group level, for activities or projects in the context of which Relevant Information or Inside Information may be originated.</p>
<p><b><i>Compliance &amp; AML Function:</i></b></p>	<p>corporate structure in charge of the corporate function of controlling money-laundering and terrorism financing risk as well as verifying legal compliance.</p>
<p><b><i>Regulation &amp; Processes B.U.:</i></b></p>	<p>corporate structure in charge of the corporate function of assuring the development and on-going update of the organisational model and regulation of the Bank and the Group.</p>
<p><b><i>General Counsel:</i></b></p>	<p>corporate structure providing legal support to the Chief Executive Officer and the other corporate structures.</p>
<p><b><i>Group:</i></b></p>	<p>collectively, the Bank and the companies directly or indirectly controlled thereby pursuant to art. 2359, first subsection, no. 2, of the Italian Civil Code.</p>

<p><b><i>Info Room:</i></b></p>	<p>the structured coordination tool supporting the Chief Executive Officer when carrying out specific activities provided for in this Procedure, comprised:</p> <ul style="list-style-type: none"> <li>(i) of the IICOF from time to time involved in the management of the relating Relevant Information or Inside Information;</li> <li>(ii) of the Investor Relator; and</li> <li>(iii) of the General Counsel.</li> </ul>
<p><b><i>Inside Information:</i></b></p>	<p>pursuant to art. 7 (“<i>Inside Information</i>”) of the MAR, that information of a precise nature which has not been made public relating, directly or indirectly, to the Bank or one or more Financial Instruments, which, if it were made public would be likely to have a significant effect on the prices of those Financial Instruments or on the prices of related Derivative Financial Instruments<sup>1</sup>.</p>
<p><b><i>Relevant Information:</i></b></p>	<p>single information which may, at a later, even close, stage, assume the nature of Inside Information.</p>
<p><b><i>Insider List:</i></b></p>	<p>the list containing the names of all those who have access to Inside Information and with whom the Bank or a Group company has a professional collaboration relation (whether a subordinated employment contract or otherwise) and who, in carrying out specific functions, have access to Inside Information (such as, without limitation, consultants, accountants or rating agencies) as well as of Permanent Insiders.</p>
<p><b><i>Investor Relator:</i></b></p>	<p>the person appointed by the Bank’s Board of Directors and entrusted with the management of the relations with shareholders, with investors and, in general, with stakeholders.</p>

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1 Please note that, pursuant to article 7 (*“Inside Information”*) of the MAR, an information is of “precise nature” if: (a) 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; (b) it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or specified event as per letter a) above on the prices of the Financial Instruments or related Derivative Financial Instruments. 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. An intermediate step in a prolonged process is deemed to be Inside Information if it meets the criteria set by the legislation, also of regulatory nature, with reference to Inside Information. In particular, according to what set out in Recital no. 17 of the MAR, *“Information which relates to an event or set of circumstances which is an intermediate step in a protracted process may relate, for example, to the state of contract negotiations, terms provisionally agreed in contract negotiations, the possibility of the placement of financial instruments, conditions under which financial instruments will be marketed, provisional terms for the placement of financial instruments, or the consideration of the inclusion of a financial instrument in a major index or the deletion of a financial instrument from such an index”*.

Finally, an *“information which, if it were made public would be likely to have a significant effect on the prices of those Financial Instruments or on the prices of related Derivative Financial Instruments”* shall mean information that a reasonable investor would be likely to use as part of the basis of his investment decisions.



<p><b>Guidelines:</b></p>	<p>the “<i>Guidelines in the matter of the Management of Inside Information</i>” no. 1 of 13 October 2017, published by Consob after the conclusion of the public consultation on amendments to the Consob Regulations (implementing the TUF) in the matter of issuers, markets and related-party transactions for the relating adjustment to the MAR, launched on 6 April 2017.</p>
<p><b>MAR:</b></p>	<p>EU Regulation no. 596/2014 of the European Parliament and the Council of 16 April 2014 relating to market abuse (<i>Market Abuse Regulation - MAR</i>), repealing directive 2003/6/CE of the European Parliament and the Council as well as directives 2003/124/EC, 2003/125/EC and 2004/72/EC of the Commission, entered into force on 3 July 2016.</p>
<p><b>Implementing Measures:</b></p>	<p>means the implementing measures approved by the Company’s Board of Directors together with this Procedure and the Lists Procedure, as from time to time updated pursuant to subsequent ARTICOLO 18 (“<i>Amendments and Supplements</i>”), indicating:</p> <ul style="list-style-type: none"> <li>(i) the Types of Relevant Information;</li> <li>(ii) the IICOFs competent in relation to each Type of Relevant Information; as well as</li> <li>(iii) other operating measures useful for the purpose of facilitating the implementation of the Procedure and the Lists Procedure by Informed Persons employees of the Group, in compliance with the applicable regulations.</li> </ul>
<p><b>Corporate Bodies:</b></p>	<p>collectively, the Board of Directors, the Chief Executive Officer and the Board of Statutory Auditors.</p>

<b><i>Informed Persons:</i></b>	all persons with access to Relevant Information and/or Inside Information due to them: a) being members of Corporate Bodies, management or control bodies of the Bank and its subsidiaries; b) having access to said information in the exercise of an employment, profession or function, or due to circumstances other than the above, where said persons are or should be aware that it is a Relevant Information or Inside Information (as the case may be).
<b><i>Procedure:</i></b>	this Procedure.
<b><i>Lists Procedure:</i></b>	the “ <i>Procedure to keep and update the Lists of persons having access to Relevant Information and Inside Information</i> ” as approved by the Company’s Board of Directors.
<b><i>Lists:</i></b>	jointly, the RIL and the <i>Insider List</i> .
<b><i>Issuers Regulation:</i></b>	the Regulation adopted with Consob resolution on 14 May 1999, no. 11971, concerning the regime of issuers.
<b><i>Borsa Rules:</i></b>	the Rules of the markets organised and managed by Borsa.
<b><i>RIL:</i></b>	the “ <i>Relevant Information List</i> ”, namely the list containing the names of those who have access to each Relevant Information.
<b><i>Website:</i></b>	the Bank website, accessible from the following URL <a href="http://www.bffgroup.com">www.bffgroup.com</a> .
<b><i>Audit Firm:</i></b>	the firm engaged for the statutory audit of the Bank accounts.
<b><i>Person in Charge of the List:</i></b>	the Head of the Compliance Function of the Parent Company, who is entrusted with the function of keeping, managing and updating the Lists pursuant to the Lists Procedure.

<b><i>Financial Instruments:</i></b>	pursuant to article 3, paragraph 1, no. 1) of the MAR, the Bank's financial instruments, as defined in article 4, paragraph 1, item 15), of Directive 2014/65/UE (MiFID II) and quoted in section C of annex I of the aforementioned Directive <sup>2</sup> .
<b><i>Derivative Financial Instruments:</i></b>	without limitation, the Financial Instruments referred to in article 1 (" <i>Definitions</i> "), subsection 2, letters d) to j) of the TUF, as well as the Financial Instruments referred to in article 1 (" <i>Definitions</i> "), subsection 1 <i>bis</i> , letter d) of the TUF <sup>3</sup> .
<b><i>Financial Services Act or TUF:</i></b>	Legislative Decree no. 58/1998 and subsequent amendments and supplements.
<b><i>Types of Relevant Information:</i></b>	Types (flows) of information suitable to become Inside Information.
<b><i>Permanent Insiders</i></b>	all persons who, due to their function or role, have constant access to all Inside Information.

