INTRED S.P.A.

PROCEDURE FOR KEEPING THE INSIDER REGISTER OF PERSONS WHO HAVE ACCESS TO INSIDE INFORMATION

Introduction

Pursuant to the combined provisions of Article 31 of the AIM Italia – Mercato Alternativo del Capitale Issuers' Regulation (the "**AIM Italia Issuers' Regulation**"), Article 18 of Regulation 596/2014/EU of the European Parliament and of the Council and Implementing Regulation 347/2016/EU of the European Commission (the "**Regulation**"), the Board of Directors of INTRED S.p.A. (hereinafter "**INTRED**" or the "**Company**"), at its meeting of 29 June 2018, approved this procedure (hereinafter the "**Procedure**") for the management, keeping and updating of the Insider Register of persons who have access to inside information (the "**Insider Register**"). This Procedure enters into force as from the date on which trading in the Shares of INTRED (as defined below) begins on the AIM Italia multilateral trading facility.

This Procedure is linked to the "Procedure for the management, handling and disclosure of inside information" adopted by the Company.

For anything not explicitly provided for in this procedure, express reference is made to the provisions on the dissemination of price sensitive information and on corporate disclosure laid down in the AIM Italia Issuers' Regulation, the Regulation and the laws and regulations (including European ones) applicable *pro-tempore*.

Article 1

Definitions

Capitalised terms and expressions have the meanings set out below.

"**Shares**" means the ordinary shares of the Company.

"**Board of Statutory Auditors**" means the board of statutory auditors of the Company in office from time to time.

"**Board of Directors**" means the board of directors of the Company in office from time to time.

"**Subsidiaries**" means the companies controlled by the Company pursuant to Article 2359 of the Italian Civil Code, where present.

"**Inside Information**" means information of a precise nature which has not been made public, relating directly or indirectly to the Company or to one of its Subsidiaries, where present, or to its Financial Instruments, and which, if it were made public, could have a significant effect on the prices of the Financial Instruments.

In particular, information shall be deemed to be of a "precise nature" if it:

a) refers to a set of circumstances which exist or which may reasonably be expected to come into existence, or to an event which has occurred or which may reasonably be expected to occur; and

b) is specific enough to enable a conclusion to be drawn as to the possible effect of the set of circumstances or of the event referred to in point (a) on the prices of the Financial Instruments or of the related derivative financial instruments. In this respect, in the case of a protracted process intended to bring about a particular circumstance or a particular event, or of a protracted process that results in them, that future circumstance or future event, as well as the intermediate steps of that process connected with bringing about or determining the future circumstance or event, may be deemed to be information of a precise nature.

Furthermore, "information which, if it were made public, could have a significant effect on the prices of the Financial Instruments" means information that a reasonable investor would be likely to use as one of the elements on which to base their investment decisions.

Article 2

Natural and legal persons entered in the Insider Register

The Insider Register must contain the list of all those who have access to Inside Information and of all persons with whom the Company or persons acting in its name or on its behalf have a professional relationship (employment contract or otherwise) and who, in the performance of certain tasks, have access to Inside Information, such as, for example:

I. the members of the Board of Directors and of the Board of Statutory Auditors of the Company;

II. persons discharging management functions within the Company, and employees and managers who have regular access to Inside Information concerning, directly or indirectly, the Company and hold the power to take decisions that may affect the development and future prospects of the Company; as well as all other persons who, by virtue of their office, attend the meetings of the corporate bodies, in relation to all Inside Information concerning the Issuer;

III. persons performing the functions referred to in letters I and II above in any company controlled, directly or indirectly, by the Company and who have regular access to Inside Information

(hereinafter, collectively, the "**Relevant Persons**").

Article 3

Structure of the Insider Register

1. The Insider Register is divided into separate sections, one for each item of Inside Information. A new section must be added each time a new item of Inside Information is identified ("**Occasional Access**").

Each section of the Insider Register contains only the details of the persons who have access to the Inside Information covered by that specific section.