## 2.2 Interpretations

In this Procedure:

- a) all terms with initial capital letter, where not otherwise specified, have the meaning assigned thereto in the definitions set out in Section **Errore. L'origine riferimento non è stata trovata.** ("*Definitions*") above;
- b) where the context or the sentence so requires, terms defined in singular form shall include the plural and vice versa;
- c) expressions "including", "includes" or similar shall be deemed to introduce mere examples as if always followed by "without limitation";
- d) the expression "chief executive officer of the Group company" (or equivalent) shall be deemed in the broad sense, such as to include the chairman of the ordinary management body howsoever called (e.g., the chairman of the management board of BFF Polska S.A.);

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<sup>2</sup> Section C of Annex I to Directive MiFID II indicates as Financial Instruments the following instruments: (i) Transferable securities, (ii) Money-market instruments, (iii) Units in collective investment undertakings , (iv) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash , (v) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination even ), (vi) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled , (vii) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments, (viii) Derivative instruments for the transfer of credit risk, (ix) Financial contracts for differences, (x) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF; (xi) Emission allowances consisting of any units recognized for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

<sup>3</sup> For completeness, pursuant to art. 2, paragraph 1, item 29) of Regulation EU no. 600/2014 (MiFIR), reference is made to art. 4, paragraph 1, item 44) of Directive 2014/65/EU (MiFID II), as well as to items 4 to 10 of Annex I, Section C to the aforementioned Directive.

e) the provisions of *ARTICLE 5 (Conduct obligations of Informed Persons)* of this Procedure referring to Inside Information or Relevant Information shall apply regardless of the circumstance that a specific information has been actually qualified as Inside Information or Relevant Information pursuant to this Procedure, where the same in concrete meets the requirements of an Inside Information or Relevant Information;

f) all legal and regulatory references as well as references to guidance and indications, also interpretations, published in the matter of market abuse by the competent authorities are deemed to be always made to the most recent amendments and/or updates intervened;

g) for the purpose of this Procedure “control” shall mean corporate control (in the meaning of article 2359 of the Italian Civil Code, or, in case of listed companies, in the meaning of article 93 of the TUF) and the verb “to control” and the terms derived therefrom shall have a meaning consistent with that of “control”.

### **ARTICOLO 3 – REFERENCE LEGISLATION**

**3.1** This Procedure is issued in implementation of:

- a) the provisions of the MAR and the relating supplementing provisions as per the Delegated and Execution Regulations issued at EU level;
- b) the provisions of art. 114 of the TUF;
- c) the provisions in the matter of corporate disclosure set out in the Issuers Regulation;
- d) the provisions in the matter of corporate disclosure set out in the Borsa Rules and the Instructions to the Borsa Rules;
- e) the Corporate Governance Code.

**3.2** This Procedure also takes into account the approaches and indications, even interpretations, provided from time to time by Consob (including, without limitation, in the Guidelines) and the ESMA (in the form of approaches, Q&A, Final Reports etc.) in the matter of market abuse.

### **ARTICOLO 4 – SCOPE OF APPLICATION**

**4.1** Informed Persons, both at Parent Company and Group companies level, are bound to comply with the provisions of this Procedure.

**4.2** Each Group company is bound to:

a) adopt appropriate measures suitable to assure compliance with the obligations laid down in this Procedure, including protective garrisons and confidentiality measures with reference to Relevant Information and Inside Information concerning it, in line and in compliance with those adopted by the Company pursuant to ARTICOLO 5 (“*Conduct obligations of Informed Persons*”), Sections **Errore. L'origine riferimento non è stata trovata.** (“*Confidentiality obligation*”), 5.3 (“*Obligations of Informed Persons who are employees of the Company*”) and 5.4 (“*Internal disclosure and training*”) below;

b) promptly inform the IIMF, through its chief executive officer, of all information concerning the Group company the aforementioned chief executive officer deems to be eligible as Relevant Information, the same has become aware of due to his or her working or professional activity, or by reason of the functions carried out, as provided for pursuant to ARTICOLO 6 (“*Assessment and Identification of Relevant Information and Inside Information*”), Section 6.1 (“*Reporting of an information potentially eligible as Relevant Information*”) below. The IICOFs responsibility at Group level for the reporting of Relevant Information and Inside Information originated in the operating context of competence is in any case unprejudiced.

## ARTICOLO 5 – CONDUCT OBLIGATIONS OF INFORMED PERSONS

### 5.1 Confidentiality obligation

#### 5.1.1 Informed Persons shall:

a) keep confidential Relevant Information and Inside Information relating to the Company or its subsidiaries in their knowledge and not disseminate or divulge it, either internally or externally, unless to the extent permitted by the applicable laws and regulations, as well as by this Procedure;

b) use Relevant Information and Inside Information exclusively in connection with their employment or profession, duties or office, in any case ensuring that – also within the company where the Informed Person operates - the circulation of said information takes place without prejudice to its confidential nature, and not use it for personal purposes;

c) ensure utmost secrecy and confidentiality of Relevant Information and Inside Information, until it is disclosed to the market according with the modalities provided for in this Procedure.

### 5.2 Compliance obligation with the applicable market abuse regime

**5.2.1** Informed Persons are bound to observe the regime, even regulatory, from time to time in force in the matter of market abuse. Without limitation, it is prohibited for Informed Persons to:

- a) purchase, sell or enter into or attempt to purchase, sell or enter into other transactions, directly or indirectly, on their own account or for the account of third parties, on Financial Instruments using Inside Information;
- b) disclose Inside Information to other persons, outside the normal exercise of the employment, profession, functions or office;
- c) recommend or direct other persons, on the basis of Inside Information, to enter into any of the transactions listed under letter a).

### **5.3 Obligations of Informed Persons who are employees of the Company**

**5.3.1** Informed Persons who are employees of the Company shall comply with the segregation measures of information flows put in place by the Company for the purpose of assuring the confidentiality of Relevant Information and Inside Information. In particular, without limitation:

- a) specific care shall be used in transmitting to the members of the Company's Bodies preparatory documents for board meetings and/or the various committees. In this respect the transmission via fax and e-mail or the use of other tools or modalities not suitable to ensure utmost confidentiality is usually avoided;
- b) similar care is used, in the context of extraordinary transactions, for exchanging information and/or documents with persons carrying out consultancy or advisory roles in the same transactions;
- c) in order to have access to Relevant Information or Inside Information, persons outside the Group shall be bound by confidentiality obligations in compliance with the provisions of ARTICOLO 9 ("*Disclosure to Third Parties of Inside Information*") below;
- d) paper and digital documents containing Relevant Information or Inside Information shall be kept and stored with utmost diligence, in compliance with the internal policies adopted in the matter of physical and logical security and, in any case, so to prevent unauthorised persons from having access thereto and, at the same time, ensure the traceability of activities;

- e) the opening and distribution of mail delivered through the postal service shall be operated respecting confidentiality;
- f) the password of one's own computer (or similar device) shall be kept secret and the same computer shall be adequately protected through temporary block at the time the respective desk is left;
- g) leaving documents on tables and desks for longer than as strictly necessary for their use shall be avoided, especially where they are accessible to unauthorized persons;
- h) cautions similar to those under item g) above shall further be observed also in case of trips. In particular, documents under consideration shall never be left unattended;
- i) the "confidential" nature of paper and/or digital documents shall be highlighted marking them as "confidential" or similar, using specific envelopes or other closed containers for their circulation;
- j) in case of loss of documents containing or in any case relating to Relevant Information or Inside Information, the competent IICOF shall be without delay informed of said circumstance (and in particular of the conditions and circumstances of said loss); the concerned IICOF – in turn – shall promptly inform the IIMF for appropriate measures to be taken.

**5.3.2** In addition to the above, each Informed Person who is an employee of the Company is bound, through his or her direct manager:

- a) to provide without delay to the competent IICOF all information necessary for the prompt and proper fulfilment of public disclosure obligations provided for by the relevant regime as well as this Procedure (including the list of persons having access to the identified Relevant Information), as better specified in ARTICOLO 6 ("*Assessment and identification of Relevant Information*") below;
- b) to promptly inform the IIMF of whatever action, fact or omission which may represent a breach of this Procedure;
- c) where he or she deems the Bank to be bound by the obligation to proceed with the public disclosure of an Inside Information the same employee has become aware of, to communicate without delay said circumstance to the IIMF.

**5.4** *Internal disclosure and training*



**5.4.1** The Company puts in place the necessary measures in order for Informed Persons to be aware of the civil and criminal consequences that may derive in case of abuse or unauthorised dissemination of Inside Information as well as of the consequences deriving from failed compliance with this Procedure. The following fall among the aforementioned measures: (i) the written disclosure<sup>4</sup> transmitted by the Person in Charge of the List to Informed Persons at the time of the relating entering in the Lists in compliance with the provisions of the Lists Procedure, and (ii) training programmes for employees organized with periodic frequency<sup>5</sup>. In the context of said training programmes, the Company – *inter alia* – discloses that, for the purpose of determining Inside Information abuse or unauthorized dissemination crimes, the circumstance that, at the time the conduct is put in place, the Company has not yet qualified the information as Inside Information is not of essence.

## **ARTICOLO 6 – ASSESSMENT AND IDENTIFICATION OF RELEVANT INFORMATION AND INSIDE INFORMATION**

### **6.1 Reporting of an information potentially eligible as Relevant Information**

**6.1.1** Should each IICOF (and, where the information refers to a Group company, the chief executive officer of said company) deem that, in its operating context, an information was originated that could be qualified as Relevant Information i.e. such as to, at a later stage (even shortly), assume the nature of Inside Information, it immediately informs the IIMF<sup>6</sup>. To this end, as specified in ARTICOLO 5 (“*Conduct obligations of Informed Persons*”), Section 5.3 (“*Obligations of Informed Persons who are employees of the Company*”), Paragraph 5.3.2a) above, each Group employee is bound to inform his or her direct manager of the Relevant Information he or her has become aware of by reason of his or her employment.

**6.1.2** The IICOF (and, should the information relate to a Group company, the chief executive officer of said company) assesses whether an information may be eligible as specific Relevant Information on the basis of the criteria set out in Section 6.4 (“*Identification of an Inside Information*”) below.

### **6.2 Identification of a Relevant Information**

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<sup>4</sup> Please note, in this respect, that the aforementioned disclosure contains, *inter alia*, the indication of the sanctions provided for in case insider dealing and market manipulation crimes are committed or in case of unauthorized dissemination of Inside Information.

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<sup>5</sup> More specifically, training programs addressed to employees (and in particular to IICOFs) concern the management and protection of confidential information flows and aim, *inter alia*, at facilitating the identification – by the aforementioned persons – of the nature of the information processed thereby, clarifying the related criticalities. In any case, it is the duty of the IIMF – with the support of the Compliance & AML Function and the General Counsel – to instruct IICOFs for the correct implementation of the Procedure.

<sup>6</sup> The Implementing Measures specify the modalities through which the IICOF or the chief executive officer of the Group company (as the case may be) shall render said disclosure to the IIMF.

**6.2.1** After the reporting received pursuant to Paragraph 6.1.1 above or other possibly available information, the IIMF verifies – on the basis of the criteria referred to in Section 6.4 (“*Identification of an Inside Information*”) below – that this is an actual Relevant Information. If so, the IIMF immediately informs the IICOF in the operating context of which said Relevant Information was originated.

### **6.3 Actions subsequent to the identification of a Relevant Information**

**6.3.1** The competent IICOF – after having received the communication referred to in Paragraph 6.2.1 above – instructs the Person in Charge of the List for him or her to feed the RIL, including a specific section dedicated to the specific just identified Relevant Information, according to the provisions of the Lists Procedure.

**6.3.2** In particular, for the above purposes, the IICOF – as provided for in article 4 (“*Roles and Responsibilities*”) of the Lists Procedure – informs the Person in Charge of the List<sup>7</sup> of: (i) the specific just identified Relevant Information, (ii) the list of persons having access thereto, even based on the reporting received pursuant to ARTICOLO 5 (“*Conduct obligations of Informed Persons*”), Section 5.3 (“*Obligations of Informed Persons who are employees of the Company*”), Paragraph 5.3.2a) above, as well as (iii) every other useful information on the evolution of said specific Relevant Information for the purpose of assuring that the RIL is kept constantly updated pursuant to the Lists Procedure. The above mentioned information is contextually also disclosed by the IICOF to the IIMF.

**6.3.3** With specific reference to the disclosure concerning those who have access to the Relevant Information under item (ii) of Paragraph 6.3.2 above, please note that – in case of a company, an association or another entity acting in the name or on behalf of the Company – the competent IICOF is bound to report to the Person in Charge of the List all related individuals having access to said Relevant Information<sup>8</sup>. For these purposes, the competent IICOF:

a) since the very beginning of the project in the context of which Relevant Information may be originated, prepares a “working group list” containing all individuals involved in the same project; and

b) asks said company, association or entity to communicate in writing the data of all related individuals having access to the Relevant Information under exam.

**6.3.4** The IIMF constantly monitors the evolution of the Relevant Information on the basis of the information received from the IICOF pursuant to Paragraphs 6.3.2 and 6.3.3 above.

#### **6.4 Identification of an Inside Information**

**6.4.1** The identification activity of an Inside Information, including the time at which an information already identified as Relevant Information becomes an Inside Information, pertains to the IIMF, which avails itself of the support of the Info Room. Said activity is carried out on the basis of the criteria mentioned in Paragraphs 6.4.2 and 6.4.3 below.

**6.4.2** In particular, an information (including a Relevant Information) is considered an Inside Information when it satisfies all four conditions<sup>9</sup> set out in article 7 (“*Inside Information*”) of the MAR. Said conditions shall be assessed on an individual basis, even when the specific circumstances are intrinsically linked among each other<sup>10</sup>.

**6.4.3** For the purpose of assessing the satisfaction of each of the aforementioned four (legal) conditions, reference shall be made:

c) to the criteria identified as mandatory by Consob<sup>11</sup> in section 4 (“*Recognising when the Relevant Information becomes an Inside Information*”) of the Guidelines;

d) to the approaches from time to time published by the competent authorities (among which ESMA) even in relation to the non-comprehensive lists of information that may reasonably be expected to having to be disclosed to the market in accordance with the laws and regulations in force<sup>12</sup>;

e) to the market application practice, with specific reference to entities comparable to the Bank;

f) to other criteria and examples provided in section 4 (“*Recognising when the Relevant Information becomes an Inside Information*”), articles 4.2 et seq. of the Guidelines, although not mandatory<sup>13</sup>, in any case considering the non-exhaustive nature thereof<sup>14</sup>; as well as

g) to further possibly applicable ancillary parameters<sup>15</sup>, from among those identified by the Bank in the context of the Implementing Measures in relation to certain Types of Relevant Information.

#### **6.5 Actions subsequent to the identification of an Inside Information**

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<sup>9</sup> Please see the definition of Inside Information pursuant to article 7 (“*Inside Information*”) of the MAR, as set out in article 2 (“*Definitions and Interpretations*”), paragraph 1 (“*Definitions*”), of this Procedure. As concerns the price sensitive nature of the information, this is identified assessing, *ex ante*, the likelihood that: (i) a reasonable investor uses said information as part of the basis of his investment decisions and (ii) it is an information potentially suitable to have a

significant effect on the prices of the Financial Instruments. According with the indications of Recital 14 of the MAR, Reasonable investors base their investment decisions on information already available to them. Therefore, the question whether, in making an investment decision, a reasonable investor would be likely to take into account a particular piece of information should be appraised on the basis of the *ex ante* available information. Such an assessment has to take into consideration the anticipated impact of the information in light of the totality of the related issuer's activity, the reliability of the source of information and any other market variables likely to affect the Financial Instruments.

<sup>10</sup> See Section 4 (“*Recognizing when the Relevant Information becomes an Inside Information*”), article 4.6 (“*Other criteria on materiality and precise nature*”), paragraph 4.6.2 of the Guidelines, pursuant to which “*It is unprejudiced that the four conditions shall be assessed on an individual basis, even when the specific circumstances are intrinsically linked among each other (as may be the case, for instance, for the ‘materiality’ condition and the ‘precise nature’ one)*”.