2. Each Occasional Access section must contain:

I. the date and time of creation of the section of the list, i.e. when the Inside Information was identified;
II. the date and time of the last update;
III. the date of transmission to the competent authority, where applicable;
IV. the first name, surname and birth surname (if different) of the Relevant Person;
V. the professional telephone number of the Relevant Person;
VI. the name and address of the Company;
VII. the function and reason for access to Inside Information;
VIII. the date and time at which the Relevant Person obtained access to Inside Information;
IX. the date and time at which the Relevant Person was entered in the occasional access section;
X. the date and time at which the Relevant Person ceased to have access to Inside Information;
XI. the date of birth of the Relevant Person;
XII. the tax code of the Relevant Person;
XIII. the private telephone numbers (home and personal mobile) of the Relevant Person; and
XIV. the full private address (street, street number, town/city, postcode, country) of the Relevant Person.

3. Without prejudice to the above, the Company may add to the Insider Register a supplementary section containing the details of the persons who always have access to all Inside Information ("**Permanent Access**"), who, once entered in that section, need not be repeated in the other sections relating to Occasional Access. The following persons are normally included in the Permanent Access section:

(i) the Chairman of the Board of Directors and the executive Directors of the Company;

(ii) the *Chief Financial Officer* of the Company;

(iii) the secretarial and staff personnel supporting the persons referred to in points (i) and (ii) above, identified by the Chairman of the Board of Directors on the recommendation of their respective managers, who always have access to all Inside Information;

(iv) the further persons, identified by the Chairman of the Board of Directors, who always have access to all Inside Information.

Each Permanent Access section must contain:

I. the date and time of creation of the section of the list, i.e. when the inside information was identified;
II. the date and time of the last update;
III. the date of transmission to the competent Authority, where applicable;
IV. the first name, surname and birth surname (if different) of the Relevant Person;
V. the professional telephone number of the Relevant Person;
VI. the name and address of the company of the Relevant Person;
VII. the function and reason for access to Inside Information on a permanent basis;
VIII. the date and time at which the Relevant Person was entered in the permanent access section;

IX. the date of birth of the Relevant Person;
X. the tax code of the Relevant Person;
XI. the private telephone number of the Relevant Person; and
XII. the full private address (street, street number, town/city, postcode, country) of the Relevant Person.

4. Without prejudice to the foregoing, the content of the Occasional Access and Permanent Access sections (where set up) must comply with Templates 1 and 2 of Annex I to Implementing Regulation (EU) 2016/347 of 10 March 2016.

Article 4

Methods of keeping the Insider Register

1. The Insider Register must be kept electronically and consists of a system accessible via the Internet/Intranet protected by adequate security systems, access filters and access credentials.

2. The Insider Register must ensure:

I. the confidentiality of the information contained therein;
II. the accuracy of the information in the list; and
III. access to and retrieval of previous versions of the list.

3. There is a single Insider Register for the Company and for any Subsidiaries (where present), and it is kept by the Chairman of the Board of Directors (the "**Responsible Person**"). The Company currently uses an external *provider* – which has been given a specific mandate – to carry out the activities of keeping and updating the Insider Register. In addition to the functions identified in other parts of the Procedure, the Responsible Person sets the criteria and methods to be adopted for keeping, managing and searching the information contained in the Insider Register, so as to ensure easy access, management, consultation, extraction and printing.

Article 5

Updating, retention and transmission of the data of the Insider Register

1. The Insider Register must be updated promptly and without delay by the Responsible Person, adding the date and time of the update in question, where:

i. the reason for which the person is entered in the Insider Register changes, including where the entry of the person needs to be moved from one section of the Insider Register to another;
ii. a new person needs to be entered in the Insider Register because that person has access to Inside Information;
iii. a person entered in the Insider Register no longer has access to Inside Information, specifying the date from which access ceases and the related deletion of the data of the person from the Insider Register.

2. Without prejudice to the powers of the competent authorities, access to the Insider Register is reserved to (i) the Responsible Person and (ii) the Chairman of the Board of Directors, in order to supervise the correct application of this Procedure, making use, where appropriate, of the competent company departments.

3. The lists relating to the Relevant Persons entered in the Insider Register are kept by the Company for the five years following the cessation of the circumstances that gave rise to their entry or update.

4. The Responsible Person sends the Insider Register in electronic form to the competent Authorities as soon as possible, if they so request.

Article 6

Information to persons entered in the Insider Register

1. Immediately after a Relevant Person is entered in the Insider Register, the Responsible Person informs that person of:

i. their entry in the Insider Register;
ii. the legal and regulatory duties arising from access to Inside Information;
iii. the sanctions applicable in the event of offences of misuse of Inside Information and market manipulation or in the event of unauthorised disclosure of Inside Information.