<sup>11</sup> Reference is specifically made to the provisions of section 4 of the Guidelines marked with a red square to indicate the mandatory nature.

<sup>12</sup> Please see, in particular, Level 3 measures summarized in section 8 (“*Glossary and list of EU legislative acts*”), paragraph 8.2 (“*EU legislative acts*”) of the Guidelines as well as ESMA Q&A referred to in paragraph 8.3 (“*ESMA Q&A*”) of the same Guidelines.

<sup>13</sup> Reference is made, in particular, to the provisions of section 4 of the Guidelines marked with a yellow triangle to indicate the non-mandatory nature.

<sup>14</sup> Section 4 (“*Recognizing when the Relevant Information becomes an Inside Information*”), article 4.6 (“*Other criteria on materiality and precise nature*”), paragraph 4.6.7 of the Guidelines, clarifies that “*the criteria useful to identify when an information becomes an inside information may, then, be based on qualitative or quantitative elements, on conditions internal or external to the issuer, according to the type of Relevant Information. The following elements provide an indication on the likelihood that the information is an inside information, provided that a series of other factors may lead to different conclusions. Said criteria, as much as those illustrated above, are useful in the reconstruction of the most complete set of information based on which the issuer decides as regards the inside nature of the information. Per se, none of them determines, alone, the inside nature of the information*”.

<sup>15</sup> Said further parameters are identified by the Bank in the Implementing Measures pursuant to the provisions of section 4 (“*Recognizing when the Relevant Information becomes an Inside Information*”), article 4.1 (“*Inside Information*”), paragraph 4.1.4 of the Guidelines, which states as follows: “[...] *To identify at what time a specific relevant information assumes the nature of inside information, the Procedure defines ex ante appropriate (not exhaustive) criteria for each type of relevant information. Said criteria may consist in parameters, factors, materiality thresholds, specific conditions, types of situations, factual elements, reasonableness tests. [...]*”.

**6.5.1** If, after the assessments conducted pursuant to Section 6.4 (*“Identification of an Inside Information”*) above, an information is qualified as Inside Information and the IIMF does not intend to activate the “delay” Procedure as per ARTICOLO 8 (*“Delay in the public disclosure of Inside Information”*) below:

a) the same IIMF informs the IICOF in the context of which the Inside Information was originated and instructs the Investor Relator for the latter to communicate, as soon as possible, to the market, said Inside Information, in compliance with the provisions of ARTICOLO 7 (*“Public Disclosure of Inside Information”*) below; and

b) the IICOF – as provided for in article 4 (*“Roles and Responsibilities”*) of the Lists Procedure – informs the Person in Charge of the List<sup>16</sup> of: (i) the just identified Inside Information, (ii) the list of persons having access thereto and (iii) every other useful information on the evolution of said specific Inside Information for the purpose of assuring the Insider List to be kept constantly updated pursuant to the Lists Procedure, also on the basis of the reporting received pursuant to ARTICOLO 5 (*“Conduct obligations of Informed Persons”*), Section 5.3 (*“Obligations of Informed Persons who are employees of the Company”*), Paragraph 5.3.2a).

The above mentioned information is contextually disclosed by the IICOF also to the IIMF.

**6.5.2** With specific reference to the disclosure concerning those who have access to the Inside Information under item (ii) of Paragraph 6.5.1b) above, please note that – in case of a company, association or other entity acting in the name or on behalf of the Company – the competent IICOF is bound to report to the Person in Charge of the List all related individuals who have access to said Inside Information<sup>17</sup>.

**6.5.3** If, on the contrary, after the assessments conducted pursuant to Section 6.4 (*“Identification of an Inside Information”*) above, an information is qualified as Inside Information, but the IIMF deems the conditions to activate the “delay” Procedure as per ARTICOLO 8 (*“Delay in the public disclosure of Inside Information”*) below to exist:

a) ARTICOLO 8 (*“Delay in the public disclosure of Inside Information”*) below shall apply; and

b) the competent IICOF takes care of the communications to the Person in Charge of the List<sup>18</sup> as per Paragraph 6.5.1 b) above, without prejudice to the provisions of Paragraph 6.5.2 above.

## ARTICOLO 7 – PUBLIC DISCLOSURE OF INSIDE INFORMATION

**7.1** Pursuant to article 7 of the MAR: “an issuer shall inform the public as soon as possible of inside information which directly concerns that issuer”.

**7.2** *Press releases*

**7.2.1** The public disclosure of Inside Information is made by the Investor Relator, in compliance with the prescriptions in the matter (also as regards the minimum content and representation modalities of the above releases) by the MAR, the Execution Regulation (EU) no. 1055/2016, and – where not conflicting with the above measures – the TUF and the Issuers Regulation as well as by the further provisions of law and/or regulations in force for the time being (including the Borsa Rules and relating Instructions)<sup>19</sup>.

**7.2.2** In case of absence or temporary impediment of the Investor Relator, the public disclosure of the Inside Information in accordance with this ARTICOLO 7 (“*Public Disclosure of Inside Information*”) is made by the Head of the Communication and External Relations B.U., or by a collaborator of his or her specifically delegated thereto, in coordination with the IIMF.

**7.2.3** The Investor Relator is in charge of verifying that: (i) the press release contains all elements suitable to allow a complete and correct assessment of the described events and circumstances, as well as links and comparisons with the content of previous press releases; (ii) the press release is drafted in accordance with fairness, clarity, transparency and equal access to information requirements; (iii) each significant amendment to Inside Information, already publicly disclosed, is disclosed without delay to the same public; and (iv) the public disclosure of Inside Information is not combined with the marketing of the Bank’s and the Group’s activities.

**7.2.4** Should the draft press release contain references to data pertaining to the economic, capital or financial condition of the Bank and/or the Group, said data shall be preliminarily verified by the Financial Reporting Officer, who shall also sign the statement referred to in art. 154-*bis* (“*Manager charged with preparing a company’s financial reports*”), subsection 2, of the TUF (which statement shall accompany all acts and communications disseminated in the market setting out financial information). In case the press release relates to an event referred to a Group company, the draft is transmitted, for information and verification of its content, to the chief executive officer of the concerned company.

**7.2.5** In order to prepare the draft press release, the Investor Relator may at his discretion evaluate the possibility to preliminarily consult Borsa and Consob.

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<sup>19</sup> In particular, section IA.2.6 (“*Schemes of price-sensitive press releases*”) of the Instructions to the Borsa Rules sets out the representation modalities as well as minimum content of the press releases to be disseminated pursuant to article 17 (“*Public Disclosure of Inside Information*”) of the MAR and article 78-bis (“*Transparency of resolutions*”) of the Issuers Regulation.



**7.2.6** The draft press release, prepared by the Investor Relator, is submitted for approval to the Chief Executive Officer, after verification by the IICOF competent for the matters that are the subject of the same release. Should the Chief Executive Officer deem it appropriate or necessary, even the Board of Directors will have to review the draft press release.

**7.2.7** The Investor Relator transposes the observations or amendments, if any, to the press release and receives the authorization to the publication thereof by the Chief Executive Officer. The Investor Relator disseminates the press release, according to the applicable provisions and takes care of the necessary fulfilments.

### **7.3 Dissemination and storage of the information subject matter of the press releases**

**7.3.1** The public dissemination of the press release is made in accordance with the applicable legislation, even regulatory, in force for the time being<sup>20</sup>. To this end, the Company avails itself of the regulated information dissemination system (SDIR) managed by Computershare S.p.A. (“Info-SDIR”)<sup>21</sup>.

**7.3.2** Once the press release is stored, the Investor Relator takes care of its publication on the website by the market opening day subsequent to that of its dissemination. Press releases shall remain available on the Bank’s website for at least five years, with specific indication of the day and time they were entered.

**7.3.3** No declaration on Inside Information may be released prior to the dissemination of the press release.

### **7.4 Communication during trading hours**

**7.4.1** For the purpose of allowing Consob and Borsa to promptly exercise the respective supervisory activities, the Investor Relator alerts – even via telephone – the aforementioned authorities of the possibility for the Company to publish Inside Information of specific relevance while the Financial Instruments are being traded<sup>22</sup>.