2. The information is given in writing, by certified email, registered post or hand delivery.

3. The Responsible Person also notifies the Relevant Persons already entered in the Insider Register of any updates concerning them, by a corresponding written communication sent by certified email or registered post or hand delivery, and also notifies them of any deletion from the Insider Register, by a communication likewise sent by certified email or registered post or hand delivery.

4. The Responsible Person keeps on a durable medium a copy of the communications sent, in order to ensure proof and traceability of the fulfilment of the information obligations.

5. The Responsible Person provides the Relevant Persons who so request with a paper copy of the information concerning them contained in the Insider Register.

Article 7

Communications from persons to the Responsible Person

Each Relevant Person is required to:

i. return a copy of this Procedure signed for receipt, thereby accepting its contents, by delivering to the Office of the Responsible Person the letter of acceptance set out in Annex A;
ii. comply with the provisions contained therein.

Article 8

Processing of personal data

1. For the purposes of the Procedure and by virtue of the legal and regulatory provisions described, the Company will be required to process certain personal data of the Relevant Persons. The Relevant Persons are therefore required to provide the personal data and information that the Company, in its role as data controller, will process for the purposes and in the manner described more fully in the information notice pursuant to Article 13 of Regulation EU 679/2016 on the protection of personal data ("**GDPR**"), and of the forthcoming legal provisions on the matter, included in this procedure. The legal basis for the processing of the personal data in question is a legal obligation, within the meaning and terms of the GDPR as subsequently amended or supplemented.

Article 9

Final provisions

1. The Responsible Person is responsible for updating the Procedure in light of developments in the legislation on the Insider Register and in the other legal provisions applicable from time to time and of the

experience gained in its application, submitting to the Chairman of the Board of Directors the proposals for amendments and/or additions to the Procedure deemed necessary or appropriate.

2. The Responsible Person shall without delay notify the Relevant Persons in writing of the amendments and/or additions to the Procedure referred to in this Article and obtain their acceptance of the new contents of the Procedure in the form and manner indicated in Article 7 above.

ANNEX A – INFORMATION LETTER

Notice of entry in the Insider Register and information on the processing of the personal data of the data subjects required to be entered in the Register of persons who may have access to inside information pursuant to Regulation 596/2014/EU

INTRED S.p.A. (the "**Company**" or the "**Controller**"), in compliance with Article 31 of the AIM Italia – Mercato Alternativo del Capitale Issuers' Regulation (the "**AIM Italia Issuers' Regulation**"), Article 18 of Regulation 596/2014/EU of the European Parliament and of the Council (the "**MAR Regulation**") and Implementing Regulation 347/2016/EU of the European Commission, has set up the register of persons who have access to inside information within the meaning of Article 7 of the MAR Regulation (the "**Insider Register**").

We hereby inform you that your personal data have been entered in the said Insider Register for the reason communicated to you by email.

We remind you that holders of inside information concerning the Company must, for the purposes of its dissemination, comply with the requirements of the procedure set out in the attached "Procedure for the management, handling and disclosure of inside information", which is also available on the website www.intred.it.

Please also read carefully the provisions contained in this letter and in Annex 1, which reproduces certain provisions of the MAR Regulation as well as the provisions of Legislative Decree no. 58/1998 ("**TUF**") relevant to market abuse.

Finally, we inform you that, where requested, the Company is required to send the Insider Register to the competent authority.

* * * * *

In accordance with Article 13 of Regulation EU 679/2016 on the processing of personal data, as subsequently amended and supplemented ("**GDPR**"), we wish to inform you that the personal data you have provided to the Company, or otherwise acquired by it, may be processed in compliance with the applicable legislation.

Please note that, under the legislation in force, processing means any operation or set of operations, whether or not performed by automated means and applied to personal data or sets of personal data, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data.

1. PERSONAL DATA PROCESSED

Below is the list of your personal data – which may be supplemented from time to time – that the Controller may process:

(a) personal details (first name, surname, date of birth, full private residential address);
(b) tax data (tax code);
(c) other identification details (personal telephone number and identification details of the company to which you belong).

The personal data mentioned above will be processed to enable the Controller to fulfil obligations imposed under the above-mentioned provisions of European and Italian legislation or to comply with tax and contractual obligations.

In this regard, we inform you that failure to provide such data, or the provision of incorrect data, could make it impossible for the Company, among other things, to:

- verify and ensure that the results of the processing comply with the obligations imposed by the European legislation on which it is based;
- correctly establish or continue the contractual relationship with you, to the extent that such data are necessary for its performance.

2. PURPOSES OF THE PROCESSING AND LEGAL BASIS OF THE PROCESSING

The personal data, requested or acquired in order to enter you in the relevant Insider Register, will be processed by the Controller for the following purposes:

(1) effectively managing the formalities connected with the obligations arising from Italian and European legislation;
(2) fulfilling obligations imposed by provisions issued by Authorities empowered to do so by law and by supervisory and control bodies;
(3) establishing or defending a right in court (contractual breaches, formal notices, settlements, debt collection, arbitration, litigation), including by a third party.

The legal basis for the processing for the purposes referred to in nos. (i) and (ii) above is the fulfilment of legal obligations to which the Company is subject, while for the purposes referred to in no. (iii) the legal basis is the pursuit of a legitimate interest of the Company or of a third party, on the basis of a balancing of interests carried out by the Company with respect to the rights and safeguards of the data subjects.

For the performance of the purposes listed above, except as explained below, the processing of personal data is necessary, and failure to provide them will make it impossible to perform correctly the relationship with the Company.

3. DATA PROCESSORS AND PERSONS IN CHARGE OF PROCESSING

Your data may be processed by persons in charge appointed by the Company (managers, directors and statutory auditors, internal secretarial offices, accounting and invoicing staff, staff responsible for marketing the services/products, customer technical support staff).

4. DISCLOSURE OF DATA TO THIRD PARTIES

Within the limits of the purposes referred to in Article 2 above, your data may be disclosed by the Company to the following natural or legal persons:

- persons to whom the disclosure and dissemination of the data is required or permitted by law, regulation or EU legislation, within the limits necessary for the specific purpose;
- any parent companies, subsidiaries and associated companies of the Controller and their employees or consultants, for the fulfilment of legal obligations or for activities relating to or resulting from the management, in every contractual respect, of the relationship established with you;
- persons entrusted with formalities incumbent on the Company and/or relating to your contractual relationship, with particular reference to accounting obligations;
- all those who act as external data processors on behalf of the Controller, the list of whom is freely accessible and constantly updated;

- external maintenance providers of our information system and/or of the software we use, in the event of faults or security problems in the processing, for the time strictly necessary to restore functionality;
- persons who need to access your data to ensure the proper performance of the contractual relationship, to the extent strictly necessary to carry out ancillary tasks (for example, credit institutions, forwarding agents, etc.).

The persons belonging to the categories indicated above will use the data as independent data controllers or as processors, in the latter case subject to an appointment agreement pursuant to Article 28 of the GDPR.

5. TRANSFER ABROAD

We also inform you that the current structure of the Company does not require your personal data to circulate outside the territory of the European Union.

Should the Company transfer data to non-EU countries, within the limits of the purposes described above, the Company will adopt appropriate measures to ensure that the transfer takes place in accordance with the provisions of the GDPR (e.g. by using the standard contractual clauses approved at European level from time to time).

6. DATA CONTROLLER

The Data Controller is INTRED S.p.A., with registered office in Brescia (BS), Via Tamburini no. 1, registered in the Brescia Companies Register under registration number, Tax Code no. 11717020157, VAT No. 02018740981, and registered in the R.E.A. at the Brescia C.C.I.A.A. under no. 366982.

7. RETENTION PERIOD

Personal data will be retained for the entire period set by the specific legal provisions, as well as for administrative purposes and/or to establish or defend a right or a legitimate interest.

8. RIGHTS OF DATA SUBJECTS

In the cases expressly provided for by the Regulation, you may exercise the rights referred to in Articles 15 et seq. of the GDPR and in particular:

(i) obtain confirmation as to whether or not your personal data are being processed and, where that is the case, request from the Controller access to the information relating to such processing;
(ii) request the rectification of inaccurate or incomplete data;
(iii) request the erasure of the data;
(iv) request the restriction of processing;
(v) receive, in a structured, commonly used and machine-readable format (e.g. pdf), the personal data concerning you and transmit them to another controller or obtain their direct transmission from one controller to another, where technically feasible (so-called “data portability”);
(vi) withdraw the consent given at any time.

You also have the right to object, in whole or in part, on legitimate grounds, to the processing of the data concerning you.

The above rights may be exercised by sending a request to the email address privacy@intred.it.