## **ARTICOLO 8 – DELAY IN THE PUBLIC DISCLOSURE OF INSIDE INFORMATION**

**8.1** In case of a Relevant Information which may reasonably shortly become an Inside Information, the IIMF assesses, even prior to said Relevant Information being qualified as Inside Information, whether the conditions are met for a possible delayed disclosure<sup>23</sup>.

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<sup>20</sup> In accordance with the provisions of article 65-ter (“*Codification of regulated information*”) of the Issuers Regulation, the Investor Relator assigns to the information transmitted to the SDIR the identification code typical of Inside Information as set out in Section B (“*Classes and sub-classes of regulated information*”) of the Annex to the Delegated Regulation (EU) no. 1437/2016.

<sup>21</sup> Pursuant to article 65-septies (“*Storage and filing of regulated information*”), subsection 6, lett) b, of the Issuers Regulation, the listed issuer is compliant with storage and filing requirements of regulated information if, for the public disclosure of said information, it avails itself of a SDIR carrying out on its behalf the transmission service of regulated information to the authorized storage device.

<sup>22</sup> Please note that the Bank’s duty to alert Borsa Italiana via telephone of the transmission of the press release during trading hours is provided for by article IA.2.5.4 (“*Press releases on inside information to be disclosed during trading hours*”) of the Instructions to the Borsa Rules. Said formality is functional to allow Borsa Italiana to assess in a more weighted manner the impact the news, once disseminated, may have on the smooth running of negotiations.

<sup>23</sup> For the sake of completeness, please note that said assessment is made even in case of a specific Relevant Information concerning serious financial issues, in which case the IIMF (with the support of the General Counsel and the Info Room) is also called to assess whether the conditions are met to transmit to Consob the request referred to in article 17 (“*Public disclosure of inside information*”), subsection 5, of the MAR, as better described in ARTICOLO 8 (“*Delay in the public disclosure of Inside Information*”), Section 8.7 (“*Further pre-requirement to activate the Delay procedure (i.e. risks for the stability of the financial system)*”) below, in this Procedure.

**8.2** If so, the Company prepares itself for the possibility of a subsequent decisions to delay the relevant publication thereof, as follows:

a) the IIMF prepares an estimate of the date and, if the case, time of the likely publication of the possibly delayed Inside Information; and

b) the Investor Relator prepares a draft press release in accordance with what set out in ARTICOLO 7 (“*Public Disclosure of Inside Information*”) above, taking care of its constant update based on developments, so that the press release is ready for dissemination should the confidentiality of the Inside Information contained therein be no longer assured.

### **8.3 Pre-requirements to activate the delay procedure**

**8.3.1** The Company may decide to resort - on its own responsibility - to the right to delay disclosure of an Inside Information pursuant to article 7 (“*Public Disclosure of Inside Information*”), subsection 5, of the MAR, provided that (i) immediate disclosure of said Inside Information is likely to prejudice the legitimate interests of the Company, (ii) delay of disclosure is not likely to mislead the public, and (iii) the Bank is able to ensure the confidentiality of that delayed Inside Information. The same conditions apply also in case of Inside Information relating to protracted process, that occurs in stages.

**8.3.2** The decision to delay the disclosure of an Inside Information pursuant to Paragraph 8.3.1 above is made by the IIMF.

### **8.4 Examples to assess the existence of a legitimate interest in the delay**

**8.4.1** By way of mere example and without limitation, the existence of a legitimate interest in the delay is assumed pursuant to Paragraph 8.3.1 (i) above in the following circumstances<sup>24</sup>:

a) the Company is conducting negotiations, where the outcome of such negotiations would likely be jeopardised by immediate public disclosure (some examples of such negotiations may be those related to mergers, acquisitions, splits and spin-offs, purchases or disposals of major assets or branches of corporate activity, restructurings and reorganisations),

b) the financial viability of the Company seems in grave and imminent danger and immediate public disclosure of the inside information would seriously prejudice the interests of existing and potential shareholders by jeopardising the conclusion of the negotiations designed to ensure the financial recovery of the Company,

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<sup>24</sup>See Guidelines ESMA/2016/1478 and Consob Communication 14 December 2016, no. 0110353. On the contrary, situations where immediate public disclosure would not jeopardize the Bank's legitimate interests, include, without limitation, with reference to the information relating to the resignation of the Chief Executive Officer, the failed identification of his successor (see items 100 and 126 of the Feedback Statement (Annex 4) of Final Report ESMA/2016/1130).

c) the Company has developed a product or an invention and the immediate public disclosure of that information is likely to jeopardise the intellectual property rights of the Company,

d) the Company is planning to buy or sell a major holding in another entity and the disclosure of such an information would likely jeopardise the implementation of such plan,

e) a transaction previously announced is subject to a public authority's approval, and such approval is conditional upon additional requirements, where the immediate disclosure of those requirements will likely affect the ability for the issuer to meet them and therefore prevent the final success of the deal or transaction,

f) in presence of the relevant circumstances listed in article 109-ter ("*Daly in communication*"), subsection 2, of the Issuers Regulation.

### **8.5 Examples to assess the (non) misleading nature of the delay**

**8.5.1** By way of mere example and without limitation, delayed public disclosure of Inside Information is deemed misleading for the public pursuant to Paragraph 8.3.1(ii) above in the following circumstances<sup>25</sup>:

a) the Inside Information is materially different from the previous public announcement of the Company on the matter to which the Inside Information refers to;

b) the Inside Information regards the fact that the Company's financial objectives are not likely to be met, where such objectives were previously publicly announced;

c) the Inside Information is in contrast with the market's expectations, where such expectations are based on signals that the Company has previously sent to the market, such as interviews, roadshows or any other type of communication organized by the Company or with its approval.

### **8.6 Confidentiality assurance**

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<sup>25</sup> See Guidelines ESMA/2016/1478 and Consob Communication 4 December 2016, no. 0110353.

**8.6.1** In case of delay in the public disclosure, the confidentiality of the delayed Inside Information pursuant to Paragraph 8.3.1(iii) above is ensured through effective protective measures adopted by the Company both internally and externally (including the activation of the Insider List as well as the other measures set out in ARTICOLO 5 (“*Conduct obligations of Informed Persons*”) above for the purpose of allowing access to the Inside Information solely to those who are in need to do it for the exercise of their functions within the Bank or the Group (i.e. those who use said information for office reasons) and possibly solely to those third parties which are bound by confidentiality obligations. Should, in spite of the above measures, the confidentiality of the Inside Information cease, the Bank takes every action to restore information equality and, accordingly, the IIMF instructs the Investor Relator for the latter to proceed with the immediate public disclosure of the Inside Information<sup>26</sup>.

**8.7** *Further pre-requirement to activate the delay procedure (i.e. risks for the stability of the financial system)*

**8.7.1** In addition to the above, the Bank may decide – on its own responsibility – to delay the public disclosure of Inside Information, including information which is related to a temporary liquidity problem, provided that all the following conditions are satisfied<sup>27</sup>:

- a) the disclosure of the Inside Information entails the risk of undermining the financial stability of the Bank and of the financial system;
- b) it is in the public interest to delay the disclosure;
- c) the confidentiality of that Inside Information can be ensured;
- d) Consob has consented in writing to the delay on the basis that the conditions in points (a), (b) and (c) are met.

**8.7.2** For the purpose of obtaining Consob consent to delay the disclosure of Inside Information pursuant to Paragraph 8.7.1, letter d) above, the Investor Relator shall notify Consob of its intention to delay the disclosure and provide the same authority with evidence that the conditions set out in points (a), (b) and (c) above are met<sup>28</sup>. The Investor Relator, on instructions of the IIMF, shall further notify Consob of any new information that may have an impact on its decision, with the same modalities used to transmit the notice. Should the Bank not receive Consob written authorisation as per letter d) of Paragraph 8.7.1 above, the Investor Relator shall immediately disclose to the public the Inside Information subject matter of preliminary notification.