Finally, if you believe that the processing of the data provided infringes the legislation on the protection of personal data, you will have the right to lodge a complaint with the Italian Data Protection Authority (www.garanteprivacy.it).

The Person Responsible for keeping the Insider Register

Acknowledged

_____

***

ANNEX 1

Legal provisions on the sanctions applicable in the event of insider dealing and unlawful disclosure of inside information.

Below is an extract of the articles of the MAR Regulation and of the TUF concerning the sanctions provided for in the event of market abuse.

Editorial note:
Some passages of the legislation referred to have been intentionally omitted from the text as they are not directly relevant for the purposes of this communication.

1. Regulation (EU) No 596/2014

Article 2 - Scope

1. This Regulation applies to the following:

a) financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;
b) financial instruments traded on an MTF, admitted to trading on an MTF or for which a request for admission to trading on an MTF has been made;
c) financial instruments traded on an OTF;
d) financial instruments not covered by point (a), (b) or (c), the price or value of which depends on or has an effect on the price or value of a financial instrument referred to in those points, including, but not limited to, credit default swaps and contracts for difference.

(….)

3. This Regulation applies to any transaction, order or behaviour concerning any financial instrument as referred to in paragraphs 1 and 2, irrespective of whether or not such transaction, order or behaviour takes place on a trading venue.

4. The prohibitions and requirements in this Regulation shall apply to actions and omissions, in the Union and in a third country, concerning the instruments referred to in paragraphs 1 and 2.

Article 3 - Definitions

1. For the purposes of this Regulation, the following definitions apply:

1) ‘financial instrument’ means a financial instrument as defined in point (15) of Article 4(1) of Directive 2014/65/EU;

(…)

6) ‘regulated market’ means a regulated market as defined in point (21) of Article 4(1) of Directive 2014/65/EU;

7) ‘multilateral trading facility’ or ‘MTF’ means a multilateral system as defined in point (22) of Article 4(1) of Directive 2014/65/EU;

8) ‘organised trading facility’ or ‘OTF’ means a system or facility in the Union as defined in point (23) of Article 4(1) of Directive 2014/65/EU;

(…)

21) ‘issuer’ means a legal entity governed by private or public law, which issues or proposes to issue financial instruments, the issuer being, in case of depository receipts representing financial instruments, the issuer of the financial instrument represented;

(…)

Article 7 - Inside information

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

a) information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments;

(…)

d) for persons charged with the execution of orders concerning financial instruments, it also means information conveyed by a client and relating to the client’s pending orders in financial instruments, which is of a precise nature, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments, the price of related spot commodity contracts, or on the price of related derivative financial instruments.

2. For the purposes of paragraph 1, information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument, the related spot commodity contracts, or the auctioned products based on the emission allowances. In this respect in the case of a protracted process that is intended to bring about, or that results in, particular circumstances or a particular event, those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information.

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

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

(…)

Article 8 - Insider dealing

1. For the purposes of this Regulation, insider dealing arises where a person possesses inside information and uses that information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates. The use of inside information by cancelling or amending an order concerning a financial instrument to which the information relates where the order was placed before the person concerned possessed the inside information, shall also be considered to be insider dealing. (…)

2. For the purposes of this Regulation, recommending that another person engage in insider dealing, or inducing another person to engage in insider dealing, arises where the person possesses inside information and:

a) recommends, on the basis of that information, that another person acquire or dispose of financial instruments to which that information relates, or induces that person to make such an acquisition or disposal, or
b) recommends, on the basis of that information, that another person cancel or amend an order concerning a financial instrument to which that information relates, or induces that person to make such a cancellation or amendment.

3. The use of the recommendations or inducements referred to in paragraph 2 amounts to insider dealing within the meaning of this Article where the person using the recommendation or inducement knows or ought to know that it is based upon inside information.

4. This Article applies to any person who possesses inside information as a result of:

a) being a member of the administrative, management or supervisory bodies of the issuer or emission allowance market participant;
b) having a holding in the capital of the issuer or emission allowance market participant;
c) having access to the information through the exercise of an employment, profession or duties; or
d) being involved in criminal activities.

This Article also applies to any person who possesses inside information under circumstances other than those referred to in the first subparagraph where that person knows or ought to know that it is inside information.

5. Where the person is a legal person, this Article shall also apply, in accordance with national law, to the natural persons who participate in the decision to carry out the acquisition, disposal, cancellation or amendment of an order for the account of the legal person concerned.

Article 10 - Unlawful disclosure of inside information

1. For the purposes of this Regulation, unlawful disclosure of inside information arises where a person possesses inside information and discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or duties.

This paragraph applies to any natural or legal person in the situations or circumstances referred to in Article 8(4),

2. For the purposes of this Regulation the onward disclosure of recommendations or inducements referred to in Article 8(2) amounts to unlawful disclosure of inside information under this Article where the person disclosing the recommendation or inducement knows or ought to know that it was based on inside information.

Article 12 – Market manipulation

1. For the purposes of this Regulation, market manipulation shall comprise the following activities:

a) entering into a transaction, placing an order to trade or any other behaviour which:

i) gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument, a related spot commodity contract or an auctioned product based on emission allowances; or

ii) secures, or is likely to secure, the price of one or several financial instruments, a related spot commodity contract or an auctioned product based on emission allowances at an abnormal or artificial level;

unless the person entering into a transaction, placing an order to trade or engaging in any other behaviour establishes that such transaction, order or behaviour have been carried out for legitimate reasons, and conform with an accepted market practice (…);

b) entering into a transaction, placing an order to trade or any other activity or behaviour which affects or is likely to affect the price of one or several financial instruments, a related spot commodity contract or an auctioned product based on emission allowances, which employs a fictitious device or any other form of deception or contrivance;

c) disseminating information through the media, including the internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument, a related spot commodity contract (…) or secures, or is likely to secure, the price of one or several financial instruments or related spot commodity contracts (…) at an abnormal or artificial level, including the dissemination of rumours, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading;

(…)

2. The following behaviour shall, inter alia, be considered as market manipulation:

a) the conduct by a person, or persons acting in collaboration, to secure a dominant position over the supply of or demand for a financial instrument, related spot commodity contracts (…) which has, or is likely to have, the effect of fixing, directly or indirectly, purchase or sale prices or creates, or is likely to create, other unfair trading conditions;

b) the buying or selling of financial instruments, at the opening or closing of the market, which has or is likely to have the effect of misleading investors acting on the basis of the prices displayed, including the opening or closing prices;

c) the placing of orders to a trading venue, including any cancellation or modification thereof, by any available means of trading, including by electronic means, such as algorithmic and high-frequency trading strategies, and which has one of the effects referred to in paragraph 1, letters a) or b), by:

i) disrupting or delaying the functioning of the trading system of the trading venue or being likely to do so;

ii) making it more difficult for other operators to identify genuine orders on the trading system of the trading venue or being likely to do so, including by entering orders which result in the overloading or destabilisation of the order book; or

iii) creating or being likely to create a false or misleading signal about the supply of, or demand for, or price of, a financial instrument, in particular by entering orders to initiate or exacerbate a trend;

d) the taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a financial instrument, related spot commodity contract (…) (or indirectly about its issuer) while having previously taken positions on that financial instrument, a related spot commodity contract (…) and profiting subsequently from the impact of the opinions voiced on the price of that instrument, related spot commodity contract (…), without having simultaneously disclosed that conflict of interest to the public in a proper and effective way;

(…)

Article 14 - Prohibition of insider dealing and of unlawful disclosure of inside information

A person shall not:

a) engage or attempt to engage in insider dealing;

b) recommend that another person engage in insider dealing or induce another person to engage in insider dealing; or

c) unlawfully disclose inside information.

2. Consolidated Law on Finance - Legislative Decree 58/1998

TITLE I-BIS - INSIDER DEALING AND MARKET MANIPULATION

CHAPTER II - CRIMINAL PENALTIES

Art. 184 - Insider dealing.

1. Imprisonment of two to twelve years and a fine of forty thousand to six million euro shall be imposed on anyone who, being in possession of inside information by virtue of their capacity as a member of the administrative, management or supervisory bodies of the issuer, of their holding in the capital of the issuer, or of the exercise of an employment, profession or function, including a public function, or of an office:

a) buys, sells or carries out other transactions, directly or indirectly, for their own account or for the account of third parties, in financial instruments using such information;

b) discloses such information to others outside the normal exercise of their employment, profession, function or office;

c) recommends or induces others, on the basis of such information, to carry out any of the transactions indicated in letter a.

2. The same penalty as in paragraph 1 applies to anyone who, being in possession of inside information by reason of the preparation or execution of criminal activities, carries out any of the actions referred to in paragraph 1.