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<sup>26</sup> For example, in accordance with the prescriptions of article 17 (“*Public Disclosure of Inside Information*”), subsection 7, of the MAR, where a rumor is found that explicitly relates to Inside Information the disclosure of which has been delayed, where that rumour is sufficiently accurate to indicate that the confidentiality of that Inside Information is no longer ensured, the Investor Relator, having heard the Chief Executive Officer, publishes the Inside Information.

<sup>27</sup> See Q5.3 and Q5.4 of ESMA’s Qs&As (*Questions & Answers on Market Abuse Regulation*), as most recently updated on 29 March 2019.

<sup>28</sup> The notification to Consob is made according to the modalities provided for by the legislation in force from time to time. In this respect, please note that Consob, with Communication no. 0061330 of 1 July 2016, disclosed that the above notification should be made in writing, via e-mail, to the address *segr.DME@consob.it*, specifying “*to the kind attention of the Head of the Markets Division*” and stating at the beginning of the reference “*MAR Delay request*”.

## **8.8** *Actions in case of activation of the delay procedure*

**8.8.1** When the IIMF decides to delay the publication of the Inside Information, it formalises said decision and registers the following information on a technical means ensuring the accessibility, readability, and storage on a durable medium:

- a) date and time when:
  - (i) the Inside Information first existed within the Bank;
  - (ii) the decision to delay disclosure of the Inside Information was made;
  - (iii) the Bank is likely to disclose the Inside Information.
- b) identity of the persons within the Bank who:
  - (i) made the decision to delay disclosure and the decision on the start of the delay and its likely end;
  - (ii) will ensure the ongoing monitoring of the conditions for the delay.
- c) evidence of the initial satisfaction of the conditions for the delayed disclosure and of any variation of this satisfaction during the delay period, including:
  - (i) information protection garrisons built both internally and to the outside to prevent access to the Inside Information by persons other than those who, within the Bank, require it for the normal exercise of their employment, profession or duties;
  - (ii) arrangements put in place to disclose the relevant Inside Information as soon as possible where the confidentiality is no longer ensured.

**8.8.2** In all circumstances where the delay procedure as per this ARTICOLO 8 (“*Delay in the public disclosure of Inside Information*”) is activated, in addition to the provisions of ARTICOLO 6 (“*Assessment and identification of Relevant Information and Inside Information*”), Section 6.5 (“*Actions subsequent to the identification of an Inside Information*”), Paragraphs 6.5.1, 6.5.2 and 6.5.3 above, the following shall apply:

- a) the IIMF monitors on an on-going basis the existence of the conditions permitting the delayed publication of the Inside Information, for the purpose of assuring that, should the ceasing of one of the aforementioned conditions be found during the monitoring, the publication of the same Inside Information is made as soon as possible<sup>29</sup>;



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<sup>29</sup> As part of this monitoring activity, the Investor Relator is *inter alia* called to monitor on an on-going basis the external information status (*i.e.* the existence of rumors), so that, where a rumor such as to jeopardise the confidential nature of the delayed Inside Information is found, the publication of said Inside Information is made as soon as possible.

b) the Investor Relator, on instructions of the IIMF, prepares in accordance with ARTICOLO 7 (“*Public Disclosure of Inside Information*”) – from the very moment in which the decision is made to delay the disclosure of the Inside Information – a draft press release to be disseminated in case one of the condition’s legitimating said delay should cease, taking care of its constant update.

**8.8.3** Should the conditions legitimating the delay cease, the Investor Relator takes care of the immediate dissemination to the public of the Inside Information in accordance with ARTICOLO 7 (“*Public Disclosure of Inside Information*”) above.

**8.8.4** Immediately after the publication of the delayed Inside Information, the Investor Relator, on the terms and with the modalities<sup>30</sup> provided for by the regulations in force from time to time, notifies Consob of the circumstance that the just published Inside Information has been delayed and, solely in case of Consob request, also provides a written explanation of the modalities by which the delay conditions were met. Said notification is not due if, after the decision to delay publication, the information is not disclosed to the public since its inside nature was lost<sup>31</sup>.

## **8.9 Purchase of treasury shares (effects on possible outstanding programmes)**

**8.9.1** Pursuant to the provisions of article 4 (“*Trading restrictions*”), subsection 1(c), of Delegated Regulation (EU) no. 1052/2016, for the purpose of benefiting from the exemption referred to in article 5 (“*Exemption for buy-back programmes and stabilisation*”), paragraph 1, of the MAR, the issuer who has decided to delay the public disclosure of Inside Information shall not engage in trading activities for the duration of the buy-back programme, unless the conditions referred to in subsection 2 or subsection 4 of the above-mentioned article 4 (“*Trading restrictions*”) are met.

**8.9.2** Where the decision is made to suspend an outstanding buy-back programme, the IIMF coordinates with the intermediary engaged for the purchase of treasury shares for the purpose of pointing out the restoration or ceasing (as the case may be) of the conditions permitting to operate benefiting from the exemptions referred to in article 5 (“*Exemption for buy-back programmes and stabilisation*”), paragraph 1, of the MAR.

## **ARTICOLO 9 – DISCLOSURE TO THIRD PARTIES OF INSIDE INFORMATION**

<sup>30</sup> With Communication no. 0061330 of 1 July 2016, Consob disclosed that the notification of occurred delayed publication of an Inside Information shall take place by means of CEM to the address [consob@pec.consob.it](mailto:consob@pec.consob.it) specifying as addressee “*Market Division*” and indicating at the beginning of the reference “*MAR Delayed disclosure*”.

<sup>31</sup> See Section 5.2, ESMA Q&A.

**9.1** Inside Information may be disclosed by the Bank to third parties exclusively by reason of the normal exercise of the employment or profession and subject to said third parties being bound by a legal, regulatory, statutory or contractual confidentiality obligation. Among the cases of disclosure to external parties not triggering public disclosure obligations the following shall, without limitation, be included: the disclosure of accounting situations or data, before they have acquired “*a sufficient degree of certainty*”, to the Auditing Firm for the performance of its mandate, as well as to consultants participating in the drafting of the same situations. Similarly, the transmission to non-executive directors without delegations of reports (monthly and quarterly) and of any other information concerning the management of the Bank integrates a behaviour functional to informative needs and the exercise of the supervision and intervention duties in presence of possible specific detrimental acts; it is accordingly possible to disclose management reports to non-executive directors without proceeding with a contextual public disclosure.

**9.2** When disclosing Inside Information to third parties, the heads of the IICOFs shall in any case make a selection based on upmost caution and they shall preliminarily consult with the IIMF, every time this proves appropriate or necessary.

**9.3** In case, by way of derogation to the above, Inside Information is disclosed to third parties not bound by confidentiality obligations, and in any case in circumstances of leak of information – namely the fact that the confidentiality of Inside Information is no longer ensured by a fact other than the disclosure to the market in accordance with the applicable provisions of law -, the Chief Executive Officer and the Investor Relator will take action to integrally disclose it to the public, contextually in case of intentional disseminations and without delay in case of unintentional dissemination.

#### **ARTICOLO 10 – INFORMATION IN SHAREHOLDERS’ MEETINGS**

**10.1** In case the Bank intends to provide potentially privileged information during a Shareholders’ Meeting, the preliminary dissemination to the market procedure shall be activated.

**10.2** In case of dissemination, even unintentional, during a Shareholders’ Meeting, of Inside Information, the latter shall be disclosed without delay to the market. The Chairman and the Chief Executive Officer are accountable for monitoring the information disclosed during a Shareholders’ Meeting.

#### **ARTICOLO 11 – FORWARD-LOOKING INFORMATION**

**11.1** The Board of Directors and/or Chief Executive Officer may decide to publish press releases concerning forward-looking information (forward-looking data, quantitative objectives and period accounting data). In this case, the press release is drawn up in accordance with the modalities set out in ARTICOLO 7 (“*Public Disclosure of Inside Information*”)<sup>32</sup>.