3. The court may increase the fine up to three times or up to the greater amount of ten times the proceeds or profit obtained from the offence when, owing to the significant harmfulness of the act, the personal qualities of the offender or the size of the proceeds or profit obtained from the offence, it appears inadequate even if applied at the maximum.

3-bis. In the case of transactions relating to the financial instruments referred to in Article 180, paragraph 1, letter a, number 2, the criminal penalty is a fine of up to one hundred and three thousand two hundred and ninety-one euro and arrest of up to three years.

4. For the purposes of this article, financial instruments also include the financial instruments referred to in Article 1, paragraph 2, whose value depends on a financial instrument referred to in Article 180, paragraph 1, letter a.

Art. 185 - Market manipulation.

1. Anyone who disseminates false information or carries out simulated transactions or other devices concretely capable of causing a significant alteration in the price of financial instruments shall be punished by imprisonment of two to twelve years and a fine of twenty thousand euro to five million euro.

2. The court may increase the fine up to three times or up to the greater amount of ten times the proceeds or profit obtained from the offence when, owing to the significant harmfulness of the act, the personal

qualities of the offender or the size of the proceeds or profit obtained from the offence, it appears inadequate even if applied at the maximum.

2-bis. In the case of transactions relating to the financial instruments referred to in Article 180, paragraph 1, letter a, number 2, the criminal penalty is a fine of up to one hundred and three thousand two hundred and ninety-one euro and arrest of up to three years.

Art. 186 - Ancillary penalties

1. Conviction for any of the offences provided for in this chapter entails the application of the ancillary penalties provided for in Articles 28, 30, 32-*bis* and 32-*ter* of the Italian Criminal Code for a period of not less than six months and not more than two years, as well as the publication of the judgment in at least two national daily newspapers, one of which is a financial newspaper.

Art. 187 - Confiscation

1. In the event of conviction for any of the offences provided for in this chapter, confiscation of the proceeds or profit obtained from the offence and of the assets used to commit it is ordered.

2. Where it is not possible to carry out confiscation pursuant to paragraph 1, it may concern a sum of money or assets of equivalent value.

3. For anything not established in paragraphs 1 and 2, the provisions of Article 240 of the Italian Criminal Code apply.

CHAPTER III - ADMINISTRATIVE SANCTIONS

Art. 187-*bis* - Insider dealing.

1. Without prejudice to criminal penalties where the act constitutes an offence, an administrative pecuniary sanction of one hundred thousand euro to fifteen million euro shall be imposed on anyone who, being in possession of inside information by virtue of their capacity as a member of the administrative, management or supervisory bodies of the issuer, of their holding in the capital of the issuer, or of the exercise of an employment, profession or function, including a public function, or of an office:

a) buys, sells or carries out other transactions, directly or indirectly, for their own account or for the account of third parties in financial instruments using such information;

b) discloses information to others outside the normal exercise of their employment, profession, function or office;

c) recommends or induces others, on the basis of such information, to carry out any of the transactions indicated in letter a.

2. The same sanction as in paragraph 1 applies to anyone who, being in possession of inside information by reason of the preparation or execution of criminal activities, carries out any of the actions referred to in paragraph 1.

3. For the purposes of this article, financial instruments also include the financial instruments referred to in Article 1, paragraph 2, whose value depends on a financial instrument referred to in Article 180, paragraph 1, letter a.

4. The sanction provided for in paragraph 1 also applies to anyone who, being in possession of inside information and knowing, or being able to know through ordinary diligence, its inside nature, commits any of the acts described therein.

5. The administrative pecuniary sanctions provided for in paragraphs 1, 2 and 4 are increased up to three times or up to the greater amount of ten times the proceeds or profit obtained from the offence when, owing to the personal qualities of the offender or the size of the proceeds or profit obtained from the offence, they appear inadequate even if applied at the maximum.

6. For the cases provided for in this article, attempt is equated with commission.

Art. 187-*ter* - Market manipulation.

1. Without prejudice to criminal penalties where the act constitutes an offence, an administrative pecuniary sanction of one hundred thousand euro to twenty-five million euro shall be imposed on anyone who, through the media, including the internet or any other means, disseminates information, rumours or news that are false or misleading and that provide or are likely to provide false or misleading indications regarding financial instruments.

2. For journalists acting in the course of their professional activity, the dissemination of information shall be assessed taking into account the self-regulatory rules of their profession, unless such persons derive, directly or indirectly, an advantage or profit from the dissemination of the information.