**11.2** The fairness principle in the drafting of the press releases at hand requires to clearly specify, at the time of the publication of forward-looking data, whether they are actual forecasts or instead strategic objectives set in the context of the company’s planning.

**11.3** In case the forward-looking information is contained in a press release to the market with heterogeneous and complex content, separate evidence shall be provided of the forward-looking information, dedicating a specific section of the press release thereto, which shall contain the indication of the forward-looking nature, the specification of it being a forecast or an objective and the indication of the factors that may give rise to deviations.

**11.4** The fairness principle further requires the continuity of disclosure modalities and times of the forward-looking information: where, for example, certain income indicators are decided to be disclose, it is appropriate to allow the market to monitor them over time (“*uniform forward-looking information*”).

**11.5** Furthermore, in light of the clarity principle, it is also necessary to indicate which are the main assumptions on which the forecasts are expressed. The Chief Executive Officer and the Investor Relator, in case of publication of such documents, shall monitor the actual performance of the company’s management for the purpose of detecting any deviation from forward-looking data and quantitative objectives disclosed to the market, for the purpose of disclosing to the public without delay any relevant deviation therefrom and the relative justifications.

**11.6** The Chief Executive Officer and the Investor Relator further verify that forward-looking information provided to the market not by the Bank, but by financial intermediaries, professional investors analysis centres (so called consensus estimate) is consistent with the forward-looking data disseminated by the Bank. In case of significant deviations between the above forecasts and the forward-looking data disseminated by the Bank, a press release containing clarifications and specifications on the reasons for such deviations will be published.

## **ARTICOLO 12 – MEETINGS WITH MARKET OPERATORS AND INTERVIEWS**

**12.1** Relations with market operators are handled by the Chief Executive Officer, with the support of the Investor Relator.

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<sup>32</sup> Article IA.2.6.6. (“*Minimum content of press releases containing forecasts or quantitative objectives*”) of the Instructions to the Borsa Rules sets out the minimum content of press releases containing forecasts or quantitative objectives.

**12.2** Should the Company organise meetings or conferences with financial analysts, institutional investors or other market operators, concerning data pertaining to the economic, capital or financial condition of the Bank and/or the Group, the Investor Relator shall:

a) preliminarily inform Consob and Borsa of the date, place and main topics of the meeting, transmitting to said authorities the documents made available to those attending the meeting, at the latest contextually with the running of the same meeting; and

b) publish a press release illustrating the main topics addressed, in accordance with article 65-bis (“*Requisites for the disclosure of regulated information*”) of the Issuers Regulation.

**12.3** Interviews and meetings with journalists, as well as conventions and seminars, may be held, besides by the Chairman and the Chief Executive Officer, also by other persons in accordance with the following modalities.

**12.4** For the purpose of allowing the verifications and fulfilments of competence, the persons (other than the Chairman and the Chief Executive Officer) intending to effect interviews, meetings, conventions or seminars pursuant to paragraph 12.3 above, shall communicate the proximity or mere possibility of interviews being held, as well as the possible topics to be addressed, with adequate advance notice, to the Investor Relator. Depending on the relevance of the topics addressed, the Investor Relator asks for the authorisation to make said interviews to the Chief Executive Officer of the Bank, provided that public speeches or interviews concerning the business or accounting and forward-looking data or plans of the Bank and/or the Group may not be disseminated, unless with the previous authorisation of the Chief Executive Officer.

**12.5** In any case, any information provided by anyone during interviews, conventions or seminars, shall necessarily be limited to what already disclosed to the public on the basis of the legal and regulatory provisions in force. Possible declarations concerning Relevant Information (e.g., concerning the status of negotiations in progress which are not yet considered Inside Information), where made by the Chief Executive Officer or authorized thereby, are inspired by criteria of prudence, for the purpose of not feeding misleading expectations or effects.

**12.6** In case the Bank intends to communicate a forward-looking information or other relevant information during meetings with market operators, it preliminarily informs the market of said information in accordance with the provisions of ARTICOLO 11 (“*Forward-looking Information*”) above. The communication is made by the Investor Relator, subject to prior consultation with the Chief Executive Officer.

**12.7** Should instead, during interviews and/or meetings, Inside Information or forward-looking information be unintentionally disclosed, the Investor Relator, subject to prior consultation with the Chief Executive Officer, shall promptly inform the public of said information.

### **ARTICOLO 13 – WEBSITE**

**13.1** The Bank handles, manages and updates its own Website that, in accordance with the regime applicable to issuers of listed financial instruments, is recognised as the means through which shareholders, and, in general, the public, may have access to updated information on the issuer and through which the issuer of listed financial instruments fulfils its disclosure obligations.

**13.2** The management of the Website is made with modalities such as to assure users' access to the information published therein without discriminations and free of charge as well as the retrieval thereof in a easily identifiable section.

**13.3** It is the Investor Relator's duty to have press releases and the most important corporate and accounting documents (information on its own corporate governance, financial statements, financial reports – even for the period, etc.), as well as those in any case useful for shareholders to exercise their rights, published on the Website, as promptly as possible and/or within the times and according with the modalities prescribed by the legislation in force from time to time, in the specific section dedicated to investors.

**13.4** The Inside Information published on the Website specify the date and time of the relating dissemination and are presented in chronological order; it is also stored on the Website for a period of at least five years.

### **ARTICOLO 14 – RUMOURS**

**14.1** Provided that the Company is not bound to comment on rumours, if any, in case of:

a) relevant movements in the price of the Financial Instruments in presence of information in the public domain not already disclosed in accordance with the modalities set out in ARTICOLO 7 (“*Public Disclosure of Inside Information*”) above and concerning the Bank;

b) presence, during closed markets or in the pre-opening phase, of information in the public domain, not disclosed in accordance with the modalities set out in ARTICOLO 7 (“*Public Disclosure of Inside Information*”) above, and suitable to have a significant impact on the price of the Financial Instruments, the Investor Relator carries out an assessment of the situation to verify the need or opportunity to inform the public on the truthfulness of the information in the public domain supplementing or correcting, where necessary, the content thereof for the purpose of restoring fair information conditions. Furthermore, the need to inform the public shall be assessed in light of the possible use of the delay tool (as per ARTICOLO 8 - “*Delay in the public disclosure of Inside Information*”) above, since rumours concerning an Inside Information not yet disclosed represent the indicator of the infringement of the confidentiality obligation.

In case of positive outcome of the above assessment, the relating press release, subject to the approval of the Chief Executive Officer, is transmitted and disseminated in accordance with the modalities set out in ARTICOLO 7 (“*Public Disclosure of Inside Information*”) above.

**14.2** It is the Investor Relator’s duty to monitor possible rumours.

## **ARTICOLO 15 – MARKET SOUNDING**

**15.1** According to the provisions of article 14 (“*Market sounding*”) of the MAR, a market sounding comprises the communication of information – by the Company or a third party acting in the name and on behalf thereof - prior to the announcement of a transaction, in order to gauge the interest of potential investors in a possible transaction and the conditions relating to it, such as its potential size or pricing, to one or more potential investors. The running of market soundings may require the disclosure of Inside Information.

**15.2** Should the Bank conduct a market sounding, the Chief Executive Officer, with the support of the Investor Relator shall preliminarily assess whether the market sounding will involve the disclosure to the addressees of Inside Information. If so, the market sounding shall be conducted in compliance with the regulations from time to time in force and, in particular, with what provided for by the MAR, the Execution Regulation (EU) no. 959/2016, the Delegated Regulation (EU) no. 960/2016 and the Guidelines published by ESMA.



**15.3** Accordingly, should the Chief Executive Officer come to the conclusion that the market sounding involves the disclosure of Inside Information, the same shall: (i) make a written record of its conclusion and reasons; (ii) provide such written records to Consob, upon request of the latter, throughout the entire market sounding; and (iii) update the written records per each communication relating to the market sounding.

**15.4** In addition to the above, prior to the beginning of the market sounding potentially suitable to disclosed Inside Information, the Investor Relator shall exchange with the person who receives the aforementioned sounding the information referred to in article 3 (“*Standard set of information for the communications to persons receiving the market sounding*”) of Delegated Regulation (EU) n. 960/2016; in particular, the Investor Relator shall, *inter alia*, obtain the consent of the person receiving the market sounding to receive information that in the opinion of the Company represents Inside Information and inform him or her of the circumstance that, once the consent is given, he or she will be prohibited from abusing or attempting to abuse said Inside Information, being on the contrary bound to keep it strictly confidential. The Investor Relator shall make and maintain a record: (i) of the identity of those who have received a market sounding (including but not limited to the legal and natural persons acting on their behalf) in the context of which Inside Information was disclosed, (ii) of the Inside Information disclosed as part of said sounding, as well as (iii) of the date and time of each disclosure of information; the Investor Relator retains said records for a period of at least five years and transmits them to Consob, upon request of the latter.

**15.5** Disclosure of Inside Information made in the course of a market sounding shall be deemed to be made in the normal exercise of a person’s employment, profession or duties where the provisions under Paragraphs 15.2 and 15.3 above are complied with.

#### **ARTICOLO 16 – LISTS**

**16.1** The Company sets up, manages and keeps constantly updated the RIL and the Insider List, according to the modalities governed in the Lists Procedure, to whose content reference is made.

**16.2** The responsibility for updating the Lists lies with the Person in Charge of the List.

#### **ARTICOLO 17 – MEASURES APPLICABLE TO PERSONS ACCOUNTABLE FOR INFRINGEMENTS**

**17.1** The infringement of the requirements and prohibitions prescribed in this Procedure will trigger the liabilities provided for by the legal and regulatory provisions in force from time to time.

**17.2** In case of infringements of the provisions of this Procedure by the Bank's or its subsidiaries' employees, the infringement may be of relevance for the application of possible disciplinary sanctions under the national collective labour agreement applicable thereto, including, in the most serious cases, the dismissal, without prejudice to any liability of different nature as provided for by the legal and regulatory provisions in force from time to time.

**17.3** For those who carry out their employment and/or profession in favour of the Bank or its subsidiaries and by virtue of a relation other than a subordinated employment, the infringement of the provisions of this Procedure may be of relevance, pursuant to and to the effects of the legal and contractual regime governing the single relation, up to, in the most serious cases, triggering the termination thereof – also without advance notice – or withdrawal therefrom, without prejudice to any liability of different nature and the related compensation obligations as provided for by the legal and regulatory provisions in force from time to time.

**17.4** The infringement by the Bank of the provisions in the matter of corporate disclosure set forth in the TUF triggers, unless the fact constitutes an offence, the administrative liability thereof pursuant to article 193 (“*Corporate disclosures and the duties of auditors, statutory auditors and independent statutory auditors*”) of the TUF.

**17.5** Furthermore, pursuant to the provisions of article 30 (“*Administrative sanctions and other administrative measures*”) of the MAR, insider dealing and market manipulation are offences punishable with criminal and administrative sanctions to those who committed them, in accordance with what provided for by the national law, and may give rise to circumstances involving the administrative liability of the issuer (artt. 187-*quinquies* – “*Liability of the entity*” – of the TUF and 25-*sexies* of Legislative Decree 231/01)<sup>33</sup>.

## **ARTICOLO 18 – AMENDMENTS AND SUPPLEMENTS**

**18.1** Without prejudice to the provisions of Paragraph 18.2 below, amendments and/or supplements to this Procedure require the approval of the Board of Directors, except for amendments and/or supplements made necessary or in any case appropriate subsequent to legal or regulatory measures, or organisational changes in the Company which may be approved, subject to prior favourable opinion of the Compliance & AML Function, by the Chief Executive Officer, who shall inform the Board of Directors.

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<sup>33</sup> Article 187-*bis* (“*Insider Trading*”) of the TUF also sanctions with administrative sanction insider trading attempts; while market manipulation attempts are sanctioned by the MAR.

**18.2** The amendment and update of the Implementing Measures are also referred to the competence of the Chief Executive Officer. The Chief Executive Officer shall inform the Board of Directors of the amendments made.

**18.3** The Chief Executive Officer periodically assesses the implementation and effectiveness of the management, handling and disclosure process of Relevant Information and Inside Information, so to identify the possible need to make amendments to the Procedure and/or the Lists Procedure.

#### **ARTICOLO 19 – FINAL PROVISIONS**

**19.1** Every aspect not expressly governed by this Procedure shall be governed by the legal, regulatory and self-regulatory provisions in force from time to time in the matter of market abuse, including those referred to in **Errore. L'origine riferimento non è stata trovata.** of the Procedure.

**19.2** It is the Chief Executive Officer's duty to make this document known to the concerned addressees. He is furthermore expressly authorised to adopt every other action and/or measure necessary to achieve the above described goals.

**ANNEX 1****ACTIVITIES FALLING AMONG THE COMPETENCE OF THE IIMF**

Pursuant to the Procedure, the IIMF is accountable for carrying out the following activities:

- a). takes care, with the support of the Investor Relator, the Regulation & Processes B.U. and the General Counsel (each for the aspects of respective competence), of the periodic verification of the Procedure, the Lists Procedure and the relating Implementing Measures, for the purpose of making (or proposing to the Board of Directors) the updates referred to in ARTICOLO 18 (“*Amendments and Supplements*”) of the Procedure and article 9 (“*Amendments and Supplements*”) of the Lists Procedure;
- b). with the specific support of the Compliance & AML Function and the General Counsel, instructs the IICOFs for the correct application of the Procedure;
- c). with the support of the Info Room, identifies the Relevant Information reported pursuant to Section 6.1 (“*Reporting of an information potentially eligible as Relevant Information*”) of the Procedure and identifies the moment in which a Relevant Information becomes an Inside Information pursuant to Section 6.4 (“*Identification of an Inside Information*”) of the same Procedure;
- d). monitors the circulation of Relevant Information and Inside Information on the basis of the information received from the IICOFs competent pursuant to Sections 6.3 (“*Actions subsequent to the identification of a Relevant Information*”) and 6.5 (“*Actions subsequent to the identification of an Inside Information*”) of the Procedure;
- e). through the IICOFs, instructs the Person in Charge of the List for the correct management, respectively, of the RIL and the Insider List, in accordance with the provisions of Sections 6.3 (“*Actions subsequent to the identification of a Relevant Information*”) and 6.5 (“*Actions subsequent to the identification of an Inside Information*”) of the Procedure;
- f). in case an information qualifies as Inside Information, decides – with the support of the Info Room – on the relating publication times (including as regards the possible activation of the delay procedure);
- g). monitors, with the support of the Investor Relator and the General Counsel (for the aspects falling among the respective competence), the existence of the conditions permitting the delay of the publication of the Inside Information;
- h). offers, also through the General Counsel, employees and, in particular, IICOFs, a technical support to facilitate the identification of the nature of the information handled thereby and to clarify the criticalities associated with the current situation;

i). in case of suspension of outstanding buy-back programmes according to the provisions of ARTICOLO 8 (“*Delay in the Public Disclosure of Inside Information*”), Section 8.9 (“*Purchase of treasury shares (effects on possible outstanding programmes)*”), coordinates – with the support of the Investor Relator – with the intermediary engaged for the purchase of treasury shares for the purpose of operating benefiting from the exemption referred to in article 5 (“*Exemption for buy-back programmes and stabilisation*”), paragraph 1, of the MAR.

In case the Relevant Information or Inside Information concerns a Group company, in carrying out the activities entrusted thereto pursuant to the Procedure, the IIMF also avails itself of the cooperation of the chief executive officer of said company, without prejudice to the responsibilities of the competent IICOFs by operating area at Group level also for the purpose of reporting to the IIMF the Relevant Information or Inside Information concerning the Group company.