3. Without prejudice to criminal penalties where the act constitutes an offence, the administrative pecuniary sanction referred to in paragraph 1 shall be imposed on anyone who carries out:

a) transactions or orders to trade that provide or are likely to provide false or misleading indications as to the supply of, demand for or price of financial instruments;

b) transactions or orders to trade that, through the action of one or more persons acting in concert, secure the market price of one or more financial instruments at an abnormal or artificial level;

c) transactions or orders to trade that employ devices or any other form of deception or contrivance;

d) other devices capable of providing false or misleading indications as to the supply of, demand for or price of financial instruments.

4. For the offences indicated in paragraph 3, letters a and b, no administrative sanction may be imposed on anyone who proves that they acted for legitimate reasons and in conformity with accepted market practices in the market concerned.

5. The administrative pecuniary sanctions provided for in the preceding paragraphs are increased up to three times or up to the greater amount of ten times the proceeds or profit obtained from the offence when, owing to the personal qualities of the offender, the size of the proceeds or profit obtained from the offence or the effects produced on the market, they appear inadequate even if applied at the maximum.

6. The Ministry of the Economy and Finance, after consulting Consob or on its proposal, may identify by its own regulation, in accordance with the implementing provisions of Directive 2003/6/EC adopted by the European Commission under the procedure referred to in Article 17, paragraph 2, of that directive, the cases, including cases in addition to those provided for in the preceding paragraphs, relevant for the purposes of the application of this article.

7. Consob makes known, by its own provisions, the elements and circumstances to be taken into account in assessing conduct capable of constituting market manipulation, within the meaning of Directive 2003/6/EC and its implementing provisions.

Art. 187-*quater* - Ancillary administrative sanctions.

1. The application of the administrative pecuniary sanctions provided for in this chapter entails the temporary loss of the integrity requirements for corporate officers and holders of interests in the capital of

authorised entities and market management companies, as well as for auditors and financial advisers authorised to make off-premises offers and, for corporate officers of listed companies, temporary disqualification from holding administrative, management and supervisory positions in listed companies and in companies belonging to the same group as listed companies.

2. The ancillary administrative sanction referred to in paragraph 1 has a duration of not less than two months and not more than three years.

3. With the measure applying the administrative pecuniary sanctions provided for in this chapter, Consob, taking into account the seriousness of the breach and the degree of fault, may order authorised entities, market management companies, listed issuers and audit firms not to make use, in the exercise of their activity and for a period not exceeding three years, of the person who committed the breach, and may request the competent professional bodies to temporarily suspend the registered person from exercising the professional activity.

Art. 187-*quinquies* - Liability of the entity.

1. The entity is liable for payment of a sum equal to the amount of the administrative sanction imposed for the offences referred to in this chapter committed in its interest or to its advantage:

a) by persons holding representation, administration or management functions in the entity or in one of its organisational units with financial or functional autonomy, as well as by persons who, even de facto, exercise the management and control of the entity;

b) by persons subject to the direction or supervision of one of the persons referred to in letter a).

2. If, as a result of the commission of the offences referred to in paragraph 1, the proceeds or profit obtained by the entity are of significant size, the sanction is increased up to ten times such proceeds or profit.

3. The entity is not liable if it proves that the persons indicated in paragraph 1 acted exclusively in their own interest or in the interest of third parties.

4. In relation to the offences referred to in paragraph 1, Articles 6, 7, 8 and 12 of Legislative Decree no. 231 of 8 June 2001 apply, insofar as compatible. The Ministry of Justice formulates the observations referred to in Article 6 of Legislative Decree no. 231 of 8 June 2001, after consulting Consob, with regard to the offences provided for in this title.

Art. 187-*sexies* - Confiscation.

1. The application of the administrative pecuniary sanctions provided for in this chapter always entails confiscation of the proceeds or profit of the offence and of the assets used to commit it.

2. Where it is not possible to carry out confiscation pursuant to paragraph 1, it may concern sums of money, assets or other benefits of equivalent value.

3. In no case may confiscation be ordered of assets that do not belong to one of the persons on whom the administrative pecuniary sanction is imposed.

***

This document is an English translation of the original Italian document and is provided for ease of reference. The translation may contain errors, omissions or inaccuracies. In the event of any discrepancy or inconsistency between this translation and the Italian original, the Italian original shall prevail to the extent permitted by applicable law.